2024 INTEGRATED ANNUAL REPORT

HOLCIM

In 2024, Holcim delivered record performance and for the first time generated more than CHF 5 billion of Recurring EBIT.

RECORD RESULTS

26.4
Net sales
CHF BN

5.0
Recurring EBIT
CHF BN

19.1%
Recurring EBIT margin

5.70
Earnings per share[1]
CHF

3.8
Free Cash Flow
CHF BN

11.2%
Return on Invested Capital

1.2×
Leverage ratio

4%
Reduction in CO_2/net sales[2]

[1] Before impairment and divestments.
[2] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.

DELIVERING RECORD PERFORMANCE
P18

ACHIEVING PROFITABLE GROWTH ACROSS MARKETS
P36

LEADING IN SUSTAINABILITY
P50

Cover Image:
Built with high-strength Fuerte cement, Parque La Mexicana is an urban park in Mexico City that features 100,000 m² of forest with walking and cycling paths

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ART. 964B SWISS CODE OF OBLIGATIONS

Read more on pages 410–411

CLIMATE REPORT 2024

Holcim's Climate Report 2024 is fully integrated in its Annual Report 2024, due to our commitment to transparency and environmental responsibility.

Learn more on page 62

RECORD RESULTS IN 2024

Holcim delivered record results in 2024 and for the first time generated more than CHF 5 billion of Recurring EBIT in challenging market conditions.

DELIVERING RECORD PERFORMANCE

NET SALES CHF

26.4BN

2023: CHF 27.0BN

RECURRING EBIT CHF

5.0BN

2023: CHF 4.8BN

RECURRING EBIT MARGIN

19.1%

2023: 17.6%

PROFITABLE GROWTH ACROSS MARKETS

EPS[1] CHF

5.70

2023: 5.42

FREE CASH FLOW CHF

3.8BN

2023: CHF 3.7BN

RETURN ON INVESTED CAPITAL (ROIC)

11.2%

2023: 10.6%

LEADING IN SUSTAINABILITY

CIRCULAR CONSTRUCTION

+20%

Recycling of construction demolition materials[2]

CCUS PROJECTS

7

CCUS projects in execution

CO_2 REDUCTION

4%

CO_2/net sales[3]

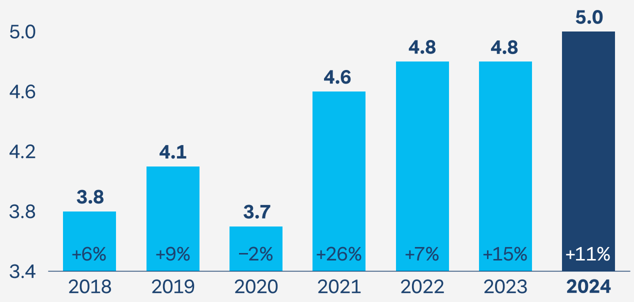
1 Before impairment and divestments.
2 Compared to 2023.
3 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.

HOLCIM'S RESULTS IN 2024

RECURRING EBIT CHF

5.0BN

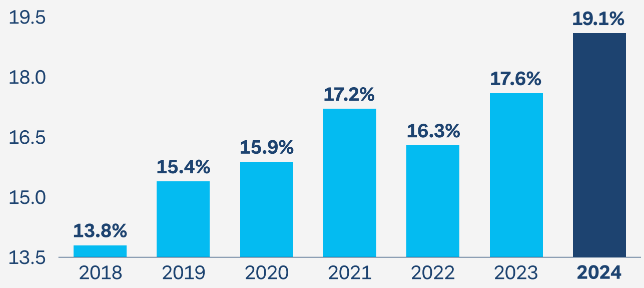
+10.5% organic growth



RECURRING EBIT MARGIN %

19.1%

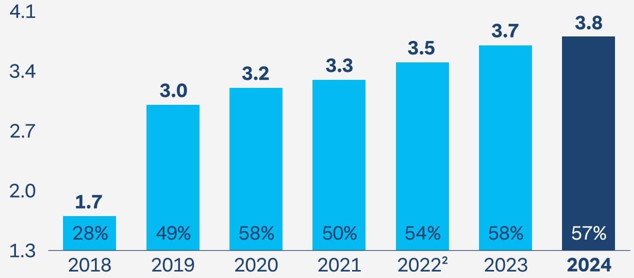
+150 bps



FREE CASH FLOW CHF
CASH CONVERSION %

3.8BN

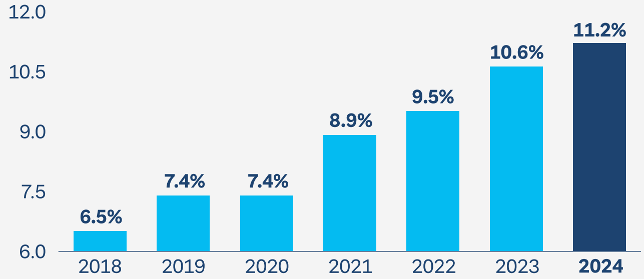
Cash conversion 57%



ROIC %

11.2%

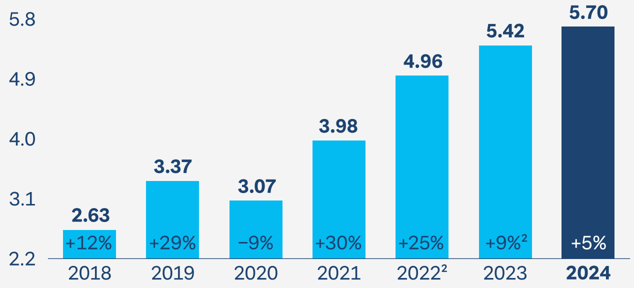
+60 bps



EPS[1] CHF

5.70

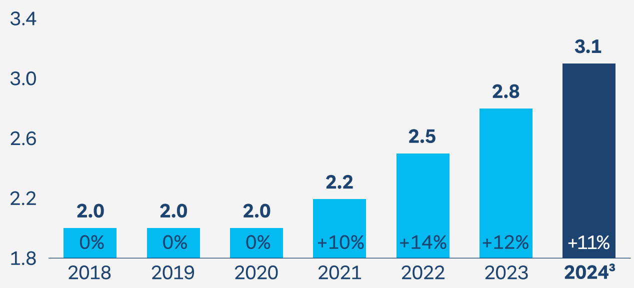
+5.3% EPS growth



DIVIDEND PER SHARE CHF

3.10

+10.7% Dividend payout per share growth



1 Before impairment and divestments.
2 Before resolution with the U.S. Department of Justice (DOJ).
3 Based on proposed dividend per share for 2024.

CHAIRMAN'S LETTER

2024 was a successful and momentous year for Holcim, as we delivered record performance ahead of the planned spin-off of our North American business.

Jan Jenisch
Chairman of the Board of Directors

Dear Shareholders,
I am delighted to share our 2024 results with you, and to congratulate all our 65,000 Holcim colleagues on their dedication, talent and winning spirit. They delivered record performance across our regions in challenging market conditions, a truly impressive achievement.

Successful strategy execution

2024 was a successful year for Holcim in terms of business performance, results and shareholder value creation. This is a result of the transformation of Holcim and the disciplined execution of our strategy. Our resilient business model is based on partnering with our customers and offering them the most advanced building solutions. We are also focusing on the most attractive construction markets, investing in innovation and decarbonization, expanding Solutions & Products, disciplined value-accretive M&A, and, most importantly, Holcim's culture of empowered, decentralized leadership.

"I congratulate all my Holcim colleagues. With their dedication, talent and winning spirit they delivered record performance."

Planned listing of our North American business

In January 2024, we announced our intent to list our North American business with a full capital market separation. We will create two distinct champions with stronger individual strategic priorities to unlock value for all stakeholders. The listing is planned by way of a 100% spin-off to be listed on the New York Stock Exchange, with an additional listing on the SIX Swiss Exchange to accommodate our European investors. The spin-off is subject to shareholder approval at Holcim's Annual General Meeting (AGM) on 14 May 2025 and customary approvals.

CEO transition

In May 2024, I handed over the CEO role to Miljan Gutovic, following his appointment by the Board as my successor. Miljan has played an instrumental role in Holcim's transformation and has strengthened our business, closing strategic transactions and building winning teams. The handover was seamless, and Miljan did an exceptional job in 2024, as Holcim delivered record results, achieved profitable growth across our markets, and accelerated its leadership in sustainability.

Governance

A strong Board of Directors, representing the interests of shareholders and all other stakeholders is my top priority. In 2024, we strengthened our Board by adding Catrin Hinkel and Michael McGarry, two new, highly skilled and experienced Board members.

Since the Board has appointed me as the designated Chairman and CEO of the planned North American company, I will not stand for re-election at our AGM.

In Kim Fausing, the Board has proposed a remarkable leader to continue Holcim's success story as the Chairman of the Board. Kim is the highly accomplished CEO of Danfoss, a global technology leader, and has extensive knowledge of Holcim, having served with distinction as a Board member for the past five years.

After 12 years on the Board, Hanne Sørensen will not stand for re-election at this year's AGM. Hanne was entrusted by the Board with the role of Vice-Chairwoman. She also chaired the Nomination, Compensation & Governance Committee and, as the Board's Lead Independent Director, ensured strong independent checks and balances.

Jürg Oleas has been appointed to serve on the Board of the planned North American company, where he will add great value thanks to his long-standing experience as a Holcim Board member. This means he will also not stand for re-election at the AGM. On behalf of the Board, I would like to thank both Hanne and Jürg for their dedicated service and their outstanding accomplishments.

To strengthen the Holcim Board of Directors, two new nominees will be recommended for election at this year's AGM: Adolfo Orive, President and Chief Executive Officer of Tetra Pak, and Sven Schneider, Chief Financial Officer of Infineon. Both nominees are highly experienced executives from engineering and technology-driven industries, whose expertise will help propel Holcim's next era of growth.

Proposed increase in dividend

On the basis of Holcim's record performance in 2024 combined with a positive outlook for 2025, the Board is pleased to propose a dividend increase of 11% to CHF 3.10 per share at the Annual General Meeting.

Thank you for your trust

As you read this report, my last as Holcim Chairman, I hope that our achievements in 2024 will inspire you as they have me. Holcim is well positioned for the future, and I hope you share my excitement at what is to come.

Sincerely,

JAN JENISCH
Chairman

3.10

Proposed dividend per share
CHF

INTERVIEW WITH OUR CEO MILJAN GUTOVIC

Holcim delivered another year of record results in 2024, with growth and value creation across all market conditions and economic cycles.

Miljan Gutovic
Chief Executive Officer

What were your 2024 highlights?
Most importantly, Holcim delivered another year of record results in 2024. With our track record of growth and value creation across all market conditions and economic cycles, our resilient business model allowed us to deliver a superior earnings profile and industry-leading margins – as we executed on our strategic priorities.

Continuing our value creation for customers and shareholders, we grew in the most attractive markets with strong growth drivers and margins led by our sustainable building solutions, for which demand continues to grow.

On a personal note, it was a privilege and an honor for me to succeed Jan Jenisch as CEO of Holcim in May. There's never been a more exciting time for our sector, and in 2024 I was proud to lead our company, working with teams around the world to advance Holcim's leadership.

What were the drivers of Holcim's success in 2024?
Meeting our customers' most advanced needs, we continued to scale our sustainable building solutions – from ECOPact and ECOPlanet to Elevate. These are multi-billion Swiss franc brands with premium margins. Again, 2024 proved that decarbonization – along with circularity – is a driver of profitable growth for Holcim. Other key drivers underpinning our record performance were value-accretive M&A, fast-paced innovation and our empowered leadership with its strong performance culture.

Our record performance drivers.
Read more on page 19

RECORD PERFORMANCE IN 2024

26.4BN
Net Sales
CHF

5.0BN
Recurring EBIT
CHF

19.1%
Recurring EBIT margin

5.70
Earnings per share[1]
CHF

3.8BN
Free Cash Flow
CHF

4%
Reduction in CO_2/net sales[2]

1 Before impairment and divestments.
2 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.

How did Holcim's segments perform?

North America reached a new level of profitability thanks to strong market fundamentals, with continued federal and state investment programs, reindustrialization and reshoring. Latin America achieved the highest Recurring EBIT margin of our segments, with strong cash generation and excellent growth potential due to population growth, urbanization, government investments and nearshoring. In Europe, sustainability through decarbonization and circularity drove profitable growth, with demand underpinned by the need for key infrastructure projects. In Asia, Middle East & Africa, we delivered strong value creation, margin expansion and shareholder value in attractive markets. Solutions & Products reported the strongest net sales growth of all our segments, driven by roofing systems and continued expansion in the most attractive segments.

How is Holcim leading in sustainability?

Global megatrends, including a rapidly growing and urbanizing population, climate change and resource pressures, are driving demand for resilient buildings and infrastructure that use our sustainable building solutions. Regulations are also developing to support this trend – in Europe and, increasingly, in Latin America and Asia, Middle East & Africa.

In Europe, for example, our margin expansion was driven by our high-value strategy and our advanced branded solutions. We have a wide range of levers to reduce our environmental footprint and positively impact our cost base – from low-carbon formulation to alternative raw materials and fuels.

What is your message to Holcim employees?

Thank you for an exceptional year. Everything we accomplish at Holcim is because of our commitment to Purpose, People and Performance. This is our Holcim Spirit, and I was incredibly proud to see this in action and to work alongside you.

Together, let's remain focused on ensuring that Holcim is the best workplace, where talent is nurtured, diversity is celebrated, and health and safety is our top priority. On this topic, I would like to say how much I appreciate your essential work to further strengthen our performance in 2024, as we continuously strive to reach our goal of zero harm. Let's stay healthy and stay safe.

As a result of all your achievements, Holcim is stronger than ever and well prepared for the future. 2025 will be another exciting year for us as we enter our new era of growth. Let's continue driving sustainable growth with integrity in 2025, with every one of us working to create value for all our stakeholders.

Watch our 2024 highlights video

PLANNED SPIN-OFF OF HOLCIM'S NORTH AMERICAN BUSINESS

The planned spin-off of Holcim's North American business is expected to occur by the end of the first half 2025.

In January 2024, we announced our intent to list our North American business in the U.S.

This process will create the largest building solutions company focused exclusively on the North American market, offering customers a broad range of building solutions from foundation to rooftop.

Holcim post U.S. listing of North America will further advance its leadership in innovative and sustainable building solutions. With decarbonization and circular construction as drivers of profitable growth, the company will continue to deliver industry-leading margins and superior value to shareholders.

The full capital market separation of the North American business is expected to occur in the first half of 2025. This is planned by way of a 100% spin-off to be listed on the New York Stock Exchange, with an additional listing on the SIX Swiss Exchange to accommodate European investors.

The planned spin-off is subject to shareholder approval at the Annual General Meeting on 14 May 2025, as well as customary approvals.

"With the planned listing of our North American business, we will create two distinct champions with stronger individual strategic priorities to unlock value for all stakeholders."

JAN JENISCH
Holcim Chairman and designated Chairman and CEO for the planned North American company

Spin-off information

SPIN-OFF TIMELINE

28 January 2024
Holcim announces intent to list North American business in the U.S.

6 December 2024
Holcim announces planned listing on the NYSE, with additional listing on SIX.

10 January 2025
Holcim designates Board and Chairman and CEO for planned North America company.

21 February 2025
Announcement of Amrize as the name for the planned North American company.

28 February 2025
Public filing of SEC Form 10 for the planned North American company.

HOLCIM

Based in Zug, Switzerland, Holcim will drive profitable growth, further advancing its leadership in innovative and sustainable building solutions.

- Building on its superior financial performance, Holcim will accelerate its leadership in decarbonization and circularity as drivers of profitable growth.
- Continued portfolio transformation with disciplined value-accretive transactions, including expanding in Solutions & Products and focusing on advanced mortars and insulation for repair and refurbishment.
- The company will strengthen its ability to maximize value creation with a well-balanced footprint and leading market positions across Europe, Latin America and Asia, Middle East & Africa. It will deliver industry-leading margins, cash generation and attractive shareholder returns through dividends and share buybacks – offering a compelling investment profile.

AMRIZE

With operational headquarters in Chicago, Amrize will be the largest building solutions company focused exclusively on the North American market.

- With more than 1,000 sites and facilities, the business is a leader in advanced roofing systems, the number one player in cement, and strongly positioned in aggregates and ready-mix.
- Building on our operating footprint, Amrize is positioned to capitalize on the strong commercial and residential construction spend and infrastructure investments across North America.
- The listed company will pursue growth-focused capital allocation priorities and a U.S. dollar-based tailored capital structure, creating a distinct and compelling investment profile.

25 March 2025
Investor Day for Amrize in New York.

28 March 2025
Investor Day for Holcim in Zurich.

14 May 2025
Holcim Annual General Meeting 2025 with shareholders vote on the planned spin-off.

END OF THE FIRST HALF[1]
Completion of spin-off and first day of trading.

[1] Subject to shareholder approval.

OUR LEADERSHIP TEAM

Holcim's leadership team is dedicated to creating value for all our stakeholders.

Front row, left to right

1 **CARMEN DIAZ**
Chief People Officer

2 **NOLLAIG FORREST**
Chief Sustainability Officer

3 **MILJAN GUTOVIC**
Chief Executive Officer

4 **JAMIE M. GENTOSO**
Global Head Solutions & Products Business Unit

Middle row, left to right

5 **OLIVER OSSWALD**
Region Head Latin America

6 **VIRGINIE DARBO**
Group Head of M&A and Head of Finance Europe

7 **JAIME HILL**
Region Head North America

8 **SIMON KRONENBERG**
Region Head Central and East Europe

Back row, left to right

9 **LUKAS STUDER**
Group General Counsel

10 **STEFFEN KINDLER**
Chief Financial Officer

11 **DRAGAN MAKSIMOVIC**
Region Head West Europe

12 **ALFONSO PARADINAS**
Chief Marketing Officer

13 **MARTIN KRIEGNER**
Region Head Asia, Middle East & Africa

14 **RAM MUTHU**
Head of Operational Excellence and Group Strategy

Learn more about our Executive Committee

See page 162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3
4
2
HOLCIM

HOLCIM AT A GLANCE

Partnering with our customers, we build progress with our sustainable building solutions.

BUILDING PROGRESS

Holcim is a global leader in innovative and sustainable building solutions, with 65,000 employees driven by our purpose to build progress for people and the planet.

Global megatrends – from a growing, urbanizing world population to climate and resource pressures, as well as the desire for better living standards – are driving demand for our advanced branded solutions.

Partnering with our customers, we offer them everything from sustainable building materials, such as ECOPact and ECOPlanet, to our ECOCycle® circularity technology, and Elevate's advanced roofing and insulation systems.

Holcim supports our customers with its advanced branded solutions to deliver major construction projects – from residential and commercial to key infrastructure – in over 50 markets across the world.

WHAT WE OFFER

SOLUTIONS & PRODUCTS

With our advanced roofing, insulation and specialty building solutions, we focus on making buildings more energy-efficient, resilient and long-lasting.

AGGREGATES

Holcim's global range of aggregates – from sustainably sourced materials to recycled construction demolition materials – meet all project needs.

CONCRETE

ECOPact concrete delivers 100% performance offering at least 30% lower CO_2 emissions compared to standard (CEM I) concrete without offsets.

CEMENT

ECOPlanet cement delivers 100% performance starting at 30% lower CO_2 emissions, and is available in 34 markets across the world.

Read more about Holcim's sustainable building solutions online

65,000
People

50+
Markets

GLOBAL MEGATRENDS

CLIMATE AND NATURAL RESOURCES

Climate change and pressure on primary materials is driving demand for sustainable building solutions worldwide.

POPULATION GROWTH

The global population is expected to reach 9.7 billion by 2050[1], pushing up demand for housing and infrastructure.

BETTER LIVING STANDARDS

People are demanding better living standards to improve their quality of life, which means we need more efficient housing and infrastructure.

URBANIZATION AND MEGACITIES

With 2.5 billion more of us expected to live in cities by 2050[2], concrete enables essential urban infrastructure.

INNOVATION-DRIVEN BUILDING

Holcim is driving cutting-edge innovation to make construction circular, resilient, low-carbon, energy-efficient and smart.

REPAIR AND REFURBISHMENT

Since an estimated 80% of today's buildings will still be in use by 2050[3], repair and refurbishment is a major trend.

9.7BN
World population by 2050[1]

6.7BN
Urban population by 2050[2]

80%
of world's building stock will still be in use in 2050[3]

1 United Nations population data.
2 World Urbanization Prospects 2018 report, United Nations.
3 Accelerating the Decarbonization of Buildings, World Economic Forum briefing paper, 2022.

WHY INVEST IN HOLCIM

Thanks to its record performance driven by profitable growth in the most attractive markets, Holcim consistently generates above-market returns for its shareholders.

ATTRACTIVE MARKETS

Accelerating growth with our advanced branded solutions.

- +12.4% of Recurring EBIT organic growth in North America.
- +9.3% of Recurring EBIT organic growth in Latin America.
- +11.3% of Recurring EBIT organic growth in Europe.
- +13.5% of Recurring EBIT organic growth in Asia, Middle East & Africa.
- +14.3% of Recurring EBIT organic growth in Solutions & Products.

10.5%

Recurring EBIT organic growth

HIGH-VALUE SOLUTIONS

Our portfolio of innovative and sustainable building solutions is driving profitable growth.

- Through our high-value strategy, we offer customers brands from ECOPact and ECOPlanet, to Elevate and ECOCycle®.
- We continued to expand in Solutions & Products with four acquisitions – including OX Engineered Products, ZinCo and Tensolite – while furthering our leadership in advanced roofing systems in North America.
- Holcim is driving cutting-edge innovation for our customers – from 3D printing to artificial intelligence – while innovating with leading startups.

36%

of net sales from advanced branded solutions

LEADER IN SUSTAINABILITY

Circular, resilient, low-carbon, energy-efficient and smart solutions for a net-zero future.

- We lead in our industry with a clearly defined net-zero roadmap. Holcim's 2030 and 2050 net-zero targets are validated by the Science Based Targets initiative (SBTi) for all scopes.
- Our innovative, sustainable solutions include multi-billion Swiss franc brands delivering premium margins.
- With our formulation expertise, decarbonized energy sources and advanced technologies, including carbon capture, we are working to achieve net zero by 2050.

4%

Reduction in CO_2/net sales[1]

[1] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.

EMPOWERED LEADERSHIP

Holcim's record performance is driven by empowered leadership with a strong performance culture.

- Deeply embedded performance culture with more than 500 profit and loss (P&L) leaders empowered for customer-centric decision making.
- Transparent and accountable performance management with a focus on Group targets.
- Well-established Business School – from early career to leadership development – with 85% internal promotion rate across Senior Leaders.

500+

Empowered P&L leaders

SUPERIOR EARNINGS

We have the strongest earnings profile in our sector with industry-leading margins and Free Cash Flow generation.

- Holcim's resilient business model has delivered in all market conditions and economic cycles.
- Industry-leading Recurring EBIT margin at 19.1% in 2024.
- CHF 3.8 billion in Free Cash Flow (FCF), the sixth successive year we have generated over CHF 3 billion[1], to achieve an industry-leading cash conversion of 57%.

3.8BN

Free Cash Flow
CHF

SHAREHOLDER VALUE

Above-market returns and value creation with profitable growth, industry-leading margins and strong cash flow.

- Attractive shareholder returns: CHF 11.4 billion in cash returned to shareholders since 2018 via dividends and two share buybacks.
- Strong balance sheet allows for CapEx, value-accretive acquisitions and divestments, and shareholder cash returns.
- Planned listing of Holcim's North American business to unlock new value.

12%

Compound annual growth rate in dividends since 2020

[1] For 2022, Free Cash Flow before resolution with U.S. Department of Justice (DOJ).

CREATING VALUE FOR ALL

We work to create value for all – from our customers and shareholders to people, communities and the planet.

CUSTOMERS

We bring customers added value with our sustainable, circular, resilient, energy-efficient and smart building solutions.

- Supporting our customers to realize their projects with our innovative and sustainable building solutions – delivered seamlessly through our HOLCIM+ digital ecosystem.
- We cover the full value chain – from aggregates, cement and ready-mix to advanced roofing, insulation and specialty building solutions.
- Working closely with our customers, we support them in achieving their ambitious technical and sustainability goals.

710

New products launched in 2024

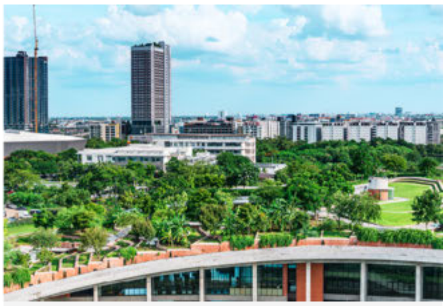
PEOPLE

Creating the best workplace, where talent is nurtured, diversity is celebrated and health and safety is our priority.

- We promote diversity and nurture talent across our organization – from early career to senior leader level.
- By increasing the resources available for our people to grow – from Holcim University and development assignments, to collaborative learning and career growth – we ensure everyone can thrive.
- We run employee surveys for our 65,000 people worldwide, and emphasize continuous learning to enable them to realize their potential and accelerate sustainable growth.

85%

Internal promotion across senior leadership



PLANET

Taking a rigorous, science-driven approach to climate and nature, we execute on our 1.5°C-aligned targets at speed and scale.

- Holcim is becoming a net-zero company with 1.5°C targets validated by the Science Based Targets initiative (SBTi). We are working to make building sustainable.
- We contribute to a nature-positive future through our science-based approach, focused on restoring and preserving biodiversity and freshwater ecosystems, while bringing more nature into cities.
- We have been named by the Science Based Targets Network (SBTN) as one of only three companies globally to adopt science-based targets for nature.

534M

Green CapEx invested
CHF

COMMUNITIES

We are committed to upholding and promoting human rights, while fostering positive social impact in the communities where we operate.

- We embed human rights across our businesses and with our partners and suppliers.
- We empower communities and improve their well-being through local partnerships.
- To build more affordable, resilient housing, we partner with organizations including Habitat for Humanity and Build Change, and run our Houses of Tomorrow project in seven countries. The Essential Homes Research Project, with the Norman Foster Foundation, works to make sustainable building possible for all.

150+M

Contribution to social initiatives since 2020 CHF

SHAREHOLDERS

We continue to deliver superior returns for Holcim shareholders in 2024.

- Led by superior returns, growth and leading technology and sustainability, we sharpened our footprint in the most attractive markets.
- An industry-leading Recurring EBIT margin in 2024 demonstrated our resilient business model.
- Our strong balance sheet allows for CapEx, value-accretive M&A and shareholder cash returns.
- Holcim is financially strong with debt leverage of 1.2x and a strong investment grade credit rating of BBB+/Baa1.

3.10

Proposed dividend per share
CHF

OUR MATERIAL IMPACTS AND PRIORITIES

Materiality provides an essential means by which we determine our approach to building long-term value for all stakeholders.

Read more on page 196

RECORD PERFORMANCE

In 2024, Holcim delivered superior performance with profitable growth across all market conditions and economic cycles.

Santiago Bernabeú Stadium, home of Real Madrid CF, renovated with Holcim's sulfur-resistant cement and Agilia Light Weight self-compacting concrete

IN THIS SECTION

Achieving strong results in 2024

Holcim delivered record performance in 2024 thanks to our resilient business model. We scaled our sustainable building solutions – from ECOPact and ECOPlanet to Elevate – to meet our customers' most advanced needs, and invested in value-accretive M&A. Other key profitability drivers are our innovation engine and empowered leadership with a strong performance culture.

"Holcim's strong results show the resilience of our business model across all market conditions and economic cycles."

MILJAN GUTOVIC
Chief Executive Officer

RECORD PERFORMANCE

DELIVERING ON OUR STRATEGY

By focusing on the three strategic levers of our Strategy 2025, Holcim achieved record performance in 2024.

ACCELERATING GROWTH

With broad-based growth across markets we delivered leading profitability and cash flow.

- Holcim achieved a superior earnings profile in the full year, with broad-based growth drivers and our resilient business model delivering record Recurring EBIT and Recurring EBIT margin.
- Outstanding performance was driven by a strict focus on strategic priorities and impeccable execution from Holcim's 65,000 employees.
- Our high-value strategy with sustainable building solutions continues to deliver industry-leading performance.
- Holcim's disciplined M&A execution, which is a key contributor to our growth trajectory, continued in 2024 with 22 value-accretive acquisitions.

5.0BN

Recurring EBIT
CHF

EXPANDING SOLUTIONS & PRODUCTS

We continued to expand Solutions & Products both organically and through M&A.

- Roofing delivered profitable growth in the USD 40 billion North American roofing market, driven by resilient demand.
- We expanded our range of integrated solutions and systems – acquiring OX Engineered Products in the U.S., ZinCo in Germany and Tensolite in Argentina.
- Elevate opened a 60,000m^2 manufacturing and distribution center in Salt Lake City to service Canada and the Western U.S.
- Malarkey Roofing Products broke ground on a new 35,000m^2 facility in Franklin, Indiana, to produce sustainable residential roofing shingles.

Solutions & Products. Read more on page 46

5.9BN

Net sales from Solutions & Products CHF

LEADING IN SUSTAINABILITY

We continued to deliver on our net-zero targets while driving innovation in construction.

- Making circularity a driver of profitable growth, we recycled 10.2 million tons of construction demolition materials in 2024, or over 2,000 truckloads every working day.
- We broke ground on two large-scale carbon capture projects, and were selected for an additional European Union Innovation Fund grant – taking the number of our supported projects to seven.
- Advancing circularity and decarbonization as drivers of profitable growth, Holcim reduced CO_2 per net sales by 4% in 2024[1].
- We developed innovations to decarbonize building – from powering smart operations with artificial intelligence and 3D printing to technology that turns concrete into a carbon sink.

Leading in Sustainability. Read more on page 50

4%

Reduction in CO_2/ net sales

RECORD PERFORMANCE

Delivering on our three strategic levers, we continued to achieve record performance in 2024, focusing on these six pillars:

Growing multi-billion brands
From ECOPact and ECOPlanet to Elevate. See page 22.

Decarbonization
As a driver of profitable growth. See page 24.

Circular construction
As a driver of profitable growth. See page 26.

Value-accretive M&A
In the most attractive markets and segments. See page 28.

Fast-paced innovation
Thanks to our R&D organization and work with startups. See page 30.

Empowered leadership
With a strong performance culture. See page 34.

[1] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.

GROWING MULTI-BILLION BRANDS

Holcim generated 36% of net sales from advanced branded solutions in 2024 – from ECOPact to Elevate.

ECOPLANET

Flagship sustainable brand with 26% of Holcim cement net sales.

- The world needs to build, and ECOPlanet is meeting this demand as the backbone of sustainable construction in 34 markets worldwide.
- ECOPlanet delivers 100% performance starting at 30% lower CO_2 emissions compared to ordinary (CEM I/OPC) cement.
- Holcim uses innovative raw materials including calcined clay and recycled construction demolition materials, as well as alternative fuels, to reduce ECOPlanet's carbon footprint.

3+BN

Net sales ECOPlanet CHF

ECOPACT

Flagship sustainable brand – 29% of ready-mix net sales.

- Our flagship concrete brand ECOPact represents 29% of net sales in our ready-mix business across 30 markets.
- DYNAMax is Holcim's ultimate high-performance concrete, offering high strength, durability, superior rigidity and a reduced carbon footprint.
- Water-permeable Hydromedia concrete allows water to recharge ground soil, and TectorPrint, our proprietary 3D concrete printed ink, reduces material use by up to 50%.

1.5+BN

Net sales ECOPact CHF

ECOCYCLE®

ECOCycle® enables us to scale circular construction worldwide.

- Our ECOCycle® circular technology enables Holcim to recycle construction demolition materials (CDM) into sustainable building solutions – to build new from old.
- With over 150 recycling centers globally, we recycled 10.2 million tons of CDM in 2024 (+20% compared to 2023).
- Circular construction preserves primary materials and reduces waste and costs. We are scaling ECOCycle® both organically and through M&A.

+20%

Recycled CDM increase in 2024

FUERTE AND APASCO

Holcim's flagship cement ranges in Latin America.

- Offer a carbon footprint that is at least 30% lower versus ordinary Portland cement.
- Supplied in the broadest ranges, the cements are designed for concrete, mortar and all types of construction.
- Fuerte and Apasco provide excellent mechanical resistance, improved workability of mixtures and reduced segregation and exudation.

1+BN

Net sales Fuerte + Apasco[1] CHF

HOLCIM OneCem® Type IL Portland Limestone Cement

ONECEM

Holcim's leading cement range in the U.S.

- OneCem accounted for 87% of cement net sales in North America in 2024.
- The range offers strength, durability, performance and workability, while delivering a better sustainability profile versus traditional Portland cement – reducing CO_2 emissions by 5-10%.
- Varied applications range from general ready-mix concrete, through to architectural precast, structural precast, concrete block, paving and geotechnical.

2.5+BN

Net sales OneCem CHF

ELEVATE

Most advanced system selling roofing brand in North America.

- Elevate is our most advanced roofing systems brand in North America, and is central to our Solutions & Products segment.
- Innovative, durable and sustainable, Elevate's solutions range from high-performance roofing systems to wall and lining solutions.
- Other Solutions & Products brands include Duro-Last, a U.S. leader in commercial roofing systems, and Malarkey – which is growing fast in the U.S. residential roofing market.

2+BN

Net sales Elevate CHF

[1] Fuerte and Apasco are part of ECOPlanet.

DECARBONIZATION DRIVING PROFITABLE GROWTH

Holcim is driving the industry's broadest range of advanced construction technologies to achieve our net-zero targets and drive profitable growth.

Building for people and the planet
With the world's population expected to reach 9.7 billion by 2050[1], and more of us moving to cities, we need to build, yet we need to do so sustainably – given a changing climate and pressure on resources.

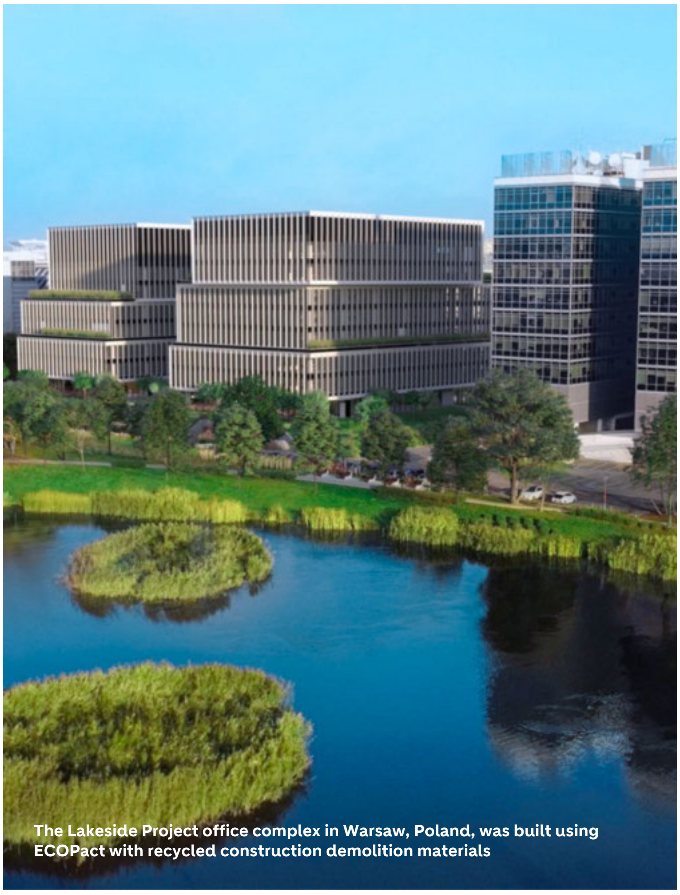
We want to decarbonize building across the value chain. Starting with our own operations, we are working to decarbonize Holcim from quarry to lorry. Then we focus on building better with less – using our low-carbon brands such as ECOPact and ECOPlanet.

We are also making cities more sustainable, by offering products and solutions that improve thermal efficiency and enable green retrofitting.

Finally, we want to change the construction industry from linear to circular, by building new from old.

Why Holcim invests in decarbonization
We are investing in decarbonization because it is the right thing to do, and because it makes good business sense. It enables us to unlock cost efficiencies, and our sustainable building solutions offer customers added value.

In our operations, we are focusing on formulating cement and concrete using innovative raw materials, and expanding our use of decarbonized energy as well as advanced technologies, including carbon capture.



The Lakeside Project office complex in Warsaw, Poland, was built using ECOPact with recycled construction demolition materials

"We are investing in decarbonization to turn sustainable growth into profitable growth, and deliver leading Recurring EBIT margins."

STEFFEN KINDLER
Chief Financial Officer

[1] United Nations population data.

ECOPact concrete helps our customers build better with less at scale across the world

Growing demand for sustainable solutions

With demand for our sustainable building solutions growing worldwide, Holcim stands to benefit over proportionally as a market leader.

We are on course to make net-zero cement and concrete a reality at scale this decade, and are already helping our customers build better with less using multi-billion Swiss franc brands such as ECOPact and ECOPlanet – which offer 100% performance with a carbon footprint that is at least 30% lower compared to standard alternatives.

In Solutions & Products, we have a strong portfolio of brands – from Elevate, Duro-Last and Malarkey to Tector, Airium and ZinCo – that help our customers build, refurbish and retrofit their buildings sustainably, to increase energy efficiency and further reduce emissions.

Sustainable growth is profitable growth

Across our regions, decarbonization, alongside circularity, is a large-scale opportunity that Holcim is seizing – accelerating sustainable and profitable growth.

Europe currently has the most advanced decarbonization policies and regulations that are facilitating our profitable growth. The European Union Emissions Trading System (EU ETS) is the first major carbon market created to lower emissions, and the Carbon Border Adjustment Mechanism (CBAM) places fair tariffs on products, including cement, that enter the bloc.

Such instruments incentivize companies to invest in breakthrough decarbonization technologies, while government funding, the EU Innovation Fund and the EU Green Deal add to Europe’s attractiveness.

CIRCULAR CONSTRUCTION DRIVING PROFITABLE GROWTH

Holcim is advancing circular construction in key metropolitan areas where we operate across the world as a driver of profitable growth.

Advancing circular construction

The future of construction is circular. As the world's population grows, we need to build sustainably – with solutions to reduce, recycle and reuse materials.

Making circular construction a driver of profitable growth, we are committed to building new from old, reducing use of primary materials and minimizing waste, as well as generating revenue from recycling fees. We offer high-value, advanced sustainable solutions that incorporate recycled material, without compromising on performance.

Scaling our ECOCycle® circular technology

By deploying our ECOCycle® circular technology across a range of building solutions, we produce products that guarantee a content of minimum 10% up to 100% recycled construction demolition materials (CDM), with no compromise on quality and performance. Solutions include raw materials for use in low-carbon cement formulations and recycled aggregates for use in concrete or as fillers for road construction.

Solutions with ECOCycle® are now available in nine countries, with more launches planned. As we grow our network of advanced processing sites, we are expanding the markets for which we can provide circular solutions.

Unique geographical footprint

We currently run over 150 recycling centers worldwide, in or near to major metropolitan areas in which we operate – from London to Lyon and Melbourne to Toronto. Holcim's unique geographical footprint and our strong logistics network give us excellent access to CDM available at these "urban mines".

Scaling organically and through M&A

We are leading the shift to circular construction across all our regions, both organically and through M&A. In 2024, we made four value-accretive acquisitions in this space – in the UK, Germany, Belgium and Switzerland – to scale up ECOCycle®. In 2024, Holcim grew its recycling of CDM by 20% for the second consecutive year to 10.2 million tons – equivalent to over 2,000 truckloads every working day.

Iconic circular projects

Iconic Holcim projects include Wood Wharf in central London, where we provided one of the UK's first concretes with recycled CDM.

In Australia, the Kidston Pumped Hydro Energy Project in Queensland was built using 100% recycled aggregates in all Holcim concrete. In France, Recygénie – a social housing project near Paris – was constructed using the world's first 100% recycled concrete from Holcim.

10.2M

Tons of CDM recycled in 2024

150+

Recycling centers worldwide


London's Wood Wharf uses Holcim's ECOPact concrete with 20% locally "mined" construction demolition materials inside

Holcim's circular solutions in action

CDM as high-value aggregates

Holcim is taking recycled aggregates to the next level, recycling them as high-value solutions for use in ready-mix concrete, as well as asphalt for road construction. In the UK, for example, the spectacular Wood Wharf mixed-use development in London uses aggregates "mined" locally then recycled at our nearby recycling center. These were used to create ECOPact mixes with 20% recycled aggregates inside for two of the project's towers.

CDM as alternative raw materials

To reduce emissions in cement, we are substituting limestone in clinker with alternative raw materials derived from CDM – to reduce emissions. For example, the Lakeside Project office complex in Warsaw, Poland (see page 24) was built using ECOPact concrete. This contains cement that uses recycled mineral insulation wool recovered from CDM as a limestone substitute.

CDM as mineral components

Recycled ready-mix fines can be used to replace limestone in concrete production. One example is a multistory office building and underground car park in Styria, Austria, built using Holcim's ECOPlanet RC. Launched at the Austrian World Summit in 2023, this cement contains more than 25% ECOCycle® recycled CDM, and binds additional CO_2 directly into the recycling material via our innovative "RapidCarb" process.

CDM as coarse aggregates

Holcim's broad range of alternative aggregates – containing recycled concrete and secondary aggregates – can be used as base materials for everything from roads to buildings. Jobcenter Unna in Germany is an urban regeneration project where Holcim supplied 2,000m³ of ECOPact with coarse aggregates recycled at our site near Dortmund.

VALUE-ACCRETIVE M&A

Holcim continued its portfolio transformation with 27 value-accretive transactions closed in 2024, strengthening our position in the most attractive markets.

Investing in M&A for growth
M&A is instrumental to Holcim's growth trajectory. We are sharpening our footprint to focus on the most attractive markets and business segments, to ensure we remain at the cutting-edge of the industry – with 22 value-accretive acquisitions and five divestments closed in 2024.

With 100 synergetic acquisitions since 2018, we have shown how successful we are at integrating new companies, using our expertise to realize synergies and maximize the growth potential of our acquisitions.

Advancing in circular construction
Since circular construction is a driver of profitable growth for Holcim, this is one major focus of our M&A activity. In 2024, we acquired four high-margin businesses active in the recycling of construction demolition materials (CDM).

Mendiger Basalt in Germany produces aggregates and recycled CDM, while Land Recovery in the UK is a leading supplier of recycled construction materials and aggregates. Cand-Landi in Switzerland is a diversified business involved in recycling and waste management; Mark Desmedt is a leading Belgian recycler of CDM.

Strengthening Solutions & Products
We strengthened Solutions & Products in 2024 with the acquisition of OX Engineered Products, a leading U.S. provider of advanced insulation systems for residential and commercial applications. OX is a preferred provider for the nation's largest homebuilders, and with OX's complementary technologies, Holcim will offer an extended range of building envelope solutions to meet the needs of its North American customers.

ZinCo is a leader in green roofing systems with operations across Europe, that will strengthen Holcim's specification selling approach.

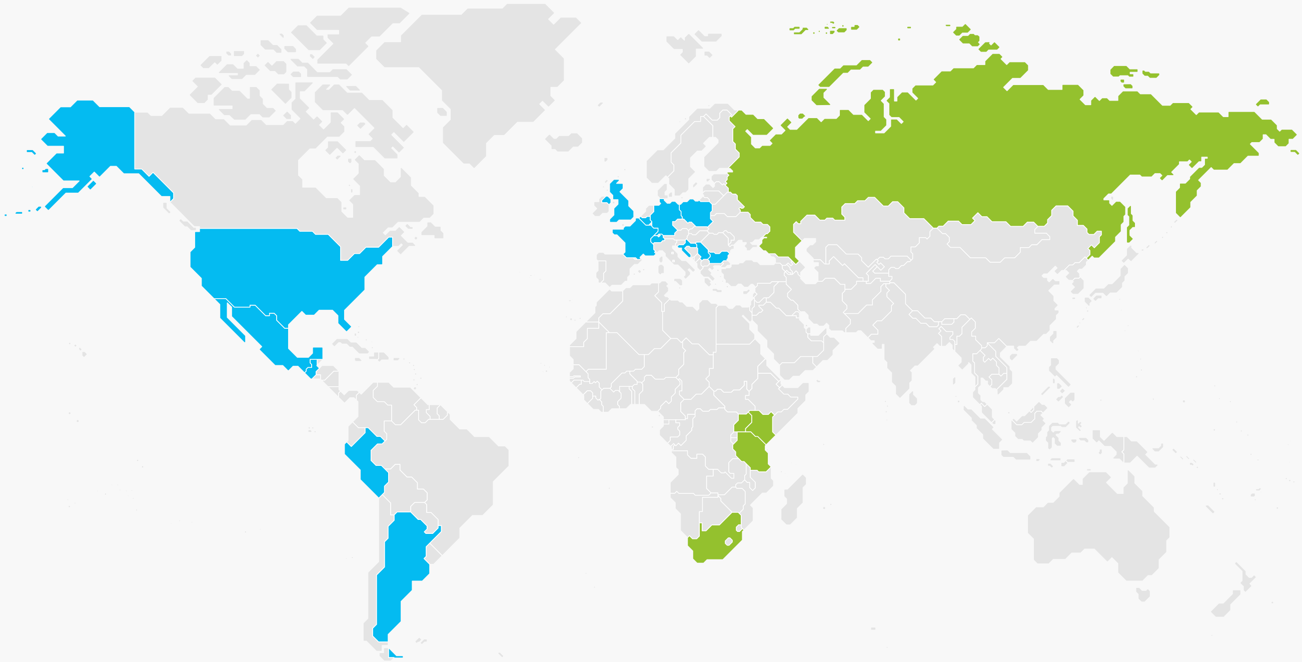
Tensolite is a leading manufacturer of innovative precast and prestressed concrete construction systems with a strong presence in fast-growing Latin American markets.

We continue to accelerate growth in our existing business through synergetic bolt-on acquisitions to expand local operations across key markets and geographies.

Sharpening our footprint
In Latin America we expanded in Guatemala through an acquisition, and acquired Comacsa and Mixercon in Peru to enter that market. In addition, our joint venture Cement Australia signed an agreement to acquire a division of the Buckeridge Group of Companies (BCG) in Australia subject to regulatory approvals.

We closed the divestments of our activities in Uganda, Tanzania, South Africa, Russia and Kenya. We also signed an agreement to sell our Nigerian business. The transaction is subject to customary and regulatory approvals.

27 TRANSACTIONS CLOSED IN 2024



CEMENT, AGGREGATES AND READY-MIX

NORTH AMERICA

King William S&G
U.S. | AGG

EUROPE

Mark Desmedt
Belgium | CDM

Rock 2023
Bulgaria | AGG

Sekundar
Croatia | Recycling

Expansion in Toulouse
France | AGG

Sablières de l'Atlantique
France | AGG

Mendiger Basalt
Germany | CDM, AGG

CemEnergy
Poland | Recycling

Eurobud[1]
Poland | RMX

Dunex Plus
Serbia | RMX

Cand-Landi
Switzerland | CDM, AGG, RMX

Ghielmimenti
Switzerland | CEM

Seekag
Switzerland | RMX

Land Recovery
UK | AGG, CDM

LATIN AMERICA

Expansion in Guatemala
Guatemala | CEM, RMX

Comosa
Mexico | RMX

Comacsa
Peru | CEM

Mixercon
Peru | CEM, RMX

SOLUTIONS & PRODUCTS

NORTH AMERICA

OX Engineered Products
U.S. | Insulation systems

EUROPE

Bantle Gips
Germany | Other

ZinCo
Germany | Green roofing systems

LATIN AMERICA

Tensolite
Argentina | Precast

DIVESTMENTS

KENYA

RUSSIA

SOUTH AFRICA

TANZANIA

UGANDA

[1] Ready-mix operations in selected markets in Poland acquired from Eurobud.

FAST-PACED INNOVATION

With one of the industry's leading R&D networks, Holcim's innovation engine helps drive profitable growth.

R&D at Holcim
Holcim has one of the leading R&D networks in our industry, with over 300 dedicated experts at our research facility in Holderbank, Switzerland and the Holcim Innovation Center in Lyon, France.

Working closely with our global network of regional innovation hubs – from the U.S. to Australia – our researchers spread innovation across our markets. They also work with our commercial teams to support our customers in realizing their ambitious projects from concept to creation.

Spanning every field of construction, our experts include masons, engineers and material scientists as well as experts in artificial intelligence and data mining. They drive cutting-edge research to decarbonize our solutions, from testing new grinding technologies to finding new materials to reduce the CO_2 footprint of our ECOPact concrete mixes (read more on pages 70–73).

In our R&D work we draw on 370 patent families. In 2024, we filed 37 new patent applications, a record number and 30% more than in 2023. Harnessing the know-how of our experts, we launched 710 new products in 2024, a 18% increase compared with 2023.

Our work has won recognition with many awards. For example, we won the Innovation Award Architecture+ Building at BAU Munich, the world's leading trade show for architecture, materials and systems, for four different sustainable building solutions: our ECOCycle® circular technology, the ECOPact and ECOPlanet ranges (including an innovative calcined clay application), and our carbon prestressed concrete (CPC) smart design solution to build better with less.

SCALING AI AND DIGITALIZATION

LEVERAGING THE POWER OF AI

We are leveraging artificial intelligence (AI) to accelerate the transition to sustainable building as well as catalyze operational efficiency and customer service. For example, as part of our Plants of Tomorrow program, we are deploying a range of tools to implement the latest technologies at Holcim plants around the world.

Scaling AI across our plants, we are focusing on optimizing processes, product quality, equipment maintenance and health and safety. We are rolling out a solution from leading platform provider C3 AI to enhance manufacturing resilience at over 100 plants, and piloting generative AI to enhance its capabilities.

To provide a superior customer experience, we piloted elements of HOLCIM+, our AI-powered, integrated digital ecosystem in 2024. This has now been launched and offers everything from effortless ordering and delivery scheduling, to real-time tracking, instant direct communication and more.

In 2024, iconic projects including The Ellinikon in Greece and Mexico's Moranta Tower used our digital concrete services. SMARTCast speeds up construction with sensors in concrete that assess its strength in real time. SMARTFlow simulates concrete flowability and advises on the best pump to use. SMARTherm simulates concrete's temperature development to reduce cost, mitigate risk and optimize its thermal profile.

Located at the Holcim Innovation Center in Lyon, the Holcim Innovation Hub showcases our cutting-edge solutions and brings stakeholders together to accelerate sustainable building

Strong innovation partnerships

Innovation means collaboration. We partner with key players in our world's transition to net zero to pioneer new technologies that will get us there. Our partners range from top-tier academic institutions and star architects, to major corporations across industries and disruptive startups. We work with over 40 leading universities around the world in fields ranging from materials science to civil engineering.

Through Holcim MAQER Ventures, our corporate venture capital and open innovation unit, we have collaborated with startups on over 100 pilot projects around the world and invested in more than 16 startups to date, including four in 2024. We launched the fourth edition of the Holcim MAQER Ventures startup accelerator focused on driving circular construction, with corporate partners including Amazon, BloombergNEF, Acciona and Suez.

Holcim Innovation Hub

In 2024, we welcomed more than 1,800 visitors to the Holcim Innovation Hub. This co-creation lab showcases Holcim's sustainable building solutions and provides a forum to accelerate circular, resilient, low-carbon, energy-efficient and smart building worldwide.

The Hub is a place where key stakeholders across the construction value chain gather to advance net-zero building. From customers and government officials to startups and architects, visitors gain inspiration to transform the way we build.

Introducing HOLCIM+

HOLCIM+ is an integrated ecosystem of digital solutions, providing a seamless end-to-end customer experience that delivers more than just products.

Accessible through a mobile app or the website, HOLCIM+ is an intuitive platform that makes it easier than ever to manage orders, deliveries and projects with transparency and efficiency at every step.

It is already available in many key markets with more to follow. See how it can bring efficiency to your build!

holcim.com/holcim-plus

SCALING WITH STARTUPS

Holcim MAQER Ventures helps the most exciting startups reinvent how the world builds, through venture capital, venture clienting and an accelerator program.

Venture capital
Holcim MAQER Ventures predominantly invests in companies at an early stage, so we can help them scale their breakthrough technologies. Our three investment verticals are sustainable building, efficient building and transformative building.

Our 2024 investments included Sublime Systems, Paebbl, Travertine and Electrified Thermal Solutions.

Neustark, part of the Holcim MAQER Ventures portfolio, is a Swiss carbon removal pioneer. In 2024, we introduced its game-changing mineralization technology in the UK and France, having debuted it in Switzerland.

Concrete naturally absorbs CO_2 from the atmosphere, and neustark's technology accelerates the time this takes from centuries to hours – capturing biogenic CO_2 and permanently storing it in demolition concrete, for use in new building solutions.

Beyond minority equity investments, Holcim MAQER Ventures gives startups access to our global operations and technical expertise to scale innovation. This includes the operations and markets of over 50 businesses worldwide and the largest R&D center in our sector.

Venture clienting
Through venture clienting, where corporations leverage innovation by becoming customers of a startup, Holcim MAQER Ventures brings innovative startup solutions to its global operations, enabling them to pilot and scale up their technologies in a real market context.

Accelerator program
For startups looking to develop their early product, the six-month Holcim MAQER Ventures accelerator program provides real market and technical feedback from Holcim and other corporate partners. In 2024, we launched the fourth season of our accelerator with a focus on circular construction.

> **"Working with the most exciting startups, we scale breakthrough technologies to help reinvent how the world builds."**

BENGT STEINBRECHER
Head of Holcim MAQER Ventures

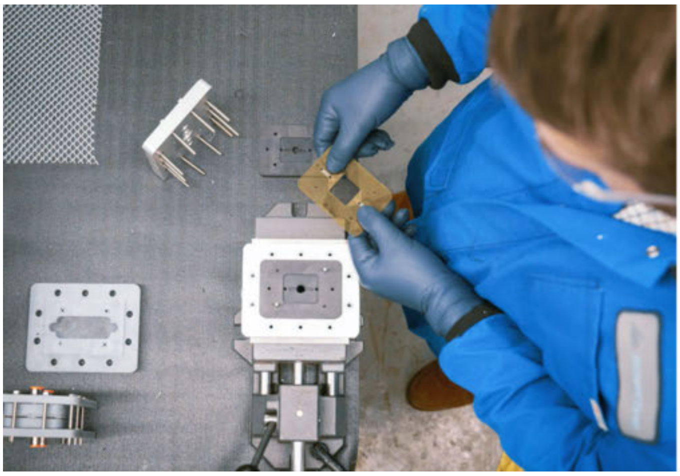
Read more online

100+
Pilot projects

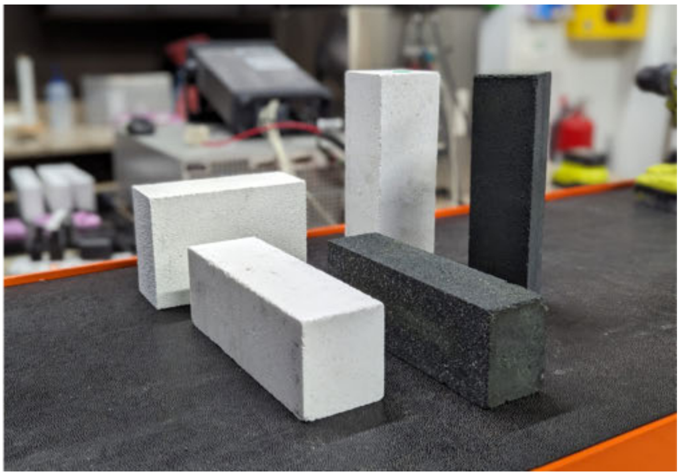
16
Startup investments

Sublime Systems
Based on a proprietary CO_2-free electrochemical system, Sublime Systems' technology uses clean electricity and carbon-free raw materials to reinvent cement making. Holcim has invested in the startup, which is now building a manufacturing plant to produce 30,000 tons of net-zero cement per annum as of 2026.

Paebbl
Using a low-energy process, Paebbl's technology accelerates the mineralization process by converting and permanently storing CO_2 into a future-proof raw material that is suitable for a range of industrial applications. Holcim has co-invested in the startup with Amazon's Climate Pledge Fund.



Travertine
We have invested in Travertine's process that creates a fossil-free source of sulfuric acid. This helps minimize waste from mining and fertilizer while enabling the critical element extraction needed for the energy transition. Using carbon mineralization, it transforms captured CO_2 into stable minerals, mimicking natural processes.



Electrified Thermal Solutions
Holcim has invested in Electrified Thermal Solutions to scale up its breakthrough Joule Hive™ Thermal Battery. This "firebrick" stores electrical energy at ultra-high temperatures, and will allow us to expand our range of clean energy solutions. The startup plans a commercial demonstration in 2025 ahead of a global rollout.

EMPOWERED LEADERSHIP

Holcim's record performance is driven by empowered leadership with a strong performance culture.

Performance culture and management
Holcim is best-in-class when it comes to financial performance, innovation and sustainability, making decarbonization and circular construction drivers of profitable growth.

This is thanks to our deeply embedded purpose-driven performance culture that is lived by our people. Another cornerstone of our leadership model is transparent and accountable performance management, with over 500 profit and loss (P&L) leaders leading the way.

A place where people come first
Most importantly, Holcim is a place where we put our people first so that they can thrive and engage in our mission. For example, we are striving to build the best workplace, and our most recent employee survey had a participation rate of 90%, with Holcim rated higher on every question compared to the previous survey. This positions us among the top quartile of companies that achieved an improvement.

PURPOSE, PEOPLE AND PERFORMANCE

That is what we call the Holcim Spirit, and it is how we generate value for our people and the planet.

We are driven by a clear purpose to build progress, with sustainability and innovation at the core of our strategy.

Our people make this possible. This is why Holcim's leadership is focused on creating the best workplace for people, where talent is nurtured, diversity is celebrated and health and safety is the top priority.

The result is a deeply embedded culture of performance and value creation for customers and shareholders, lived by all our people across all markets. To accelerate this people strategy, our senior leaders will begin incorporating Purpose, People and Performance KPIs into their annual plans.

"At Holcim we live a purpose-driven performance culture. Our great successes are thanks to our people, who make this company the special place it is today."

CARMEN DIAZ
Chief People Officer

Holcim's leaders from around the world gathered for the annual Senior Leaders Meeting in Madrid in November, 2024

Lifelong learning and development

Holcim is committed to nurturing talent by providing growth opportunities to our people through lifelong learning and leadership development, supporting them professionally and guiding them along the way. Everyone is encouraged to thrive and grow.

In 2024, we launched Holcim University, a one-stop destination where business schools, functional academies, forums, and online learning converge under one global brand. Through this global initiative, we are empowering all Holcim employees to take charge of their professional growth and development.

We support our young talent to make a difference through initiatives such as One Young World and the Early Career Leadership Program. Employees in more senior roles also have development opportunities through programs like the Business School for Emerging Leaders, Advanced Leaders and Senior Leaders, with a particular focus on driving Holcim's sustainable growth ambition and establishing a strong commitment to diversity.

In addition to our business schools, a variety of functional academies offered in person or virtually to our middle managers, team leaders and individual contributors all over the world, are designed to equip them with the technical skills they need to thrive and grow in their roles. Under the umbrella of "Collaborative Learning" we provide everyone with a variety of alternative learning resources, while our extensive online library offering thousands of learning modules is freely accessible to all our employees.

Read more on page 106

HOLCIM UNIVERSITY PURPOSE PEOPLE PERFORMANCE

PROFITABLE GROWTH

Holcim continued driving profitable growth in the most attractive, high-value markets and segments in 2024.

Populus Hotel in Denver, Colorado (U.S.), a new milestone for sustainable travel, built using an innovative concrete solution

IN THIS SECTION

Achieving profitable growth

In 2024, Holcim delivered over-proportional Recurring EBIT growth across our segments. We reached a new level of profitability in North America, while sustainability drove profitable growth in Europe. Latin America achieved the highest Recurring EBIT margin of our segments, Asia, Middle East & Africa delivered strong value creation and Solutions & Products reported strong net sales growth.

"Focusing on the most attractive markets with our high-value solutions, Holcim achieved profitable growth across all our segments."

MILJAN GUTOVIC
Chief Executive Officer

NORTH AMERICA

Holcim reached a new level of profitability, thanks to our market-leading positions and strong operational performance.

We achieved this in the face of challenging market conditions, with net sales in North America of CHF 6.4 billion, a record Recurring EBIT of CHF 1.6 billion, and a Recurring EBIT margin of 24.9%.

North America is one of the world's most attractive construction markets, with more than USD 2 trillion of construction spending per year across the infrastructure, commercial and residential segments in the U.S. and Canada[1].

Underinvestment in residential housing, aging infrastructure and recent reshoring trends, combined with population growth and urbanization, are key growth drivers for the North American market. These growth drivers are underpinned by government incentives and spending packages aimed at improving core infrastructure, addressing housing shortages and supporting local manufacturing in the U.S. and Canada.

Our North American business is uniquely positioned to fully capitalize on the region's infrastructure and construction boom.

Holcim has over 950 building materials sites in North America, and our agile U.S. supply chain enables us to serve customers across the U.S. and Canada. Our inland footprint stretches from St. Paul to New Orleans, covering over 3,200 kilometers of the Mississippi River through 19 river terminals. With our leading footprint and proven track record of profitable growth, we are the number one cement player and have leading positions in aggregates and ready-mix.

As such, we stand to play a leading role in building North America's future, and have secured over 200 infrastructure projects for the coming years. Projects range from housing and infrastructure to building the energy transition and digital economy.

DATA CENTER REVOLUTION

USING AI TO OPTIMIZE CONCRETE

The global market for data centers is expected to be worth USD 364 billion by 2034[2]. Holcim already has an order book of more than 90 large-scale data center projects up to 2028. Within the North American market we supply sustainable building solutions for the world's largest data center hubs – from Virginia to Texas.

Holcim offers a comprehensive range of building solutions from foundation to rooftop for data centers, supplying everything from high-performance and innovative building materials, to advanced roofing and insulation systems.

Demand for Holcim's solutions is reinforced by collaborations with industry groups and leaders. For example, our open-source collaboration with Meta's Adaptive Experimentation and Physical Modeling teams is training AI tools to optimize the design, production and delivery of advanced concrete mixes.

Read more online

[1] S&P Construction Data, May 2020.
[2] Precedence Research: Data Center Market Size, Share and Trends, October 2024.

Bridging the U.S. and Canada: Holcim's OneCem cement was used to build the Gordie Howe International Bridge

BRIDGING THE U.S. AND CANADA

A generational project for the U.S. and Canada, Gordie Howe International Bridge is North America's largest cable-stayed bridge. Finished in December, it now connects Detroit, Michigan to Windsor, Ontario.

To drive sustainability, Holcim collaborated to create and test concrete mix designs that maximized use of recycled content and reduced the project's environmental footprint.

With our partner Bridging North America, we developed an advanced, proprietary cement formulation with a range of low-emission raw materials, to deliver 100% performance with a more than 50% lower CO_2 profile for the tower on the U.S. side.

A NEW LEVEL OF HOSPITALITY

Together with real estate developer Urban Villages and design-build firm The Beck Group, we partnered to build Populus, a landmark hotel in Denver, U.S., to achieve LEED Gold certification.

The developers committed to making Populus the first net-positive hotel project in the U.S. To help achieve their ambition, we developed an innovative concrete solution for the project's superstructure, beams and slabs. With this advanced concrete mix, we delivered 100% performance with a 24% lower environmental profile.

To make Populus net positive across the hotel's lifecycle, Urban Villages has planted more than 70,000 trees in Colorado in partnership with One Tree Planted and the U.S. Forest Service.

LATIN AMERICA

With strong underlying dynamics, this attractive region delivered the highest margin of Holcim's business segments.

Record profitability in 2024
Latin America delivered another year of record profitability, with net sales of CHF 2.9 billion, Recurring EBIT of CHF 1.0 billion, and the highest Recurring EBIT margin of our business segments at 36.0%.

Long-term megatrends and government spending are driving infrastructure and commercial investments, resulting in profitable growth for Holcim. We have leading positions in key markets, and are driving profitable growth in the region organically and through M&A.

We made four synergetic acquisitions in 2024. Two acquisitions in Peru gave Holcim access to this fast-growing, profitable market, as well as a growth platform for Solutions & Products in Latin America.

We also expanded our presence in Guatemala, one of the region's most value-accretive markets, which we entered in 2023. In 2024, we acquired cement and ready-mix operations in this market, plus five land distribution centers.

Through our M&A activities and the commissioning of new plants, Holcim has entered a number of new businesses, including precast concrete, roofing and waterproofing, as well as mortars, adhesives and paints.

Closer to end customers with Disensa
In Latin America, we have unrivaled, direct customer access thanks to Disensa, the leading construction materials retail franchise in the region. Over 2,000 stores supply more than 5,000 stock keeping units (SKUs), and Disensa enables Holcim to get closer to end customers with a one-stop solution for construction materials. It provides a direct channel for Holcim's own products, as well as a master distribution opportunity for other products. In 2024, we expanded the network into Guatemala, with the first store and a clear expansion plan.

ICONIC DYNAMAX BUILD

Scheduled for completion in 2025, the 62-story, LEED-certified Torre Sohl is set to transform Central Monterrey, Mexico.

The project drawn up by Sordo Madaleno Arquitectos envisions a 180,000 m^2 project with the 262-meter tower at its center.

To construct the tower, which will stand as one of the nation's highest, 49,500 m^3 of Holcim concrete is being used, including almost 10,000 m^3 of DYNAMax.

Comprising apartments, offices and commercial premises, vertical developments like this enable construction in Mexico's densely populated cities and improve the quality of life for inhabitants.

A spectacular development, Torre Sohl is set to bring widespread socio-economic benefits to downtown Monterrey as well as the north of Mexico.

"Our excellent performance in Latin America was underpinned by large-scale investment in infrastructure and commercial projects, while our Disensa retail franchise flourishes as a one-stop solution for building solutions."

OLIVER OSSWALD
Region Head, Latin America

Expanding sustainable solutions

Plugging sustainability into our high-growth story in the region, Holcim has over 150 projects underway to offer the broadest range of sustainable solutions – from calcined clay to construction demolition materials (CDM).

Mexico City has introduced the country's first circular building norm that allows up to 20% recycled aggregates to be used in certain concretes. The city is now the region's most advanced for CDM, and Holcim Mexico has launched ECOCycle® in the country and is actively processing, crushing and reusing CDM.

Holcim El Salvador is recycling disused power poles into aggregates for concrete production, while in Ecuador we are replacing natural gypsum with residual gypsum from local industries. Holcim Colombia has launched an ECOPlanet cement that uses steel slag to reduce its carbon footprint by 32% versus standard products.

Strong construction demand

The population of Latin America is rapidly growing, as is the urban population of the region, which is expected to double by 2050. At the same time, the people living in these cities are demanding better living standards and more efficient infrastructure.

There is also major investment in trade infrastructure, with large companies investing to move manufacturing into the country and strengthen supply chains. Mexico and its neighboring countries are benefiting, with the potential to attract up to USD 35 billion in new investment[1].

Taken together with the challenge of climate change, all these factors are leading to higher demand for Holcim's innovative and sustainable building solutions – to both build the cities and infrastructure that Latin America needs, and to repair and refurbish existing structures.

Standing at 270 meters, BD Bacatá in Bogotá, built with Holcim concrete, is the tallest building in Colombia

The Moranta Tower is the first fully ECOPact project in Mexico, reducing the carbon footprint of the structure by 30%

[1] Inter-American Development Bank news release, July 2022.

EUROPE

Our sustainable building solutions continued to drive profitable growth, leading to a substantial margin increase in 2024.

Sustainability drives profitable growth
With net sales of CHF 7.2 billion, Recurring EBIT of CHF 1.3 billion and a Recurring EBIT margin of 17.8% in Europe, our sustainable building solutions drove profitable growth.

Demand in Europe is underpinned by the need for infrastructure including industrial facilities, data centers, transportation and energy transition projects.

Margin expansion was driven by our value strategy, and decarbonization and circular construction which drove profitable growth.

We continued to invest in these areas throughout the year, increasing sales of our high-value ECO brands: ECOPact, ECOPlanet and ECOCycle®.

Highly synergetic M&A
In Europe, we closed 13 bolt-on acquisitions including six in aggregates and ready-mix and four in construction and demolition materials (CDM), to increase our capabilities in circular construction.

These include Land Recovery, a leading UK supplier of primary and recycled materials that we acquired in May. The company turns rail ballast into new solutions for the rail network and supplies CDM to ready-mix, precast concrete and asphalt customers.

The European Patent Office (EPO) building in Vienna, Austria, was renovated using Holcim's sustainable building solutions – from foundation to rooftop

BUILDING AN ENERGY ISLAND WITH ECOPLANET

PRINCESS ELIZABETH ISLAND

In the North Sea, a man-made island the size of eight soccer fields will rise up from the waves. Belgium's Princess Elizabeth Island, the world's first artificial energy island, is being built with 23 concrete caissons made with ECOPlanet cement.

Started in 2022, the project is being overseen by Elia, which manages Belgium's power transmission network. On completion in 2030, the island will bundle cables from offshore wind farms to reach a capacity of 3.5 gigawatts a year.

Following testing by our direct customer TM Edison, Holcim's ECOPlanet with high-sulfate resistance was chosen to build the 27-meter-high caissons thanks to its durability, strength and workability.

Sustainability considerations also played a key role in this choice, and Elia has worked with conservation experts to ensure that Princess Elizabeth Island will have a positive impact on biodiversity and marine life.

As a key part of achieving the European climate and energy goals, the island will facilitate energy sharing between countries, reduce fossil fuel reliance and protect businesses and consumers from energy cost inflation.

Read more online

In June, we also acquired Cand-Landi Group in Switzerland to advance decarbonization and circular construction. Its businesses range from recycling and waste management to aggregates and ready-mix.

We also acquired Belgium's Mark Desmedt, a leader in the recycling of CDM, in July. It recycles more than 500,000 tons a year and is located to serve Belgium's two largest metropolitan areas – Brussels and Antwerp.

Favorable regulatory environment

Several regulatory instruments in Europe incentivize the investments that Holcim is making in breakthrough decarbonization technologies, which include recycling and carbon capture, utilization and storage (CCUS).

The European Union Emissions Trading System (EU ETS) is the first major carbon market, created to reduce greenhouse gas emissions at the lowest possible economic cost. The Carbon Border Adjustment Mechanism (CBAM) places a fair tariff on carbon-intensive products, including cement, entering the EU.

Using advanced technologies

Innovative raw materials, decarbonized energy, and other advanced technologies including carbon capture are key levers in Holcim's decarbonization journey.

In spring, Holcim broke ground on two of our large-scale CCUS projects, in Lägerdorf, Germany and Obourg, Belgium (see page 87).

In October, the EU Innovation Fund (EUIF) selected our breakthrough CCUS CarboClearTech project in Martres-Tolosane, France for a grant.

The award brings the total of Holcim's EU-supported CCUS projects to seven, advancing the European Green Deal, as we work to make net-zero cement and concrete a reality at scale this decade.

ASIA, MIDDLE EAST & AFRICA

Across this diverse region, Holcim is driving broad-based profitable growth in some of the world's fastest urbanizing markets.

Driving broad-based profitable growth
In Asia, Middle East & Africa, we are focusing on the most attractive markets to deliver strong value creation, margin expansion and shareholder value.

Net sales in 2024 were CHF 3.6 billion, with Recurring EBIT of CHF 0.9 billion and a Recurring EBIT margin of 22.8% driven by good market dynamics in Australia and North Africa.

With solutions from ECOPlanet cement to 3D printing, Holcim is providing innovative, sustainable building solutions to build the infrastructure and affordable housing that this rapidly urbanizing region needs.

We continue to manage our portfolio proactively here, advancing our leadership in core markets and sharpening our footprint.

In 2024, our joint venture Cement Australia signed an agreement to acquire a division of the Buckeridge Group of Companies (BCG) to strengthen its footprint in Western Australia, while we closed four divestments – in Uganda, Tanzania, South Africa and Kenya.

Shaping sustainable construction
Sales of Holcim's sustainable building solutions are increasing across the region, while across our sites we are ramping up our use of renewable fuels, renewable energy and calcined clay.

BUILDING MELBOURNE'S METRO TUNNEL

Rapid population growth in Melbourne, Australia led city authorities to green light a transformational extension of the city's electrified metro network.

Work began in 2017 on the Metro Tunnel Project and will be completed in 2025, creating room for 500,000 more passengers a week during peak periods. Twin nine-kilometer tunnels will create a new line, while five new stations are being built.

Holcim developed 45 bespoke concrete mixes for the project and delivered over 660,000 m^3 of low-carbon concrete. This helped the Metro Tunnel Project achieve an overall carbon reduction of 165,000 tons, or a 52% reduction in embodied carbon for the cement. This is equivalent to powering more than 20,000 homes for a year.

"We are meeting demand for the cities and infrastructure that our rapidly urbanizing region needs, while continuing to scale sustainable building solutions like ECOPact and ECOPlanet."

MARTIN KRIEGNER
Region Head Asia, Middle East & Africa

Working closely with our customer, Holcim developed 45 specialized, low-carbon concrete mixes for Melbourne's iconic Metro Tunnel Project

Sustainable innovation in Australia

Strong Recurring EBIT margin expansion was the story in 2024 for Asia, Middle East & Africa. Australia was integral to this success as one of its most attractive markets.

With growth in demand for innovative products from ECOPact and DYNAMax to FutureCast precast concrete solutions, we enable our customers here to build better with less. Our Humes brand is the number one precast concrete supplier in Australia for infrastructure – supplying solutions for water, transport and civil projects.

Coupled with ongoing trials of electric vehicles, and use of renewables to power sites, Holcim Australia is helping to shape a sustainable future in construction.

Standout Holcim projects range from Schofield Gardens, an ECOPact residential project in Sydney, to Australia 108, Melbourne Square and Shangri-La Towers in Melbourne. Holcim is also building vital infrastructure in the country and empowering the clean energy transition, with projects including the Sydney Metro, Melbourne Metro Tunnel and the Kidston Pumped Hydro Energy Project.

Generational projects across Egypt

Across Egypt, Holcim is involved in major projects ranging from the Al-Ain El-Sokhna Port extension and Cairo Metro Line 4, to skyscrapers in New Alamein City and large-scale infrastructure.

We are also playing an integral role in building Egypt's New Administrative Capital, a next-generation city the size of Singapore that is rising from the sands near Cairo. Here Holcim supplied ECOPact and ECOPlanet to build Africa's tallest building, the 385-meter-high Iconic Tower.

Covering 500,000 m^2, the newly opened Grand Egyptian Museum (GEM) in Giza is the world's largest museum. It was built to house the nation's priceless historical artifacts, using Holcim's sustainable building solutions.

→ Building Icons. Read more on page 48

SOLUTIONS & PRODUCTS

We continued to expand in the most attractive areas of the market, from roofing and insulation to repair and refurbishment.

Solutions from foundation to rooftop
Solutions & Products achieved net sales of CHF 5.9 billion, with a Recurring EBIT of CHF 0.7 billion and a Recurring EBIT margin of 11.9%.

With iconic brands like Elevate, Duro-Last and Malarkey, this global segment offers the most comprehensive range of advanced roofing and insulation solutions, supporting both the commercial and residential markets.

In addition, under Specialty Building Solutions, we have a wide range of strong European brands – from PRB and Compaktuna to Cantillana and Izolbet – specializing in advanced mortars, tile adhesives and facades.

PRB Group, one of the main French manufacturers of specialty building solutions, which includes coatings, insulation, adhesives and flooring systems, had another strong year, driven by commercial and operational excellence initiatives.

Expanding in the most attractive market segments
Solutions & Products grew organically and through M&A, with key deals including OX Engineered Products in the U.S., a leading provider of structural sheathing and insulation systems that provide best-in-class, long-term performance and protection.

The LEED-certified San Mamés Stadium in Bilbao, built with Elevate UltraPly TPO membrane and white thermoplastic polymer (ETFE) cushions to control natural light and rainwater

LIVING GREEN ROOFS

WELCOMING ZINCO

By acquiring ZinCo this year, a leader in advanced green roofing systems, we expanded our systems selling approach – from solar to green roofs.

ZinCo's living green roofs not only look good and boost energy efficiency – they improve people's well-being. By regulating internal temperatures they combat the urban heat island effect, while bringing more nature into cities and improving air quality.

ZinCo's advanced roofing solutions also offer enhanced stormwater management capabilities and climate resilience for water-sensitive cities.

The company has provided sustainable roofing solutions for a wide range of iconic projects, including the High Line in New York City, the Stavros Niarchos Foundation Cultural Center in Athens and The Ellinikon – Europe's largest urban regeneration project, which is being built using Holcim's sustainable building solutions – from end to end.

Read more online

Expanding its range of nature-friendly solutions, Holcim acquired ZinCo in Germany, a leader in advanced green roofing systems. In Argentina, the company acquired Tensolite, a leader in precast and prestressed concrete construction systems.

Elevate takes the LEED in Salt Lake City

In 2024, Elevate continued to invest to expand its product lines and strengthen its operations in North America.

A new 60,000-m² manufacturing and distribution facility in Salt Lake City was built to serve the Western U.S. and Canada, with the potential to triple regional production for Elevate ISOGARD™ polyiso insulation, while adding a new line for Elevate UNA-CLAD™ metal products.

As a state-of-the-art facility, it achieved the region's first LEED v4 certification thanks to the use of Holcim's sustainable building solutions, from ECOPlanet in its foundations and floors to Elevate systems: ISOGARD™ roof insulation, UNA-CLAD™ metal wall panels and SunWave™ skylights.

Notable Elevate projects completed in 2024 include the 14,800-m² San Juan Indoor Velodrome in Argentina. The largest indoor cycling facility in Latin America features a striking curved roof that integrates Elevate UltraPly™ TPO and ISOGARD™ insulation in the roofing system – to improve interior comfort and maximize energy efficiency.

Duro-Last achieves profitable growth

As the world's largest manufacturer of custom-fabricated, thermoplastic single-ply roofing systems, Duro-Last achieved profitable growth in 2024. The brand advanced its ambition to be the clear market leader in PVC roofing by providing the highest quality products and a superior system offering, with leading customer and technical support.

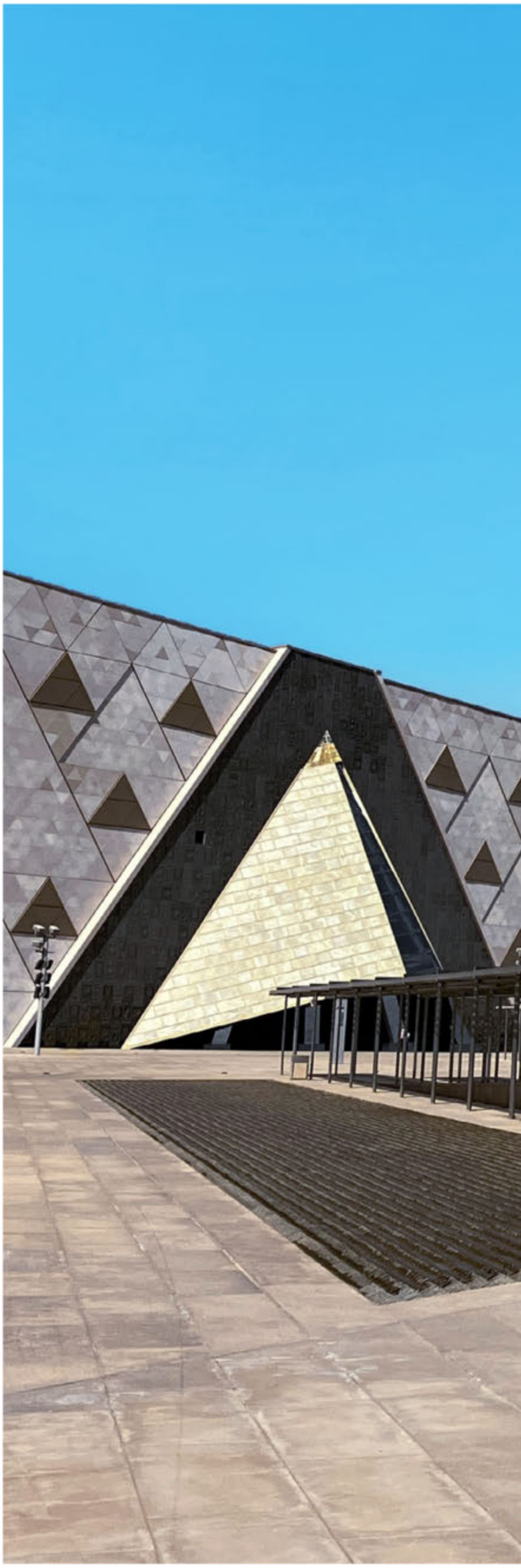
In 2024, significant Duro-Last projects included re-roofing the 12,500-m² Grinnell Mutual Reinsurance facility in Grinnell, Iowa. Focused on durability and weather resistance, the solution used Duro-Last 60-mil tan membrane.

Malarkey builds capacity in Indiana

Another key Solutions & Products business, Malarkey Roofing Products, invested in its footprint in 2024, breaking ground on a 35,000-m² manufacturing facility in Franklin, Indiana to expand its residential roofing offering.

From 2026, the plant will produce residential roofing shingles on two manufacturing lines, improving access and delivery times for customers in the Midwest and Northeast regions.

BUILDING ICONS



We are Building Icons across the world to showcase our circular, resilient, low-carbon, energy-efficient and smart solutions.

What is a Building Icon? An inspirational building at the heart of a city or a key infrastructure project, built sustainably with Holcim inside. A best-in-class example that showcases what inspires us, as we make construction more circular, resilient, low-carbon, energy-efficient and smart – from end to end.

Additionally, Building Icons aims to mobilize everyone across the building value chain – to accelerate sustainable building together, and reinvent the places where we all live, work, learn and play.

Wood Wharf, London, UK

London's Wood Wharf is one such icon. A large, mixed-use development in London, it is being built using Holcim's custom low-carbon ECOPact concrete with 20% recycled construction demolition materials.

Eleven on the River, Minneapolis, U.S.

With the world's population growing, and more of us moving to cities, there is demand for solutions that make it possible to build vertically, while also realizing projects that are technically advanced and aesthetically pleasing.

Step forward Eleven on the River in Minneapolis, U.S., which used ECOPact Prime for its concrete foundation pour to achieve a 50% reduction in CO_2 emissions versus standard concrete. Bespoke DYNAMax mixes also helped us limit the sway of the building's tall, slender structure.

Casa Laguna, Guayaquil, Ecuador

With rapid urbanization across the world, over 3 billion people are expected to need affordable housing by 2030. Ecuador's largest city, Guayaquil, exemplifies this trend – with the population expected to reach 4 million by 2035.

To meet this trend, Casa Laguna is being built as the nation's largest affordable housing initiative. 3,500 homes are being constructed using Holcim's ECOPact, resulting in a 60% reduction in CO_2 emissions compared with traditional concrete.

Building an Egyptian GEM

Giza's spectacular Grand Egyptian Museum (GEM) is the world's largest archaeological museum, built to house the country's rich heritage. We supplied over 320,000 m^3 of ECOPact for the project, as well as Artevia and Agilia concretes, and 600,000 m^2 of mortar from the Tector family.

The Grand Egyptian Museum is Africa's first building to receive IFC EDGE Advanced Green Building Certification

"Building Icons celebrates inspirational buildings and infrastructure at the heart of our cities, built to last with Holcim solutions."

MILJAN GUTOVIC
Chief Executive Officer

LEADING IN SUSTAINABILITY

Sustainability is at the core of Holcim's strategy, as we reinvent building with solutions that are circular, resilient, low-carbon, energy-efficient and smart.

Parque La Mexicana, a vast urban park in Mexico City, Mexico, was built with Fuerte high-strength cement

IN THIS SECTION

Leading in sustainability

In 2024, Holcim made strong progress toward our net-zero targets while offering the broadest range of sustainable building solutions to our customers. We advanced our Nature Strategy, worked to create a positive impact in communities worldwide, and partnered across the value chain to accelerate the shift to sustainable building.

BUILDING THE SUSTAINABLE CITIES OF THE FUTURE

With our sustainable building solutions, Holcim is helping transform how the world builds for people and the planet.

With our sustainable building solutions, Holcim is committed to building cities that work for all. With 2.5 billion more people expected to live in cities by 2050, we are working to build the homes and infrastructure they will need in an advanced, resilient and future-proof way.

Partnering across the building value chain, we are scaling the adoption of our sustainable materials in the construction phase, our advanced roofing and insulation systems to make buildings more energy-efficient in operation, and driving circular construction at end of use – by recycling materials in key metropolitan areas where we operate.

Taking a rigorous science-based approach, we are focused on delivering against our net-zero 1.5°C-aligned targets, while continuing to further our reporting transparency to ensure alignment with the Corporate Sustainability Reporting Directive (CSRD).

Delivering on our targets

In 2024, we made progress across all our targets, making decarbonization a driver of profitable growth. We continued to expand our range of technologies – from innovative low-emission materials such as calcined clay and decarbonized energy to advanced technologies, including hydrogen fuel boosting and carbon capture, utilization and storage.

With our seven large-scale carbon capture projects in Europe, engineered to produce eight million tons of net-zero cement per annum by 2030, we are on track to make net-zero cement and concrete a reality at scale this decade.

Through Holcim MAQER Ventures, we work with the most innovative startups to scale exciting technologies in the built environment – from 3D printing to advanced mineralization. In 2024, we announced investments in four promising startups (see page 32).

Driving circular construction

Circular construction is another key driver of profitable growth. It enables us to reduce primary material use, generate revenue from end-of-use materials and offer advanced sustainable solutions, from decarbonized raw materials for cement and concrete to high-quality aggregates.

Scaling circular construction, we made four value-accretive acquisitions in this space in 2024. We now operate over 150 recycling centers worldwide, and increased our recycling of construction demolition materials by 20% compared to last year.

Bringing nature into cities

Nature matters to all of us at Holcim. By bringing more of it into cities – from green roofs to permeable concrete – we can reduce urban heat and improve water management and air quality, while enabling friendly public spaces for people to enjoy. To showcase how leading cities worldwide are managing nature to increase their resilience, we partnered with IUCN to publish the report “Catalyzing Biodiversity on Buildings”.

We advanced our Nature Strategy in 2024, working with the Science Based Targets Network (SBTN), and are among the first three companies worldwide to set science-based targets for nature. At COP16 in Colombia, we announced our first target focused on water, to be scaled up across our operations.

Building for people and communities

Everything we do at Holcim, we do for people. Respect for human rights is fundamental to the way we and our business partners operate. Going beyond this we strive to create a positive impact on communities worldwide – investing in social initiatives focused on housing, infrastructure, education, skills and health.

One of the key themes at COP 29 in Baku was resilient housing, and we are working to increase its availability for vulnerable populations – from Morocco and Lebanon to Spain. Working with the Norman Foster Foundation, we want to make sustainable building possible for all. Together we unveiled a new prototype “Essential Home” last year, which we will scale in Latin America in 2025 (see page 118).

Sustainability is everyone’s business at Holcim, and in 2024 we again put business to work as a force for good. Thank you to all our teams, from Sustainability and Innovation through to Health, Safety & Environment, who make the magic happen. Their work won us external accolades – from CDP, who named us on its A List for Climate, and the World Economic Forum, to Fast Company, Reuters and more.

Partnering across the value chain

On our mission to decarbonize building, Holcim can’t act alone, which is why we forge strong collaborations across the value chain – with engineers, architects, cities and more. A landmark development was the launch of the Holcim Sustainable Construction Academy – a free online learning journey for built environment professionals, developed with leading external experts.

Together, let’s transform the way the world builds to accelerate the shift to a more sustainable built environment, for people and the planet.

NOLLAIG FORREST
Chief Sustainability Officer

TOWARD FULL CSRD ALIGNMENT

Holcim made further progress toward full CSRD alignment with new disclosures and a dedicated index. We conducted and published a new double materiality assessment (DMA) that confirms our strategic priorities.

See our CSRD content index on page 397

CLIMATE REPORT 2024

Read more on page 62

ADVANCING SUSTAINABLE BUILDING

Holcim is working to make building sustainable across its value chain.

GREEN OPERATIONS

DECARBONIZING HOLCIM

We are developing new formulations and expanding our use of decarbonized energy as well as advanced technologies including carbon capture.

Read more on page 66

CIRCULAR CONSTRUCTION

BUILDING NEW FROM OLD

We recycle millions of tons of construction demolition materials (CDM) every year, and convert plastics and minerals into energy and materials.

Read more on page 26

Leading in sustainability

CLIMATE **CIRCULARITY** **NATURE** **PEOPLE**

Partnering for impact

CUSTOMERS & SUPPLIERS **PUBLIC AUTHORITIES & CITIES** **ARCHITECTS & ENGINEERS** **STARTUPS & ACADEMIA**

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

OUR ONLY FUTURE

BUILDING BETTER WITH LESS

DECARBONIZING CONSTRUCTION

We are scaling low-carbon brands such as ECOPact and ECOPlanet. Smart-design systems such as 3D concrete printing with TectorPrint and prefabricated solutions can reduce material use by up to 50%.

Read more on page 88

MAKING BUILDINGS SUSTAINABLE

DECARBONIZING CITIES

Our advanced roofing, insulation and specialty building solutions improve energy efficiency in use and reduce operational emissions. Green roofing and permeable concrete help bring nature into cities.

Read more on page 92

Sustainability is embedded throughout our operations, centered on four key pillars.

Read more on page 56

See how we create value for all.

Read more on page 16

DELIVERED THROUGH OUR STRATEGY:

ACCELERATING GREEN GROWTH

Accelerating growth across all our markets with industry-leading profitability and cash flow.

EXPANDING SOLUTIONS & PRODUCTS

Reaching 30% of Group net sales in Solutions & Products by 2025.

LEADING IN SUSTAINABILITY

Sustainability is at the core of our strategy, with 2030 and 2050 net-zero targets validated by SBTi for all scopes.

Read more about our strategy on page 20

OUR APPROACH

Sustainability is at the core of our strategy, and our approach is based on four key pillars: climate, circularity, nature and people.

CLIMATE

Holcim is taking a science-driven approach to becoming a net-zero company. As a leader in our industry we are following science-based targets and a clearly defined net-zero roadmap.

Read our Climate Report on page 62

Material issues

- Operational greenhouse gas emissions (direct)
- GHG emissions in the value chain (indirect)
- Climate change adaptation and resilient infrastructure
- Meeting customers' product quality and decarbonization expectations
- Energy and alternative fuels

Key initiatives

- Decarbonizing our operations
- Decarbonizing our energy mix
- Decarbonizing our mobility
- Scaling up low-carbon materials
- Accelerating CCUS
- Advocacy and leadership

Our science-based targets. Read more on page 67
Low-carbon formulation. Read more on page 70
Decarbonized energy. Read more on page 74
Carbon capture technologies. Read more on page 82

CIRCULARITY

Holcim is driving circular construction at scale across key metropolitan areas. ECOCycle® is our circular technology platform to recycle construction demolition materials into new building solutions.

Read more about Circular Construction on page 26

Material issues

- Operational waste management
- Responsible procurement
- Resource use and the circular economy

Key initiatives

- Circular construction
- Circular cities
- Building resilient cities

Circular construction. Read more on page 26
Circular cities. Read more on page 90
The "Regenerative Revolution." Read more on page 92

LEADING IN ESG DISCLOSURES & TRANSPARENCY

- Art. 964b Swiss Code of Obligations. Read pages 410–411
- EU Taxonomy. Read page 244
- TCFD. Read page 216
- TNFD. Read page 216

CLIMATE REPORT 2024 net zero

NATURE

Nature absorbs half of the world's carbon emissions and is the foundation of our economies and lives. Our Nature Strategy focuses on restoring and preserving biodiversity and freshwater, as well as bringing nature into cities.

Read more on page 96

Material issues

- Biodiversity and ecosystems
- Water management

Key initiatives

- Strategic partnerships
- Piloting world's first science-based targets for nature
- Progressive transformative rehabilitation of quarries
- Optimizing freshwater use at our sites
- Replenishment of freshwater in water-risk areas

- Nature-positive future. Read more on page 96
- Science-based targets for nature. Read more on page 96
- Progress on our biodiversity targets. Read more on page 96
- Helping nature with our solutions. Read more on page 98

PEOPLE

Our 65,000 Holcim people worldwide are driven to reach their full potential and make a positive difference. We are committed to upholding human rights, ensuring health and safety and empowering people, communities and our supply chain partners.

Read more on page 106

Material issues

- Talent attraction, retention and development
- Diversity, equity and inclusion
- Labor practices
- Occupational Health & Safety
- Human Rights
- Social impact and community engagement

Key initiatives

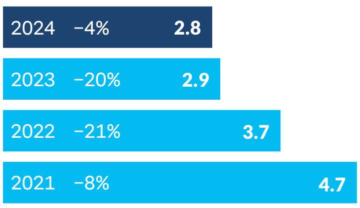
- Early career leaders
- Employee engagement
- Mental health awareness
- Critical risk management
- Human Rights Impact Assessment
- Social Impact initiatives

- Holcim People. Read more on page 106
- Health & Safety. Read more on page 112
- Respecting human rights. Read more on page 114
- Just Transition. Read more on page 104

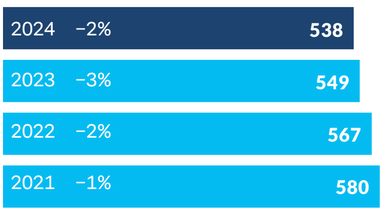
SUSTAINABILITY PERFORMANCE HIGHLIGHTS 2024

In 2024, Holcim achieved progress across all its sustainability targets, from advancing decarbonization and scaling up circular construction, to delivering on its nature and people targets.

REDUCTION OF CO_2 PER NET SALES %



REDUCTION OF CO_2 NET PER TON OF CEMENTITIOUS KG[1]



[1] Prior-year data are restated as per 2024 consolidation scope.

DECARBONIZATION

CO_2 REDUCTION

4%

CO_2/net sales[2]

CO_2 NET PER TON OF CEMENTITIOUS

2%

Reduction in 2024[3]

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

First in our sector with net-zero targets validated by SBTi

[2] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales, compared to 2023.
[3] Compared to 2023.

CCUS AMBITION

PROJECTS

7

CCUS projects in execution

NET-ZERO CEMENT

8M

Tons per annum from 2030

REUTERS EVENTS™

Business Transformation Award from Reuters Events Sustainability Awards 2024

CIRCULARITY

RECYCLED

10.2M

Tons of construction demolition materials (CDM)

CIRCULAR CONSTRUCTION

+20%

Recycling of CDM compared to 2023

Circularity Lighthouse Award for our ECOCycle® technology

NATURE

SPECIFIC FRESHWATER WITHDRAWAL

277

L/ton of cementitious material
2023: 298 L/ton

BIODIVERSITY

100%

Biodiversity baselines assessed using BIRS[1] methodology
(+36% versus 2023)

One of only three companies worldwide to adopt science-based targets for nature

[1] Biodiversity Indicator Reporting System.

PEOPLE

EMPLOYEES

85%

Internal promotion rate across Senior Leaders

DIVERSITY

21%

Women in senior leadership roles

First place in sustainability category of Fast Company's Best Workplaces for Innovators

DELIVERING ON THE GLOBAL GOALS

Working to deliver on the UN Sustainable Development Goals (SDGs), we have identified the ten most closely linked to our business.

SDG 3: Good Health and Well-being

Our strategy includes providing decent housing, clean water and sanitation, affordable energy and accessible healthcare. For example, our health program encompasses initiatives to support the well-being of our employees and their families.

SDG 6: Clean Water & Sanitation

We actively manage our water use to lower consumption, reduce pollution and protect water-related ecosystems to contribute to SDG 6. Near our plant in Chhatak, Holcim Bangladesh launched a project to harvest then treat rainwater to provide safe, local drinking water.

SDG 8: Decent Work & Economic Growth

Through job creation and community projects, we strive to make a positive impact. Holcim invested CHF 24.2 million in social initiatives for people and communities in 2024, ranging from housing and health to education and skills development to enhance livelihoods. For example, in Boyacá, Colombia, our Innovation Bootcamp teaches business and entrepreneurship skills to improve job prospects and living standards.

SDG 9: Industry, Innovation, Infrastructure

We partner with researchers, startups and industry leaders to advance R&D in the construction industry and develop disruptive solutions. Our unique open innovation ecosystem includes hundreds of pilot projects around the world.

SDG 11: Sustainable Cities & Communities

We are developing our innovative and sustainable building solutions for growing, increasingly urban populations – to make sustainable construction possible at scale around the world.

SDG 12: Responsible Consumption & Production

As a world leader in recycling, circularity is at the core of everything we do. We are leading the shift to circular construction across all our regions. In 2024, we grew the amount of construction demolition materials recycled to 10.2 million tons – equivalent to over 2,000 truckloads every working day.

Holcim's sustainability team celebrating this year's SDG Flag Day on 25 September 2024

SDG 13: Climate Action

Climate action is at the heart of our strategy and is based on our net-zero targets, validated by the Science Based Targets initiative. We continuously find ways to reduce our carbon footprint, as well as develop low-carbon and sustainable building materials. In 2024, we reduced CO_2 per net sales by 4% compared to 2023.

SDG 14: Life Below Water

Our bioactive concrete ranges are ideal for building artificial reefs and coastal protection to preserve marine biodiversity. In Mexico, we donated ECOPlanet Prime to create bioactive reefs that will restore the corals of Isla Contoy National Park. This has enabled the restoration and reproduction of nearly 450 corals.

SDG 15: Life On Land

SDG 15 guides our Nature Strategy as we strive to be a nature-positive business with a strong commitment to preserving biodiversity. At COP16 in Colombia, the Science Based Targets Network (SBTN) named Holcim as one of the first three companies globally to adopt science-based targets for nature.

SDG 17: Partnerships for the Goals

We engage with stakeholders at local, national and global levels. In 2024, we partnered with the Ellen MacArthur Foundation to accelerate circularity in the built environment, several promising startups to decarbonize building, plus leading NGOs to help communities thrive.

CLIMATE REPORT 2024

"In 2024, we showed climate leadership, advancing on all of our decarbonization levers as we lead the transition to a sustainable built environment."

NOLLAIG FORREST
Chief Sustainability Officer

net zero
CLIMATE REPORT 2024

Elevate's green roofing systems can host complex ecosystems with trees, plants and irrigation, like here at Asia's largest urban rooftop farm, Thammasat University, Thailand

CONTENTS

LEADING IN ESG DISCLOSURES & TRANSPARENCY

- Art. 964b Swiss Code of Obligations. Read on pages 410–411
- EU Taxonomy. Read on page 244
- TCFD. Read on page 216
- TNFD. Read on page 216

CLIMATE HIGHLIGHTS 2024

4%
Reduction in CO_2/net sales[1]

7
CCUS projects in execution

2%
Reduction in CO_2 net/ton of cementitious material[2]

8M
Tons of net-zero cement from 2030

10.2M
Tons of CDM recycled

+20%
Recycling of CDM[2]

[1] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.
[2] Compared to 2023.

CLIMATE

MAKING PROGRESS ACROSS ALL DECARBONIZATION LEVERS

ACCELERATING GREEN GROWTH IMPACT DASHBOARD	**2024 IMPACT**	
ECOPACT READY-MIX NET SALES	29%	✓
CONSTRUCTION DEMOLITION MATERIALS RECYCLED TONS	10.2M	✓
GREEN CAPEX CHF	534M	✓
SUSTAINABLE FINANCE	40%	✓
REDUCTION CO_2 NET/T CEM YEAR-ON-YEAR	2%	✓

RECOGNIZED CLIMATE AND NATURE LEADERSHIP

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

First in sector with SBTi-validated net-zero targets

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

One of the first three companies with SBTN validated targets

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Signatory since 2017 with aligned reporting

Climate CDP A List 2024

Included in CDP's 2024 A List for Climate

2025 TARGETS

25%

10M

500M

40%

2%–4%

BY 2030

AMBITIONS FOR A 1.5°C FUTURE

8M

Tons of net-zero cement per annum

2BN

Investment in CCUS CHF

BUSINESS AMBITION FOR 1.5°C OUR ONLY FUTURE

TNFD Taskforce on Nature-related Financial Disclosures

Taskforce member and early adopter

REUTERS EVENTS™

Reuters Events Business Transformation Award 2024

Co-funded by the European Union
Emissions Trading System
Innovation Fund

Seven CCUS projects selected for EU grants

CLIMATE

DECARBONIZING HOLCIM TO BECOME NET ZERO

We take a science-driven approach to becoming a net-zero company. In 2024, we continued making strong progress toward our 1.5°C-aligned targets.

Our net-zero pledge
With climate action at the core of Holcim's strategy, we have 2030 and 2050 net-zero targets in line with the 1.5°C framework validated by the Science Based Targets initiative (SBTi) for all three scopes.

Our Climate Policy
Holcim's approach to accelerating climate action while enabling a Just Transition and climate adaptation are described in our Climate Policy. The main principle of our policy is the delivery of our actions in a rigorous, science-based manner to execute our net-zero journey. We comply with local, state, federal and national regulations in all our operations and advocate for collective actions with relevant stakeholders.

Read more about climate and nature-related risks and opportunities on pages 214–230

Say on Climate

Holcim greatly values shareholder feedback on our climate transition plan. For the fourth consecutive year, we will submit our Climate Report for an advisory vote at our Annual General Meeting. In previous years, shareholders' insights have been instrumental in enhancing our disclosures and refining our strategy.

We actively engage with our shareholders on the Climate Report and incorporate their feedback to improve our reporting. This collaboration has led to significant enhancements, such as the inclusion of all 15 categories of Scope 3 emissions in our disclosures.

LEADING CLIMATE ACTION FOR YEARS: PIONEERING DECARBONIZATION WHILE SHAPING INDUSTRY STANDARDS

2020

BUILDING FOR net zero PEOPLE & PLANET

First in sector to sign "Business Ambition for 1.5°C" initiative with SBTi-validated 2030 targets.

2021

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

First in sector with SBTi-validated 2030 and 2050 net-zero targets.

2022

TCFD

First in sector to disclose a TCFD aligned climate report and give shareholders "Say on Climate".

2023–2024

Co-funded by the European Union

Seven Holcim breakthrough carbon capture, utilization, and storage (CCUS) projects selected for grants by EU Innovation Fund.

2024

CALCINED CLAY

Holcim deployed 22 calcined clay projects (in Europe, Africa and Latin America), allowing us to produce cement with up to 50% less CO_2.

OUR SBTi TARGETS ALIGNED WITH 1.5°C

Holcim commits to reaching net-zero greenhouse gas emissions (GHG) across the value chain by 2050.

Near-term targets

Holcim commits to reduce gross Scope 1 and 2 GHG emissions by 26.2% per ton of cementitious materials by 2030 from a 2018 base year.[1] This is equivalent to a 25% reduction in absolute emissions within the same timeframe.

By 2030, Holcim commits to reduce gross Scope 3 GHG emissions per ton of purchased clinker and cement by 25.1%, from a 2020 base year.

In addition, Holcim commits to reduce Scope 3 GHG emissions from fuel and energy-related activities by 20% per ton of purchased fuels and Scope 3 GHG emissions from downstream transport and distribution by 24.3% per ton of materials transported by 2030.[2]

Long-term targets

Holcim commits to reduce Scope 1 and Scope 2 GHG emissions by 95% per ton of cementitious materials by 2050 from a 2018 base year.[1] Holcim commits to reduce absolute Scope 3 GHG emissions 90% by 2050 from a 2020 base year.[3]

With these upgraded targets, we have confirmed our commitment to decarbonize building following the most advanced science.

Holcim has not financed climate change mitigation projects outside the value chain through the purchase of carbon credits to achieve GHG emission reductions or removals. Holcim is committed to becoming a net-zero company by 2050, aligned with SBTi guidelines.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C
OUR ONLY FUTURE

	Target base year 2018	2024	2030	2050
SCOPE 1 KG CO_2 / T cementitious	623	582	−23.3%[4]	−95% net zero
	590 net	538 net	420 net	
SCOPE 2 KG CO_2 / T cementitious	46	32	−65%[4]	

SCOPE 3	2020	2024	2030	2050
PURCHASED CLINKER AND CEMENT KG CO_2 eq / T purchased	710	705	−25.1%	−90% Absolute emissions of all Scope 3 categories net zero
PURCHASED FUELS KG CO_2 eq / T purchased	286	285	−20%	
DOWNSTREAM TRANSPORTATION KG CO_2 eq / T material transported	11	9	−24.3%	

1 The target boundary includes land-related emissions and removals from bioenergy feedstocks.
2 These targets were validated by SBTi in alignment with a 2°C scenario.
3 Target boundary includes 95% of Scope 1 and 2 emissions and 90% of Scope 3 emissions, per SBTi standard.
4 Equivalent to the SBTi validated combined Scope 1 and 2 ambition of -26.2%.

CLIMATE

OUR CO_2 FOOTPRINT AND PATHWAY TO NET ZERO

Holcim is committed to reducing its carbon footprint across its operations and value chain (Scopes 1, 2 and 3), to become a net-zero company by 2050.

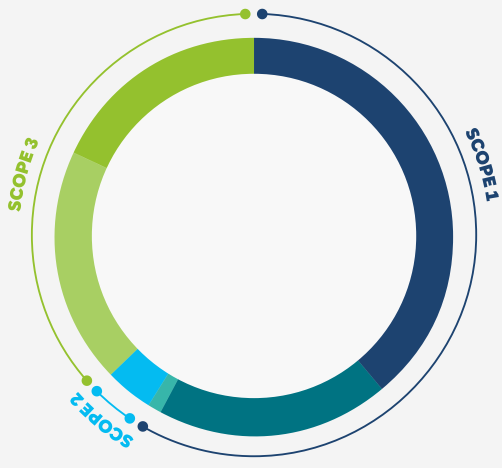
Scope 1
Scope 1 emissions account for 60.9% of our footprint and are at the core of our emissions reduction strategy. Scope 1 includes all emissions released directly from our operations. Most come from cement production. 39.8% of our emissions are generated by the raw materials we use to produce clinker. Fuel combustion necessary to heat cement kilns is another significant emissions source. A small share of Scope 1 emissions come from Solutions & Products, Aggregates and Ready-mix (RMX) operations.

Scope 2
Scope 2 emissions account for 3.6% of our carbon footprint. Scope 2 includes indirect emissions from the generation of purchased electricity consumed in the company's owned or controlled equipment.

Scope 3
Scope 3 emissions account for 35.5% of our carbon footprint. Scope 3 includes all other indirect emissions generated in our value chain, such as for transportation as well as the extraction and production of purchased materials and fuels. Scope 3 also includes direct emissions from non-consolidated companies and investments.

For more on our Scope 3 emissions, see page 78

OUR CO_2 FOOTPRINT



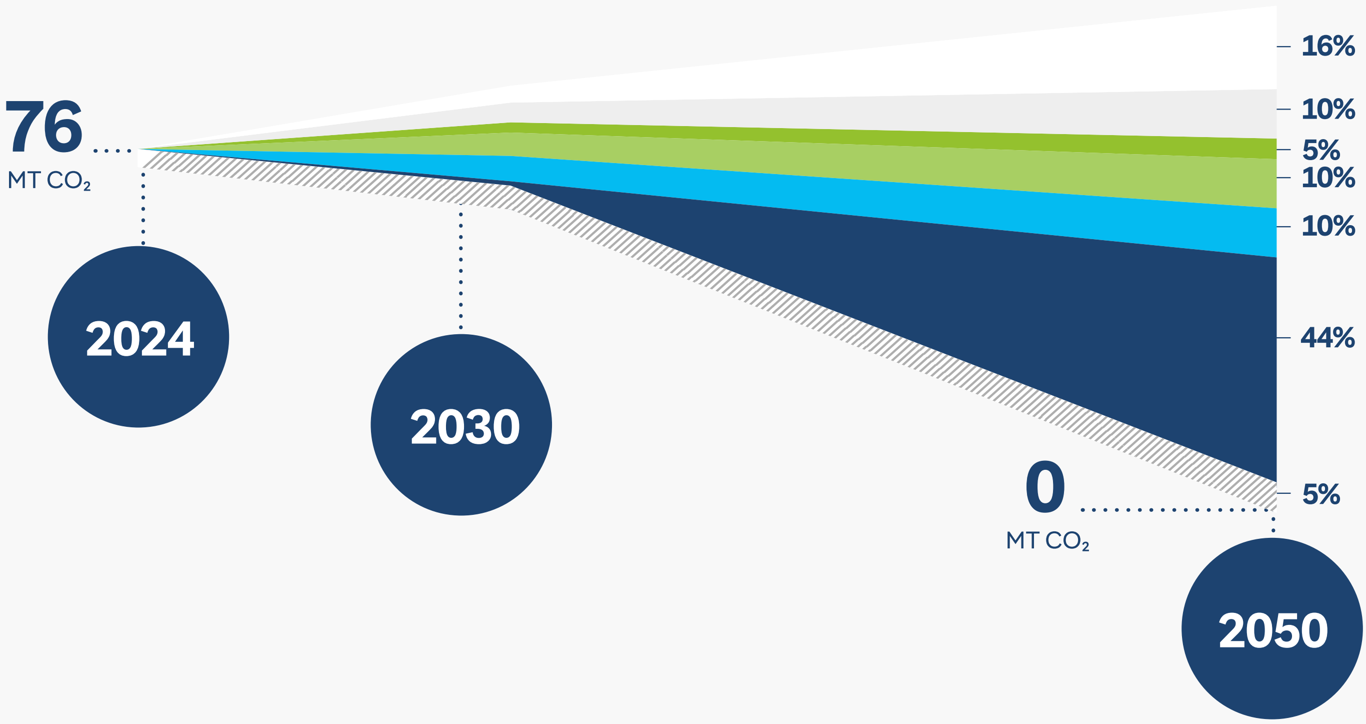
SCOPE 1	
Raw material calcination Cement production	39.8%
Fuel combustion Cement production	19.8%
Power generation, Aggregates, Ready-Mix and Solutions & Products operations	1.3%
SCOPE 2	
Purchased electricity	3.6%
SCOPE 3	
Upstream and downstream emissions	18.8%
Investments	16.7%

HOLCIM'S PATHWAY TO NET ZERO

Our pathway to 2030 and 2050 is clear. To reach our 2030 Scope 1 and Scope 2 commitments, we will reduce our clinker factor, use alternative fuels and raw materials, and increase our use of renewable energy. We will invest in proven technologies that produce positive returns.

To reach our 2050 targets, we will continue using our traditional levers while also scaling up carbon capture, utilization and storage (CCUS) and other advanced technologies. Our net-zero pathway does not rely on offsets.

OUR ABSOLUTE SCOPE 1 + SCOPE 2 EMISSIONS PATHWAY



Efficiency gains in design and construction	Smart design and low-carbon formulation of concrete moves the market to more carbon-efficient construction.
Efficiency gains in concrete	
Decarbonized electricity	Increase the share of decarbonized electricity through power purchase agreements and on-site renewable electricity, together with decarbonization of the electrical grid.
Less clinker in cement	Replace clinker in our final cement products with mineral components, such as calcined clay and novel binders.
Less CO_2 in clinker	Produce clinker with decarbonized raw materials, increasing energy efficiency and transitioning to alternative fuels.
CCUS and other advanced technologies	Deploy advanced technologies such as carbon capture, utilization and storage (CCUS) and other breakthrough process innovations, such as electrification or hydrogen as an alternative fuel, which decrease dependency on fossil fuels.
Passive recarbonation	Natural reabsorption of CO_2 during the lifetime of concrete products.

CLIMATE

DECARBONIZING OUR SOLUTIONS

Holcim R&D experts worldwide are harnessing their formulation expertise to decarbonize our concrete and cement.

ECOPact and ECOPlanet both offer CO_2 reductions of at least 30% compared to standard (CEM I/OPC) local concrete and cement, respectively.

Alternative raw materials

The majority of emissions from cement production result from the calcination of limestone into clinker. This part of the process is our largest source of CO_2 emissions, accounting for 40% of our total carbon footprint.

Using decarbonized materials in clinker production reduces emissions in two ways: it emits less CO_2 and requires less heat than conventional materials.

- Basic elements (Ca, Si, Fe, Al, S) enable the supply of the essential minerals required for clinker chemistry and safeguard natural resources in quarries.
- Recycled construction demolition materials (CDM) yield cement paste that has already been decarbonated, meaning process-related carbon emissions are lower.
- Waste from other industries, including fly ash and steel slag, can replace virgin limestone and avoid landfill.

We are working with innovative companies to keep raising standards and developing new alternative material streams.

AI-POWERED CEMENT FORMULATION

In 2024, we launched OptiCEM, a digital tool to optimize cement formulation powered by artificial intelligence (AI) and materials science. OptiCEM uses AI to analyze vast amounts of data, such as plant specifications and raw material properties, to generate formulations optimized for KPIs including cost and carbon footprint.

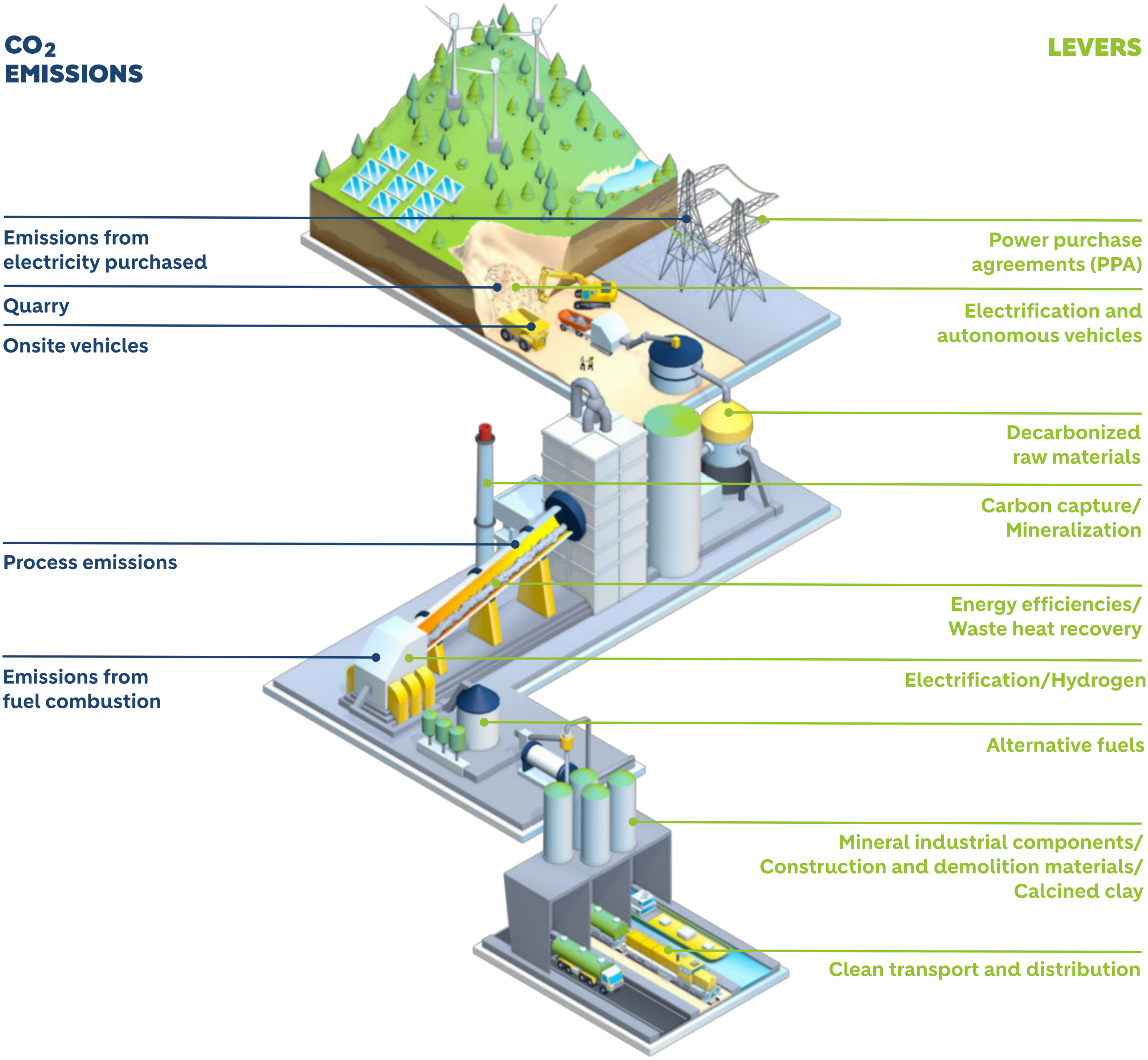
The tool allows Holcim teams around the world to scale use of low-emission alternative raw materials and mineral components. By reducing the need for laboratory tests and industrial trials, OptiCEM accelerates the product development process.

In the first six months of deployment, OptiCEM generated over 1,400 new cement formulations, saving more than 39,000 days of curing time and over CHF 400,000 in costs.

Our AI-powered cement formulation tool, OptiCEM, helps accelerate low-carbon product development

HOW WE ARE DECARBONIZING HOLCIM

From our products to our process



	Base year 2018	2024	Target 2025	Target 2030	Target 2050
SCOPE 1 KG CO_2 net/T cementitious	590	538	520	420	net zero
SCOPE 2 KG CO_2/T cementitious	46	32	–	16	

LEADING IN SUSTAINABILITY CONTINUED

Mineral components

Beyond reducing the level of CO_2 in the clinker, our Scope 1 emissions pathway aims to reduce the level of clinker in our cement. We aim to decrease our clinker factor from 72% currently to below 68% by 2030 and reduce it further by 2050.

To achieve this, we partially replace the clinker in our cement with mineral components, significantly reducing the carbon intensity of the final product.

Holcim uses four major categories of mineral components to reduce emissions from our cement and concrete mixes:

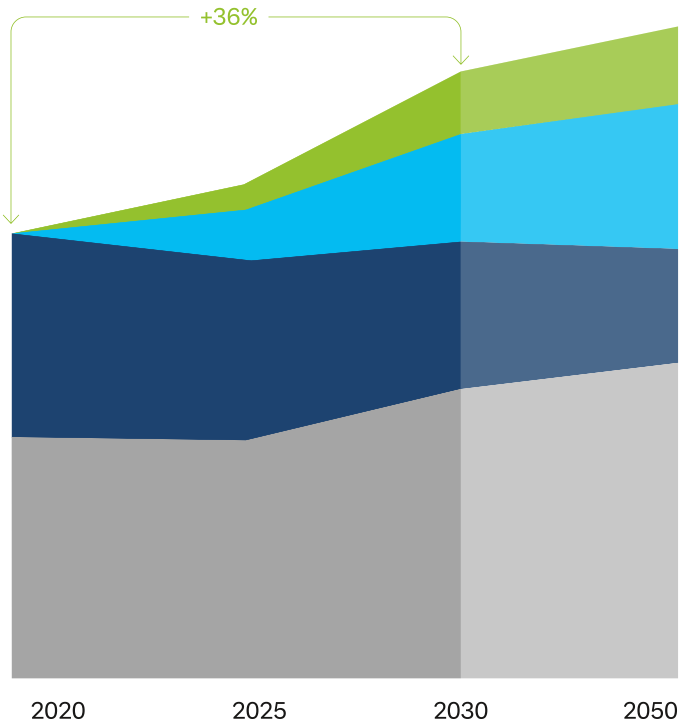
- Recycled cement paste from CDM.
- Innovative mineral components such as calcined clay, pozzolana and reclaimed ashes.
- Waste from other industries, including slag and fly ash.
- Traditional mineral components such as limestone and gypsum.

In the coming decades, we expect CDM and innovative mineral components to gradually replace slag and fly ash.

To this end, we are investing in advanced crushing and processing technology to fully recycle CDM. In 2024, we started using CDM as a mineral component in France, Romania, Germany, Spain and Austria, and scaled it up in Switzerland.

We are also accelerating the use of other innovative mineral components like calcined clay, which can reduce the footprint of cement by up to 50%, with operations currently advancing in Europe and Latin America.

MINERAL COMPONENTS IN EUROPE (M TONS)



GROWTH ENABLERS

Construction demolition materials
Recycling fines as cementitious material in low-carbon cement.

Innovative mineral components
Calcined clay, pozzolana, reclaimed ashes will gain in significance as a component of cement in the future.

Slag and fly ash
After 2025, the supply of slag and fly ash is expected to decrease due to lower production of underlying related materials (steel/coal). Lower volumes on the market will mean a cost increase.

Traditional mineral components
Limestones and gypsum (mainly) are and will continue to be a significant share of mineral components due to high availability and lower cost versus clinker.


Our new dedicated calcined clay production line in Cížkovice, Czech Republic, is slated for completion in 2026

Scaling up calcined clay

Calcined clay is a mineral powder obtained through the calcination of natural clays at a relatively low temperature. Acting as a replacement for limestone-based clinker in the final cement, it allows us to produce cement with up to 50% less CO_2 than standard cement.

Since clay is one of the most abundant natural resources globally, calcined clay is a highly scalable solution that we are increasingly using in our formulations. We now produce 10 calcined-clay based cements at nine plants across Europe, Latin America and North Africa.

Holcim is expanding production of calcined clay across our regions to reduce CO_2 emissions, and from 2026, the new EU Emissions Trading System (ETS) “binder” benchmark will favor calcined clay production – further supporting our plan to develop new projects in Europe.

In 2024, we started constructing a new dedicated calcined clay production line at our plant in Cížkovice in the Czech Republic, which will receive financial support from the Czech Ministry of Environment and is slated for completion in 2026.

In France, our Saint-Pierre-la-Cour calcined clay operation – the first of its kind in Europe – launched its first calcined-clay based cement in the second quarter of 2024, while our plants in La Malle, France, and Sagunto, Spain also launched cements with calcined clay last year.

The latest Holcim site to launch calcined clay production is our plant in Guayaquil, Ecuador, which will produce up to 465,000 tons of calcined clay per year.

Several building projects using Holcim’s calcined clay-based cements were completed in 2024, including the Marseille Marina for the Paris Olympic Games.

71.7%
Clinker factor in 2024

10.8%
Alternative raw materials in cement

CLIMATE

DECARBONIZING OUR ENERGY MIX

Holcim is shifting to lower-carbon energy across our value chain – from alternative fuels and renewable electricity to waste heat recovery systems.

Optimizing our energy use
We are investing to modernize our kilns and lower our CO_2 emissions. For example, at our plant in Obourg, Belgium, we are installing an innovative oxyfuel cement kiln that significantly reduces CO_2 emissions. In combination with CCUS (see page 82), this will allow the plant to produce fully decarbonized cement from 2028.

Additionally, as part of Holcim's Plants of Tomorrow initiative, we are taking further steps to adopt the latest technologies in our plants. Using digital solutions, we are creating connected, smart and energy-efficient sites that will complement our other decarbonization levers.

Using lower-carbon fuels

The International Energy Agency anticipates that fossil fuel consumption will peak by 2030. Our transition to alternative fuels involves substituting traditional fossil fuels used in cement kilns, which include coal, petcoke and natural gas.

With waste volumes increasing globally, our Geocycle business offers us a scientifically proven, economical and ecological solution in line with international standards. We are closing material loops and reducing the carbon footprint of the clinker manufacturing process by transforming non-recyclable waste into high biogenic carbon fuels, thus replacing traditional fossil fuels.

In 2024, 31.7% of Holcim's thermal energy demand for clinker production came from alternative lower-carbon fuels. By further investing in waste treatment and co-processing facilities, we aim to increase the thermal substitution rate to 50% by 2030.

Currently, nine of our facilities in Europe already use alternative fuels for more than 80% of their energy.

In addition, as we progress toward net zero, advanced technologies such as electrification and use of hydrogen as an alternative fuel will account for an increased share of our decarbonization efforts.

Increasing biomass content

Our focus is on innovation to further reduce carbon emissions by increasing the biomass content in the fuels we use. To optimize alternative fuel use, we deploy near-infrared spectroscopy technology to analyze alternative fuel properties during kiln feeding. This enables us to eliminate quality variations and use an optimal fuel mix to reduce CO_2 emissions.

31.7%	9	3.1M
of thermal energy sourced from alternative lower-carbon fuels	**Plants in Europe running on over 80% alternative fuels**	**Tons of alternative fuels processed in Europe in 2024**

Geocycle transforms waste into resources to help municipalities and industries meet their sustainability goals

Innovations to boost alternative fuels

We are exploring oxygen and hydrogen as a booster in our kilns. Using a small amount of oxygen and hydrogen as a booster can enhance combustion, which is expected to increase the utilization of high biogenic carbon waste fuels and increase clinker production rates.

Holcim Mexico is piloting oxyhydrogen boosting at our Ramos Arizpe plant. Working with a local partner, Knergy, we have installed two electrolyzers at the plant for controlled oxyhydrogen injection. We aim to create technical knowledge in the region that can be replicated and scaled across Latin America.

At our plant in La Malle, France we successfully trialed the use of hydrogen as an alternative fuel. We were the first in our industry to reach an injection rate of 58%. With the remaining fuel mix coming from biogenic sources, this meant our kiln was powered by carbon-neutral fuels.

Driving decarbonization and circularity

As a dedicated part of Holcim, Geocycle provides sustainable waste management solutions to municipalities and industries worldwide. Geocycle maximizes resource value – recycling when possible, valorizing non-recyclable materials as well as setting and promoting industry-leading standards.

Geocycle materials reduce our carbon footprint, enhance circularity and preserve natural resources. Our global network of advanced pre-treatment platforms provides scientifically proven and environmentally friendly solutions in countries with Holcim cement operations.

In 2024, Geocycle supported Holcim's decarbonization and circularity targets by recycling 14.7 million tons of waste and byproducts for use as decarbonized energy or in raw materials.

LEADING IN SUSTAINABILITY CONTINUED

Shifting to clean electricity

Electricity makes up a significant proportion of our energy use. To decarbonize electricity, we are shifting to clean energy sources such as solar, hydro, wind, biomass and geothermal power wherever possible.

Several factors impact the electricity value chain, including the availability of renewable power, transport and grid infrastructure and geographic conditions. At Holcim, we take a tailored, local approach to decarbonizing our electricity use. Working with private companies and local officials, we leverage our diverse energy portfolio to decarbonize electricity at scale.

Leveraging waste heat recovery

Waste heat recovery ultimately serves to capture excess heat generated within a facility and repurpose it in various applications to optimize energy efficiency. Holcim's waste heat recovery systems are specifically engineered to use excess heat produced by our cement kilns and convert it into electricity.

We presently have seven operational waste heat recovery units, producing 262 gigawatt hours of clean electricity. This translates into a carbon reduction of 377,000 tons annually. Our goal is to significantly increase the number of waste heat recovery units by 2030.

Scaling up renewable electricity

We signed our largest green energy contract to date in 2023 to power our operations in Germany with wind energy. Our plants in Colombia are setting an example by operating with 100% renewable energy. Globally, we aim to reduce the carbon intensity of our Scope 2 emissions by 65% by 2030 against a 2018 baseline.

We are developing renewable energy sources on our sites to reduce our dependence on electricity sources that generate CO_2 emissions.

Harnessing solar power

We continue to make progress in rolling out solar power across our operations:

- In Belgium, we plan to operate our first floating photovoltaic installation from 2025. It is designed to supply 15% of our Obourg plant's electricity.
- In Hungary, 31 gigawatt hours of solar energy will be generated annually starting in January 2025.

Solar panels power the Holcim Innovation Center in Lyon, France

Our Lägerdorf plant in Germany is powered using electricity from Holcim's own wind park

Harnessing wind power

Through collaboration with our partners in the wind energy sector, we are installing and operating wind farms on our sites to generate our own renewable energy. For example, three wind turbines at our plant in Paulding, U.S., provide around 20% of the site's electricity, reducing CO_2 emissions by 9,000 tons per year.

Our plants in Germany are at the forefront of harnessing wind energy to power our operations. Thanks to their advantageous geographical locations, our Lägerdorf (Schleswig-Holstein) and Höver (Lower Saxony) plants utilized onshore wind power in 2024 for part of their electricity needs.

Leveraging power purchase agreements

We are growing our renewable energy portfolio through partnerships with power producers. Power purchase agreements (PPAs) are long-term contracts for electricity supply between Holcim, as a corporate buyer, and renewable power suppliers. PPAs typically specify pricing, electricity quantities and renewable sources.

We are rolling out renewable energy PPAs around the world:

- In Europe, we secured additional long-term supply from renewable sources in Greece, Spain, Belgium and Austria. Ongoing projects in Hungary, Romania, Belgium and Germany are nearing completion, and will start operating in 2025.
- In North America, a virtual PPA began operating at our plant in Exshaw, Canada. In 2025, we expect two further PPAs to start supplying solar power for our U.S. plants in Alpena and Portland.
- In the Philippines, we entered into a PPA to supply geothermal power starting in Q3 2024 and began the installation of several rooftop solar projects, which will enter into operation by Q2 2025.
- In Latin America, we finalized a number of rooftop solar projects in Mexico, Guatemala and Costa Rica.

LEADING IN SUSTAINABILITY CONTINUED

HOLCIM'S VALUE CHAIN: SCOPE 3 EMISSIONS

Scope 3 emissions are all indirect emissions associated with upstream and downstream activities of consolidated companies, as well as the direct and indirect emissions of our non-consolidated companies.

Reducing Scope 3 emissions requires us to mobilize our full organization, make smart purchasing decisions, and engage other companies across the value chain in building a net-zero future.

Fuels and energy
These are the "cradle-to-gate" emissions from purchased fuels and energy. We are reducing these emissions by replacing traditional fossil fuels with locally sourced, alternative and non-extractive fuels.

Downstream transportation
These CO_2 emissions come from transporting our materials to customers, between factories and distribution terminals. We are reducing these by optimizing routes and loads, moving volumes from roads to waterways or rail, and deploying fleets powered by electricity and more eco-friendly fuels.

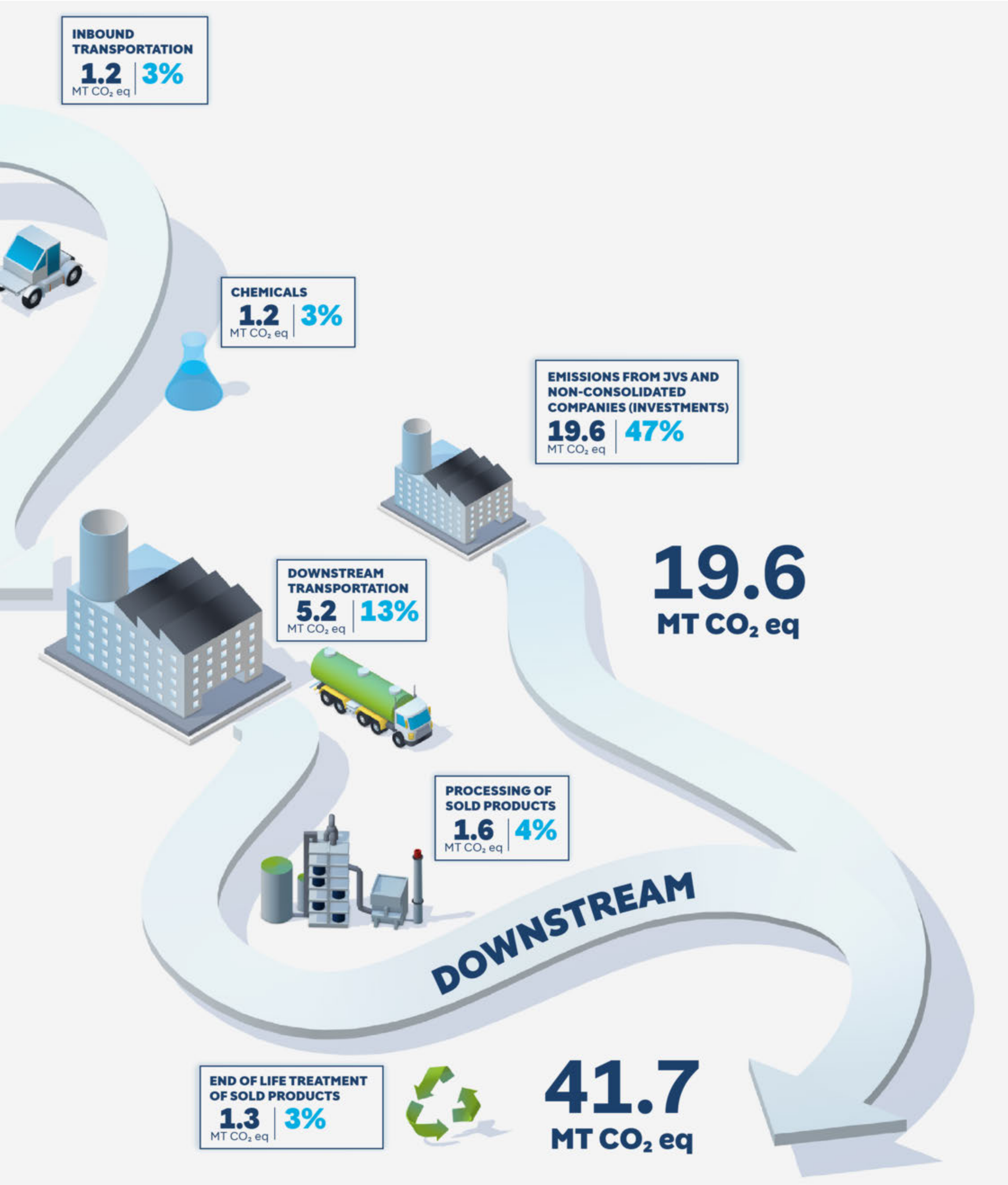
Purchased clinker and cement
We require our clinker and cement suppliers to provide the CO_2 information related to their products, for example, through Environmental Product Declarations (EPDs). This enables us to accelerate the purchase of low-carbon products.

Other products and services purchased
All other products and services purchased account for 21% of our total Scope 3 emissions. We include CO_2 requirements in the tendering process and integrate CO_2 as a parameter in our total cost of ownership models used to drive purchasing decisions.

Investments and joint ventures
We account for Scope 1 and 2 emissions from our principal cement-producing investments and joint ventures in proportion to our effective participation. These include:

Company	Country of incorporation or residence	Effective participation (percentage of interest)
Cement Australia Holdings Pty Ltd	Australia	50.0%
Huaxin Cement Co. Ltd	China	41.8%
Lafarge Maroc S.A.S.	Morocco	50.0%
Readymix Qatar L.L.C	Qatar	49.0%

Our principal cement-producing joint ventures have 2030 carbon reduction targets in line with SBTi ambitions. We are actively engaging with them to have their targets validated by the SBTi.


INBOUND TRANSPORTATION
1.2 MT CO_2 eq | 3%
CHEMICALS
1.2 MT CO_2 eq | 3%
EMISSIONS FROM JVS AND NON-CONSOLIDATED COMPANIES (INVESTMENTS)
19.6 MT CO_2 eq | 47%
DOWNSTREAM TRANSPORTATION
5.2 MT CO_2 eq | 13%
19.6
MT CO_2 eq
PROCESSING OF SOLD PRODUCTS
1.6 MT CO_2 eq | 4%
DOWNSTREAM
END OF LIFE TREATMENT OF SOLD PRODUCTS
1.3 MT CO_2 eq | 3%
41.7
MT CO_2 eq

CLIMATE

DECARBONIZING OUR MOBILITY

We are transitioning to low-carbon mobility from quarry to city by adopting more sustainable and efficient transport options.

Downstream transportation currently accounts for 13% of our total Scope 3 carbon emissions. To reduce these emissions, we are leveraging four pillars:

- Transitioning to low-emission trucks.
- Using rail and waterways where possible.
- Optimizing vehicle dispatch, including the use of lightweight trailers.
- Encouraging eco-driving: adjusting driving behaviors to reduce fuel consumption.

By implementing these measures, and encouraging our customers and suppliers to do likewise, we aim to reduce Scope 3 downstream transportation emissions per ton of material transported by 24.3% by 2030 compared to 2020.

Driving demand for clean technologies
As a founding member of the First Movers Coalition, Holcim is committed to advancing low-carbon solutions.

In 2024, we announced that we will deploy 1,000 new Mercedes-Benz electric trucks in Europe. Holcim also entered an agreement with Putzmeister Oceania to trial the first Australian Design Rules-approved, 100% electric concrete truck mixer in the country, the SANY eMixer.

Such strategic partnerships help us assess the feasibility of integrating clean technologies into our logistics network to reduce Scope 3 emissions.

Holcim trialed the first Australian Design Rules-approved, 100% electric ready-mix truck in Australia

GREEN MOVEMENT

HYDROGEN MOBILITY WITH MERCEDES-BENZ

Holcim joined forces with Mercedes-Benz Trucks to pilot their GenH2 hydrogen-powered trucks, a game-changer in low-carbon mobility. Starting mid-2024, these advanced fuel-cell trucks were deployed on long-haul routes in Germany, including operations by Gerdes + Landwehr, a Holcim logistics partner.

With a range exceeding 1,000 kilometers and payloads comparable to diesel trucks, the GenH2 represents a significant step toward decarbonizing heavy-duty transport. It offers Holcim the opportunity to test hydrogen technology in real-world operations, to assess performance, reliability and scalability.

“We are proud to pioneer hydrogen-powered trucks in our logistics network, and support Holcim’s commitment to sustainable and innovative supply chains.”

MATHAN DURAIRAJ
Head of Group Logistics

Decarbonizing our vehicle fleet

From autonomous electric vehicles in quarries to heavy-duty electric trucks for material distribution, we are transforming our fleet to meet ambitious decarbonization goals – using electric, hydrogen and biofuel-powered solutions across our logistics operations.

In 2024, we ran over 50 electric truck pilots with leading equipment manufacturers such as Volvo, Daimler, Renault and SANY, in addition to the hydrogen-powered truck pilot in partnership with Mercedes-Benz Trucks.

Alongside these innovations, the integration of biofuels such as BioCNG and BioLNG across our fleet is accelerating the reduction of emissions.

Transforming logistics with digital solutions and AI

Holcim is transforming its global logistics by integrating advanced digital solutions and AI-driven strategies to optimize operations and reduce Scope 3 emissions, through the following levers:

- AI-driven planning: Improved forecasting aligns supply and demand, optimizing fleet use and reducing unplanned, emission-heavy moves.
- Network optimization: AI designs efficient routes, cutting transport distances and fuel consumption.
- Dispatch optimization: Smart systems consolidate shipments, reduce truck usage and minimize empty kilometers.
- Advanced analytics: Our global Transport Analytics Center (TAC), spanning over 50 countries, delivers real-time insights, empowering dispatch managers to optimize resources, cut energy use and reduce emissions across our logistics network.

CLIMATE

DRIVING ADVANCED TECHNOLOGIES

Holcim is driving the industry's broadest range of decarbonization technologies to execute on its 2030 and 2050 net-zero targets. Carbon capture, utilization and storage (CCUS) is a key decarbonization lever.

Decarbonizing cement production
Decarbonizing cement and concrete is at the core of Holcim's net-zero journey. The first step is to decarbonize our formulations and energy mix (see page 70).

In product formulations, we are using low-emission raw materials from calcined clay to construction demolition materials (CDM). We are decarbonizing our energy mix using Geocycle alternative fuels, such as biomass, and harnessing renewable electricity generated by wind and solar. For the remaining CO_2 emissions, we are advancing CCUS technologies to become net zero.

CCUS enables us to capture CO_2 emissions before they are released into the atmosphere. This CO_2 can then be used in various applications, such as the production of low-carbon fuels or materials. Alternatively, we can store it safely underground in deep geological formations.

Carbon capture technologies

We are developing and assessing mature carbon capture technologies for cement production to maximize our flexibility across our global footprint.

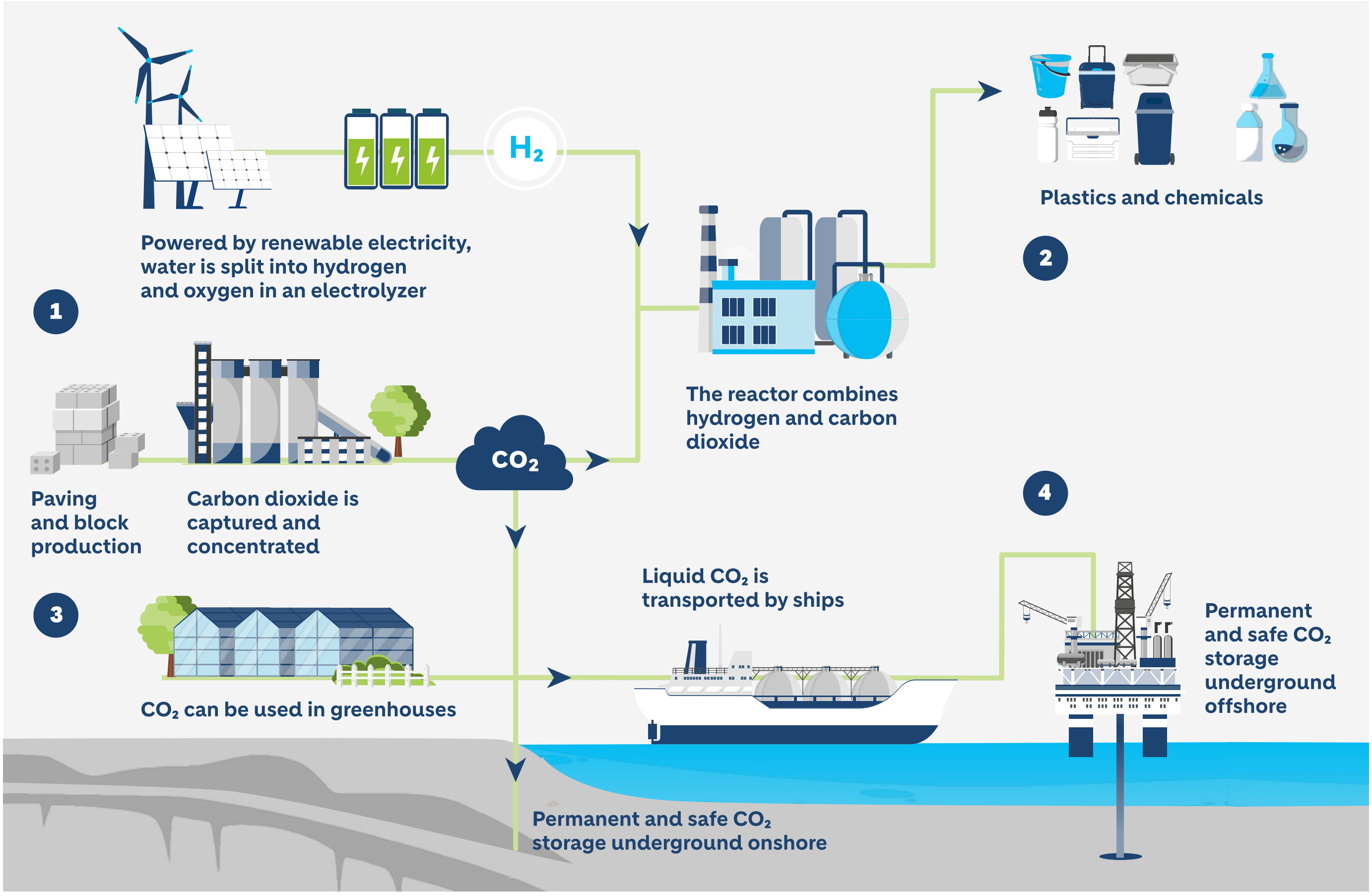
Post-combustion technologies
These solutions capture CO_2 in the exhaust gases of a traditional kiln system. The most advanced use solvents to absorb CO_2, creating a liquid that is sent to a regenerator where concentrated CO_2 can be released. Other post-combustion approaches include CO_2 separation using membranes and adsorption processes.

Integrated processes
We are also exploring various integrated processes such as oxyfuel, the electrification of clinker manufacturing and the calcination of raw materials. The oxyfuel approach replaces air with oxygen in cement manufacturing, avoiding nitrogen in the system and creating a concentrated CO_2 exhaust stream.

Carbon2Business aims to capture and utilize CO_2 from our plant in Lägerdorf, Germany

HOLCIM'S CCUS PATHWAYS

Our projects span four CCUS pathways:



1 MINERALIZATION

CO_2 is reacted with minerals to form carbonates, storing the CO_2. In the cement sector, this reaction provides a way of capturing CO_2 as a raw material to produce new building materials.

2 CONVERSION UTILIZATION

CO_2 can be repurposed by reaction with green hydrogen to produce fuels that can decarbonize the aviation and maritime sectors, or can be used to produce chemicals and plastics.

3 MARKET UTILIZATION

Captured CO_2 can be used for greenhouse plants as a crop growth enhancer or in the food and beverage industries, to carbonate soft drinks, for example.

4 STORAGE

CO_2 is captured from a facility and transported to a location via pipelines, trains, ships or trucks. It is then safely stored underground either onshore or offshore.

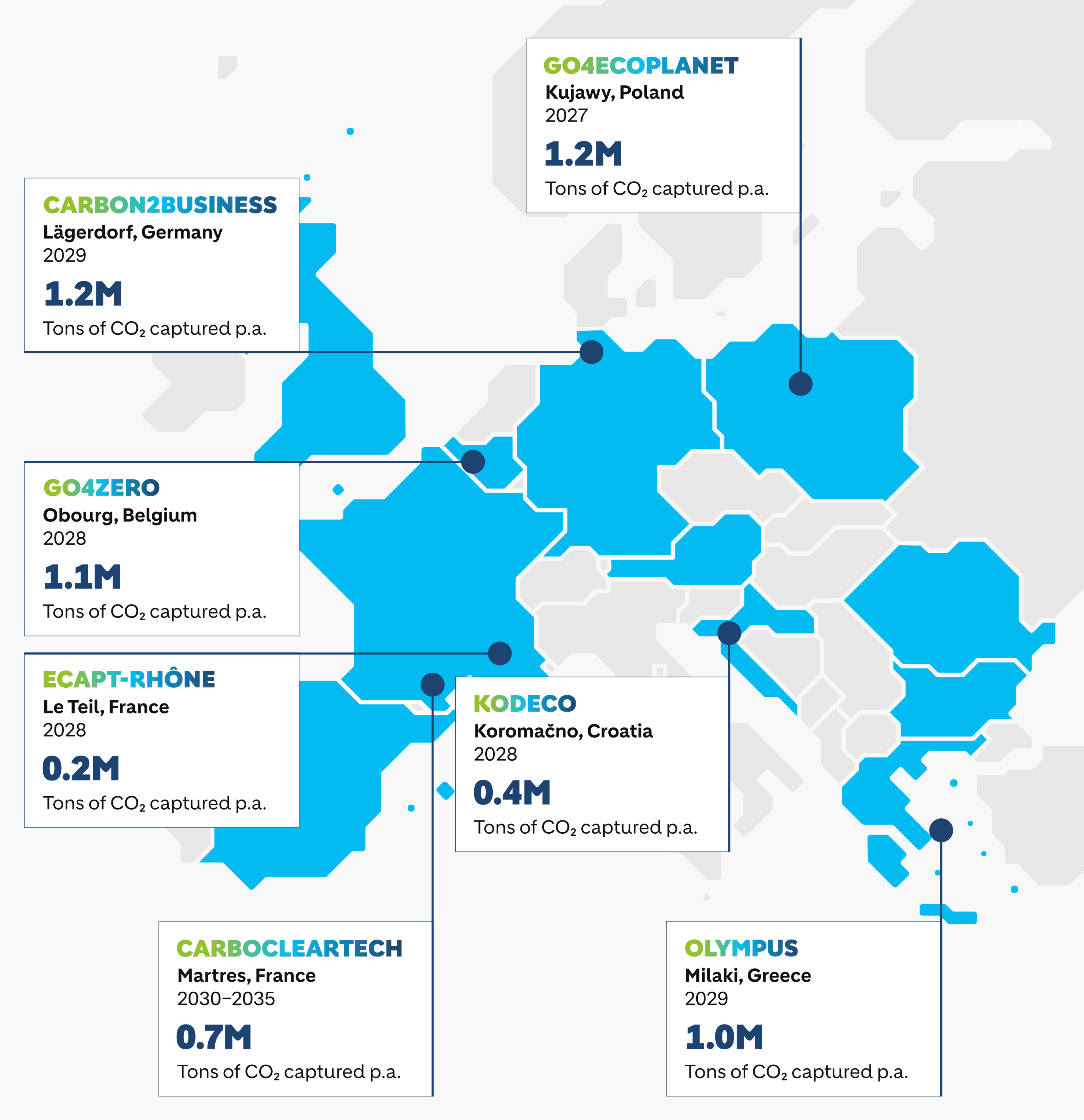
LEADING IN SUSTAINABILITY CONTINUED

OUR AMBITIOUS CCUS ROADMAP

By 2030, we aim to reach significant milestones in our CCUS journey. We have committed to invest CHF 2 billion in CCUS projects, net of public funding, to capture 5 million tons of CO_2 annually and produce 8 million tons of net-zero cement each year from 2030.

To meet these targets, we have identified 17 flagship projects based on mature technologies as well as robust partnerships and value chains. Each one is well positioned to become a net-zero cement plant. Seven full-scale CCUS projects across Europe have been selected for grants from the European Union Innovation Fund and aim to go live before 2030.

SEVEN EUROPEAN UNION-SUPPORTED PROJECTS



The GO4ZERO groundbreaking in Obourg, Belgium, was attended by guests including then Belgium Prime Minister, Alexander De Croo, and European Commissioner, Wopke Hoekstra

Advancing Europe's decarbonization

At its Obourg GO4ZERO groundbreaking, Holcim confirmed its commitment to advancing Europe's decarbonization at the core of its industrial competitiveness, while building broad-based industry coalitions to shape new value chains.

Holcim is currently piloting the broadest range of CCUS technologies – from capture and CO_2 treatment to transportation and storage – to bring these technologies to market at scale in a competitive way.

In addition to Holcim's seven European projects benefiting from EU Innovation Fund grants, we count 10 further projects in early stage development to make CCUS a reality at scale across key markets worldwide.

"Thanks to the tremendous leadership here today, Holcim is embarking on the road to climate action, innovation and competitiveness. This is the industrial translation of the EU's Green Deal."

WOPKE HOEKSTRA
European Commissioner for Climate, Net Zero and Clean Growth at Holcim's GO4ZERO groundbreaking

HOLCIM'S 10 CCUS PROJECTS IN EARLY STAGE DEVELOPMENT

- Mannersdorf, Austria
- Beli Izvor, Bulgaria
- Saint-Pierre-la-Cour, France
- Höver, Germany
- Câmpulung, Romania
- Carboneras, Spain
- Cauldon, UK
- Exshaw, Canada
- Portland, U.S.
- Ste. Genevieve, U.S.

LEADING IN SUSTAINABILITY CONTINUED

Robust partnerships and value chains
Our advanced CCUS roadmap positions us as the right partner to scale up net-zero cement around the world. Close collaboration between public authorities, private companies, local stakeholders and other value chain partners is essential to unlock the business case for CCUS and enable a net-zero future.

Factors impacting the value chain include the availability of CO_2 infrastructure, proximity to ports, renewable power and water supply, nearby chemical or plastics industries and the feasibility of on- or offshore CO_2 storage.

Holcim is leveraging proven technologies and tailoring pathways and groundbreaking value chains based on local conditions. Working with other private companies and startups, we have a portfolio of diverse, cost-effective solutions that we scale across the company.

> **"Holcim is on course to make net-zero cement and concrete a reality at scale this decade – thanks to the strength of our engineering teams, our mature technologies and partnerships that span the value chain."**

MILJAN GUTOVIC
Chief Executive Officer

Addressing potential impacts of CCUS

Holcim is at the forefront of developing CCUS technologies, with the broadest range of projects within the industry.

Holcim is thoroughly assessing the potential impacts of these technologies on the environment and the communities where we operate throughout the full value chain:

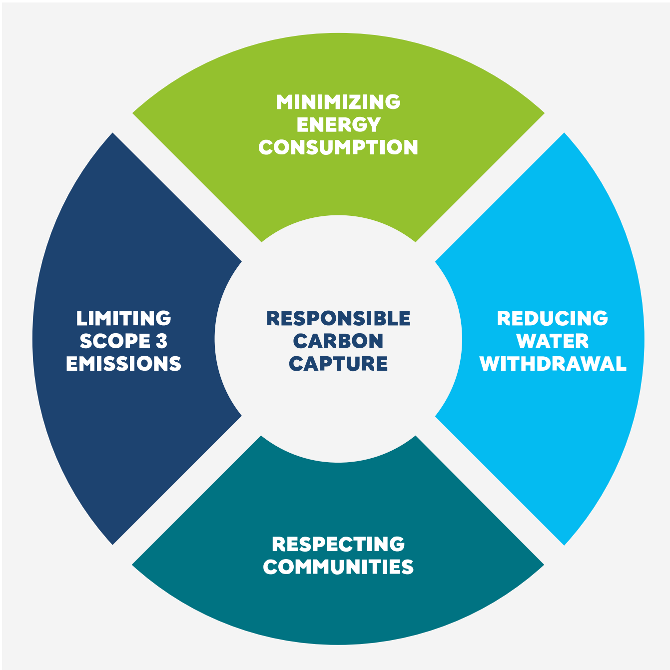
- Energy and water consumption of CCUS installations.
- Potential impacts on communities with regard to onshore storage solutions.
- Impact on Holcim's Scope 3 emissions.

Read about our climate and nature risks and opportunities from page 214

8M

Tons of net-zero cement will be produced annually from 2030

Co-funded by the European Union
Emissions Trading System
Innovation Fund



Groundbreaking ceremony for our Carbon2Business project in Lägerdorf, Germany

CCUS GROUNDBREAKING

In April and May 2024, we broke ground on two of our flagship CCUS projects – Carbon2Business (Lägerdorf, Germany) and GO4ZERO (Obourg, Belgium). Both have been awarded grants by the European Union (EU) Innovation Fund and will support our commitment to making net-zero cement and concrete a reality at scale this decade.

Guests at the ceremonies included EU, national and local politicians as well as project partners.

"Here in Lägerdorf we see how it can be done: decarbonizing production to deliver climate-neutral cement and concrete," Dr. Robert Habeck, Vice Chancellor of Germany, Federal Minister for Economic Affairs and Climate Action, at the Lägerdorf groundbreaking ceremony.

NEW GRANT AWARD

In 2024, Holcim was selected for a new grant from the EU Innovation Fund for its breakthrough carbon capture and storage project in Martres-Tolosane, France. This grant for our CarboClearTech project brought the number of Holcim's large-scale EU-supported CCUS projects to seven, advancing the European Green Deal.

CarboClearTech is a carbon capture and storage system that will be installed at the Martres-Tolosane plant. The system will sequester 700,000 tons of residual CO_2 emissions, enabling the plant to reach net zero by 2031. As the first CO_2 capture site in Southwest Europe, it brings this vital technology to the region and contributes to its sustainable growth.

ADVANCING SMART DESIGN

Leveraging strategic partnerships with academia and industrial partners, we advance smart design to build better with less.

Partnering with academia
Holcim is leveraging key strategic partnerships to advance technologies that reduce "upfront carbon" – the carbon emitted during the construction of buildings – which accounts for 10% of global carbon emissions.

We partner with leading academic institutions around the world – from Massachusetts Institute of Technology (MIT) and the MIT Climate & Sustainability Consortium to the Swiss Federal Institute of Technology (ETH).

Smart design allows us to build better with less, by using just the right amount of materials in the most appropriate parts of a structure, and unlocks significant CO_2 savings.

By embracing smart design at an early stage in projects, we can reduce structural mass. This reduces vertical loads, which can in turn reduce mass further. Known as the "virtuous circle of design improvement", this helps us to achieve the optimal design.

Together with other efficiency gains in construction and concrete industrialization, smart design will reduce our absolute Scope 1 emissions by 26% by 2050, on our pathway to net zero by that date (see page 69).

We collaborated with A3D Building to build the first 3D printed concrete office building in Spain, at our Torres de la Alameda plant

CARBON PRESTRESSED CONCRETE PIONEER

GRÜZE INNOVATION LAB, WINTERTHUR

Working with the Swiss city of Winterthur, Holcim pioneered the use of carbon prestressed concrete (CPC) to build the Grüze Innovation Lab – a 120-m^2 pavilion that functions as an information center, event location and workshop for sustainable construction.

The lab opened in spring 2024, and is not only one of the world's first CPC buildings – made using delicate yet resilient reusable panels designed by Holcim – but is also the first CPC structure built using a new construction method developed by CPC AG and Zurich University of Applied Sciences.

Made by Holcim using a proprietary process, the CPC panels are reinforced with thin, prestressed carbon strands. Due to carbon's high tensile strength and non-corrosive properties, we can produce slim, durable load-bearing elements.

This patented technology unlocks design possibilities and offers material savings of up to 75%, while reducing CO_2 emissions two to three times. The lab is also pioneering a "sharing" model, whereby Holcim loans out the CPC panels to the city for an annual fee.

Read more online

Pushing the boundaries of 3D Printing

By empowering smart design, 3D printing can reduce material use by up to 50%, with no compromise in terms of performance, while significantly lowering a building or structure's carbon footprint.

In 2024, we worked with A3D Building to build Spain's first 3D printed office building at our Torres de la Alameda site. Using 3D concrete printing, we unlocked freedom of design and form, and achieved time, cost and material savings, as well as sustainability benefits.

Stemming from Holcim's global Better Workplaces program, the new 127-m^2 office space was built using our TectorPrint mortar, which is formulated for ultra-fast 3D robotic printing. The floor and roof were built with ECOPact, and solar panels will cover all its energy needs.

With our partners, we have used 3D printing to build everything from schools in Malawi and affordable housing in Kenya, to Switzerland's first on-site 3D printed concrete building and wind turbine bases.

CIRCULARITY
CIRCULAR LIVING

A circular economy decouples global growth from use of primary raw materials.

The world's current rate of resource use is unsustainable, and we are set to consume 2.3 planets by 2040[1]. To stay within our planet's boundaries, we need to change the way we build. That is why we travel the world with a a call to action – to drive circular building and living.

Empowering circular cities
With almost 70% of the world's population expected to live in cities by 2050[2], cities can play a vital role in helping us shift from a linear, take-make-waste economy to a circular, reduce-recycle-regenerate one.

Through sustainable building solutions such as ECOPact concrete, we enable sustainable building. We contribute to infrastructure that enables green mobility, from metros to railways and roads.

Elevate roofing and insulation systems improve buildings' energy efficiency and achieve the most advanced sustainability certifications, while Malarkey has diverted millions of rubber tires and billions of plastic bags from landfill by upcycling them into roofing shingles.

RACING FOR CIRCULARITY
VENDÉE GLOBE 2024

In November 2024, the skipper of Team Holcim-PRB, Nicolas Lunven, embarked on his first Vendée Globe – a solo, nonstop and unassisted round-the-world voyage. The 10th edition was the largest yet, with 40 boats and skippers representing 11 nationalities. After 75 days at sea, Nicolas finished in sixth place – an incredible achievement.

Thanks to the OceanPack onboard our IMOCA sailing boat, Nicolas collected up to 25,000 water samples daily from the most remote places on the planet – including Point Nemo, where anyone who visits is closer to astronauts on the International Space Station than to other human beings on Earth. This data from the South Pacific Ocean, which is currently scarce, will help scientists better understand the health of our oceans.

These water samples are analyzed using OceanPack, an autonomous monitoring system optimized for racing vessels. It measures levels of carbon dioxide, oxygen, salinity and temperature, to shed light on the impact of climate change on our oceans.

Team Holcim-PRB skipper Nicolas Lunven, moments before embarking on the Vendée Globe

[1] World Business Council for Sustainable Development report, 26 September 2022.
[2] UN Department of Economic and Social Affairs: "2018 Revision of World Urbanization Prospects"

From green roofs to urban gardens enabled by Hydromedia water-permeable concrete, we are bringing more nature into cities, improving air quality, reducing urban temperatures and enhancing people's well-being.

ECOCycle® enables us to recycle up to 100% of construction demolition materials across a broad range of applications, from decarbonized raw materials in low-carbon cement through to aggregates and concrete.

GO CIRCULAR: From Sea to City

With GO CIRCULAR, Team Holcim-PRB sails the world to preserve our oceans, with a call to action to accelerate the shift to circular building and living.

During the last edition of The Ocean Race, the team gathered scientific data as part of the largest-ever marine science program during a sports event, collecting over four million data points. These water and air samples were shared with the World Meteorological Organization.

Team Holcim-PRB did the same during the Vendée Globe 2024, collecting up to 25,000 samples each day with the help of the OceanPack.

Circular Explorer

The Circular Explorer is our 100% solar-powered catamaran, designed to recover and recycle plastic waste in the ocean and rivers, educate communities and advance marine research. It is currently operating in Manila Bay in the Philippines. Watch the Ocean Titans episode about the Circular Explorer:

holcim.com/circular-explorer

"Teamwork is what makes success possible in the Vendée Globe. The same is true when it comes to making circular living a reality."

NICOLAS LUNVEN
Skipper, Team Holcim-PRB

Team Holcim-PRB at the Vendée Liberty, organized as part of the New York Vendée 2024

REGENERATIVE REVOLUTION

We need to transform our cities to be regenerative by design, to ensure a thriving future for people and the planet.

Unleashing a "Regenerative Revolution"
Almost 70% of people worldwide will live in cities by 2050, which means they lie at the heart of our transition to a sustainable, circular, and resilient future. We need to ensure that we design and build cities in a regenerative way for those who live in them.

This demands a regenerative revolution, with spaces designed to improve living standards, make cities more resilient and serve society. Taking this approach is about bringing nature into cities and putting people at the core of the built environment.

Together with Systemiq, we published a report titled "Unleashing a Regenerative Revolution for the Built Environment", calling for the built environment to accelerate positive impact for people and the planet. In the report, we set out the case for change, and how we can work together across the construction sector to make this the new normal.

What is a regenerative city?
A regenerative business model for the built environment evolves over time, is people-centric, well integrated with nature, and rooted in place.

THE BIG U – NEW YORK

New York's Big U project is setting the standard for regenerative building, as coastal cities worldwide recognize the need to become more climate resilient.

In 2012, Hurricane Sandy hit Manhattan, causing significant damage to buildings and infrastructure. In response, a group of architects, environmental groups, and policy experts conceived the Big U, a 16-kilometer protective ribbon to encircle Manhattan's southern tip. Holcim's sustainable building solutions are being used in the East Side Coastal Resiliency (ESCR) section of the BIG U, to provide high structural strength in walls, and create parks and pathways.

The innovative project is nature-based. Listening to the needs of the local community, it incorporates outdoor spaces and reconnects residents with the natural ecosystem around them. Big U has improved the health and well-being of those living in Lower Manhattan and increased the city's resilience.

"A regenerative revolution in the built environment offers a way of doing better business, while delivering benefits to people, nature and climate."

JEREMY OPPENHEIM
Founder and Managing Partner
Systemiq

Read more online

Holcim's sustainable building solutions are being used to build the BIG U, a large-scale protective system in Manhattan, New York City

Evolution over time
Regenerative approaches do not aim to deliver outcomes by strict time deadlines. Rather, they are designed to include feedback loops, giving them the flexibility to adapt continuously and be resilient to their ever-changing economic, social and environmental circumstances.

Focused on people's needs
The ultimate purpose of built structures is to meet the needs of their users for shelter, security, comfort, creativity, connectivity or enterprise. Putting the needs and wishes of users at the center of the planning and design process can create structures that uplift and improve human beings' daily experiences.

Integrated with nature
Restoring the connections between people and their natural surroundings regenerates their health and well-being. Regenerative places originate from living systems thinking, which respects planetary boundaries and favors nature-based solutions. Designed as living systems, they restore the connections between people and their surrounding natural environment.

Rooted in place
Urban environments that regenerate lives and livelihoods deepen the sense of connection between people and the places where they live, work and play. They are informed by an intimate understanding of local history, ecology and culture to reflect the unique essence of their place.

SUSTAINABLE CONSTRUCTION

Advancing sustainable construction with the Holcim Foundation and Holcim Sustainable Construction Academy.

Holcim Foundation for Sustainable Construction
The Holcim Foundation for Sustainable Construction has supported and connected innovators in the built environment for two decades. In 2024, the Foundation created new platforms to share knowledge and promote best practices in sustainable construction.

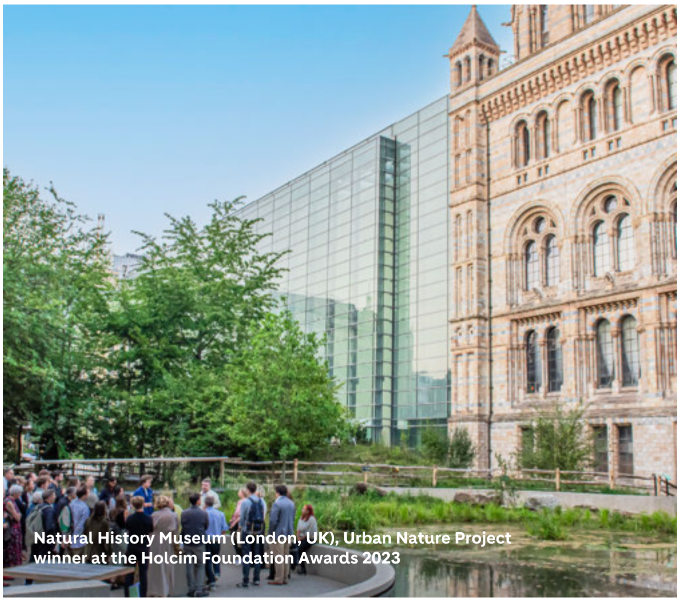
Holcim Foundation Awards
Following the announcement of the 2023 Awards winning projects, the Foundation launched a monthly Awards Webinar series in 2024, giving a voice to winning teams from across the globe. With over 2,000 participants across live and recorded sessions, the webinars covered innovative approaches to decarbonization in construction, equitable community design and nature-based solutions.

In addition, several Awards Talks events visited winning projects, conducting panel discussions with project teams and industry experts. These events showcased real-life projects, sparking dialog on the challenges and opportunities of sustainable design. The new Words with Winners short film series also showcased groundbreaking projects from past Holcim Foundation Awards winners.

The Holcim Foundation Awards is the world's most significant prize in sustainable design, focusing on environmental, social, economic and contextual sustainability. Open every two years, the competition will announce a new cohort of winners in 2025.

Supporting future agents of change
The Foundation expanded its educational efforts, focusing on next-generation changemakers with the first regional Holcim Foundation Fellowship in New York for North America. Over two weeks, 15 emerging leaders from built environment disciplines took part in workshops, site visits and discussions centered on decarbonization at scale. Bridging academia and practice, more fellowships will follow in 2025 in collaboration with universities across Latin America, the Middle East, Africa and Europe.

> **"I was blown away by the passion, intelligence and creativity of the first group of Holcim Foundation Fellows."**
>
> **DAVID BENJAMIN**
> Academic Lead, Holcim Foundation Fellowship
> Columbia University GSAPP



Natural History Museum (London, UK), Urban Nature Project winner at the Holcim Foundation Awards 2023

The Holcim Sustainable Construction Academy was launched at back-to-back events in London and New York in September 2024

HOLCIM SUSTAINABLE CONSTRUCTION ACADEMY

We launched the Holcim Sustainable Construction Academy in 2024 to engage built environment professionals – architects, urban planners, engineers and more – to integrate the principles of sustainable and regenerative design.

A free online training program, the academy equips participants with all the tools they need to measure the impact of their building project. Starting early in the design process, it guides them through to a more in-depth understanding of construction materials, knowledge of the latest design and material innovations and systems that support circularity.

Experts from Holcim Group and Holcim Innovation Center collaborated with professors from the University of Cambridge, ETH Zurich, and architects and engineers from ARUP, Ramboll, Zaha Hadid Architects, Henning Larsen and others to design the curriculum. The modules are Continuing Professional Development (CPD) certified and, upon completion, participants receive a shareable certificate.

holcimacademy.com

"I am proud to have contributed to the Holcim Sustainable Construction Academy, which has the potential to make a lasting impact on our industry and planet."

DR. JOHN ORR
Professor of Structural Engineering, University of Cambridge

NATURE

BUILDING A NATURE-POSITIVE FUTURE

Holcim takes a measurable, science-driven approach to nature, from our biodiversity indicator system to our freshwater ecosystems and nature-friendly building solutions.

Contributing to a nature-positive future
Holcim is committed to contributing to a nature-positive future. Going beyond traditional rehabilitation, we transform local ecosystems to increase the resilience of our planet and society.

Enhancing biodiversity

Our approach to enhancing biodiversity involves working with nature to accelerate restoration. We harness natural processes, endemic species and local adaptation, and account for the landscape and conservation context.

Our biodiversity targets are based on progressive transformative rehabilitation plans and measured by a scientific methodology developed in partnership with the International Union for Conservation of Nature (IUCN).

In 2024 we reached our milestone of assessing 100% of our biodiversity baseline in all our active and non-active quarries (excluding quarries in the process of divestment such as quarries in the U.S. and Canada). Our other commitments include a higher biodiversity index measured with the Biodiversity Indicator and Reporting System (BIRS) by 2030.

BIRS enables us to identify risks and opportunities to improve the effectiveness of the actions we put in place to increase biodiversity by 2030. In 2024, Holcim successfully worked with IUCN to assess the quality of the BIRS baseline process. As a next step, IUCN will help Holcim identify opportunities to improve our biodiversity index.

SCIENCE-BASED TARGETS FOR NATURE

At COP16 Convention on Biological Diversity, Holcim was named by the Science Based Targets Network (SBTN) as one of the first three companies in the world to adopt science-based targets for nature. This science-based target-setting, starting with freshwater, is a significant milestone in advancing ambitious and measurable corporate action for nature. It follows a year-long SBTN pilot program, for which Holcim was one of 17 companies selected globally and the only company in its sector.

Holcim's granular water data enabled it to set an ambitious target of a 39% reduction in freshwater withdrawals by 2030 in its direct operations in the Moctezuma basin in Mexico, compared to an average 2022–2023 baseline.

"We're pleased to see companies like Holcim leading the way by publicly adopting the world's first science-based targets beyond climate, demonstrating that a clear and credible pathway for ambitious action for nature is possible."

ERIN BILLMAN
Executive Director
Science Based Targets Network

Water

Since freshwater is a finite resource, we aim to reduce water intensity throughout our operations. We are prioritizing our actions in high water-risk areas, tailoring our solutions to local conditions.

Our commitments include: committing to lowering water intensity across business lines, with a 33% reduction in cement, 20% in aggregates and 15% in ready-mix concrete.

Restoring ecosystems

We are committed to promoting healthy habitats, with local, site-based rehabilitation plans to safeguard natural resources and restore ecosystems.

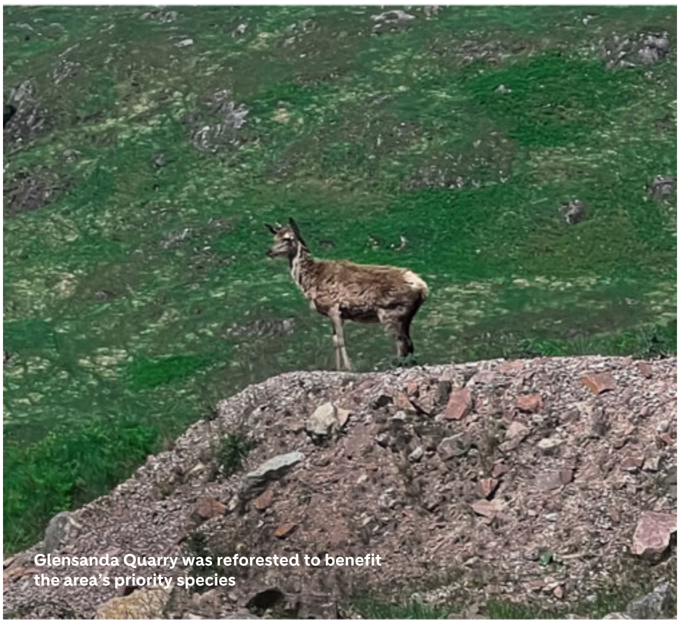
At Glensanda Quarry in Scotland, we planted a 64-hectare native woodland to restore habitats that have been in decline over the last few decades. This 105,000-tree plantation supports the re-establishment of the country's temperate rainforest.

In partnership with the municipal government, technical organizations and civil society, our team in Argentina launched a 2.4-hectare reforestation project on the Alto Comedero riverside in Jujuy by planting 1,300 specimens of native flora. The project replenishes freshwater by retaining runoff, restores a degraded ecosystem, improves soil quality, enhances biodiversity, improves water quality, and reduces the downstream flooding risk.

We are working with partners such as the University of Patras and IUCN to improve our biodiversity levels at our Araxos Quarry in Greece. The site is a birdwatching paradise thanks to a nesting area for migratory protected birds, and a year-round shelter for many species, including endemic amphibians and reptiles.

We partnered with Landcare Australia to support foreshore and riparian restoration in Perth, helping to mitigate water quality threats. On the eastern seaboard, our Beenleigh Quarry team successfully completed the Protected Plant project, ensuring no net loss (NNL) of a vulnerable plant species, the Slender Milkvine.

Our reforestation project in Jujuy, Argentina, will replenish freshwater and restore the native ecosystem



Glensanda Quarry was reforested to benefit the area's priority species

SPECIFIC FRESHWATER WITHDRAWAL

277

L/ton of cementitious material
2023: 298 L/ton

BIODIVERSITY

100%

Biodiversity baselines assessed using BIRS methodology
(excluding quarries in process of divestment such as U.S. & Canada)

GLOBAL LEADERSHIP

SCIENCE BASED TARGETS NETWORK
GLOBAL COMMONS ALLIANCE

One of the first three companies with targets validated by SBTN

LEADING IN SUSTAINABILITY CONTINUED

Preserving freshwater ecosystems
Holcim implements freshwater replenishment programs beyond our site boundaries, and supports water access and sanitation, to benefit local communities and nature.

Reviving an iconic river in Costa Rica

Our team in Costa Rica joined forces with the National Alliance of Rivers and Basins to rehabilitate the Agua Caliente River and restore its importance as a natural and tourist resource.

We are doing this by using clay spheres made by community volunteers. Loaded with microorganisms, the spheres purify water and rehabilitate deteriorated aquatic ecosystems. Holcim also created the Citizen Water Observatory, which trains and empowers the community to monitor and protect local water sources.

Tackling water scarcity in Algeria

Zeghad, a village 240 kilometers east of Algeria's capital Algiers, is in a region of extreme water scarcity. Village inhabitants previously had no access to running water. They either had to purchase water tanks at prices some could not afford or walk considerable distances to reach water points. Holcim's team at our M'Sila plant installed water pipes from the plant's water wells to the village center, and built a fountain that provides water for domestic and drinking purposes, for people and livestock.

Thanks to this project, water supply to the villagers has reached 2,200 m^3 per month, with water quality certified by annual controls. Additionally, we planted new green areas, including herb gardens.

Reducing freshwater withdrawals in Ecuador

In Ecuador, we partnered with a local brewery and beverage manufacturer to reduce freshwater withdrawals at our two concrete plants in Guayaquil, Ecuador. The project uses 69,000 m^3 of treated wastewater from the two companies for concrete production over a five-year period.

This initiative promotes responsible water management, focusing on its optimal use and preservation, reducing freshwater use and effectively managing wastewater. By September 2024, we had achieved a reduction of 15.99 l/m^3, representing 5% of the segment's total consumption nationwide, and the equivalent consumption of 2,520 people or 28 Olympic-sized swimming pools.

SUPPORTING NATURE WITH OUR SOLUTIONS

We are committed to developing solutions that support nature and bring more of it into cities.

Our innovative bio-active concrete solutions, for example, help rehabilitate damaged coastal ecosystems. In the Philippines, Holcim supplied rrreefs, a Swiss startup, with ECOPlanet cement to create 500 concrete base elements. Sitting off the coast in Pujada Bay near Mati city, these will hold 820 3D-printed artificial reef modules produced by rrreefs. In Mexico, we deployed more than 20 volunteers and donated ECOPlanet Prime to create bio-active reefs that will restore the corals of Isla Contoy National Park. This has enabled the restoration and reproduction of nearly 450 corals.

Green roofs play an essential role in bringing nature into cities and improving urban biodiversity. Leading by example, ZinCo's green roof systems were used to construct a large roof terrace with intensive greening and balconies at the company's new head office in Germany.

Designed for corals to regenerate and fish to thrive, these modules enable a reef ecosystem to flourish in Pujada Bay

Using innovative clay spheres to rehabilitate aquatic ecosystems in the Agua Caliente River, Costa Rica

"We are excited to collaborate with Holcim to strengthen the foundation of our reef system and inspire further action towards a nature-positive future."

JOSEPHINE GRAF
rrreefs Co-Founder

Toward a nature-positive built environment
The business case for taking action to address nature loss has never been clearer. We partner with leading NGOs, coalitions and other actors in the built environment value chain to share and transfer knowledge that will accelerate the shift to a nature-positive built environment. In 2024, we collaborated on a variety of publications to inspire corporate action on nature.

Read more about how we are building a nature-positive future

ADVOCACY POSITIONS AND TRANSPARENCY

Holcim is committed to advocating for public policy frameworks that are fully aligned with the 1.5°C Paris Agreement.

Introduction

In 2020, Holcim joined the UN Global Compact's Business Ambition for 1.5°C campaign, committing to align its targets and actions with the 1.5°C framework. This commitment was translated into robust, SBTi-validated targets for 2030 and 2050, in line with the 1.5°C science-based framework. It forms part of Holcim's climate advocacy and engagement, to ensure alignment with the global ambition of the Paris Agreement to limit global warming to 1.5°C above pre-industrial levels.

To meet its ambitious climate targets, Holcim closely collaborates with stakeholders, partners and policymakers. It advocates for forward-looking policy frameworks that facilitate the development of business cases to drive innovation, establish new industrial value chains, and scale up the deployment of circular and low-carbon solutions globally, thereby contributing to the global 1.5°C ambitions.

Holcim's commitment to the 1.5°C ambition is fully reflected in our public policy positions, which are further described in this chapter as well as in our Climate Policy Advocacy and Engagement report.

Climate policy positions

Holcim actively addresses global and specific climate policy issues through close collaboration with policymakers, partners and key stakeholders. We are committed to promoting public policy frameworks that are anchored in circular economy principles, aligned with the Paris Agreement's 1.5°C target, that enable innovative and competitive green growth. Our 2024 policy priorities are outlined on the following pages.

Competitive green growth and carbon costs

Decarbonization is at the heart of our industrial and commercial strategy through the deployment at scale of advanced innovative technologies, such as CCUS, and the introduction of low-carbon solutions, such as ECOPact concrete, on construction markets globally. The competitive deployment of such technologies and products is facilitated by policy measures such as carbon pricing or emissions trading schemes. In that regard, Holcim advocates for a level playing field on carbon costs internationally. Initiatives such as the Carbon Border Adjustment Mechanism (CBAM) in Europe, fair state aid rules for energy-intensive sectors and dynamic carbon pricing are critical to scaling decarbonization efforts.

Support advanced decarbonization technologies

Holcim is driving the broadest range of decarbonization technologies in the industry. These span the utilization of innovative low-emission raw materials, such as calcined clay and recycled decarbonized cement paste, to fossil fuel-free energy and CCUS.

Recognizing that no single solution will be perfectly scalable everywhere due to varying technological, geological and legislative conditions, we emphasize the need for a regulatory framework that is flexible and clearly defined. This requires adequate funding, simplified application and flexibility within existing financial tools, plus de-risking mechanisms, to incentivize first movers.


At the Davos Baukultur Alliance annual meeting, Holcim co-chaired the Alliance's Focus Group on Sustainability & Circularity

Secure access to competitive decarbonized energy

We advocate for the development and deployment of sustainable and decarbonized energy solutions. Securing access to competitive decarbonized energy sources is essential to enable industrial decarbonization at scale. To accelerate the transition, we urge: (1) A well-functioning electricity market with access at scale based on competitive prices. (2) Accelerated investments in renewable energy assets via faster permitting procedures. (3) Sustained access to non-recyclable and biomass waste as alternative fuels.

Foster demand for low-carbon products

Holcim is at the forefront of driving the transition to low-carbon, circular construction by delivering innovative sustainable products and solutions on a global scale. Introducing them to the market requires a dynamic standardization framework supported by enabling building codes and progressive public procurement practices, while integrating sustainability performance alongside traditional metrics such as safety, performance, durability and affordability.

Advance mandatory human rights and environmental due diligence

We take a whole-society approach to reaching net zero, respecting labor and human rights while creating stimulating jobs. We are committed to decarbonization in line with the Just Transition principles, assessing and addressing the impacts of our journey to net zero on four key stakeholder groups: our people, our suppliers, our communities and our customers (see pages 104–105).

As part of its climate policy engagement, Holcim supports the implementation of regulatory frameworks that require mandatory human rights and environmental due diligence. Establishing common legal requirements, such as those proposed at European Union level, ensures consistent standards across industries. It also ensures that efforts made by companies to respect people and the planet are not undermined by the lack of uniform standards. Such regulatory frameworks increase legal certainty and ensure a competitive level playing field, to the benefit of the environment and of local communities.

LEADING IN SUSTAINABILITY CONTINUED

Climate policy advocacy governance

Holcim's climate advocacy is led by Group Public Affairs, supported by Group Sustainability and regional experts. Our approach consists of defining priorities aligned with the 1.5°C agenda and scalable actions as well as sharing advocacy guidance through a public affairs network for consistent local engagement.

Governed by a "Responsible Lobbying Directive", Holcim commits to dealing transparently and fairly in all its lobbying activities and complies with all applicable laws. This includes adherence to public codes of conduct and lobbying registers, where those exist. For example, Holcim's climate advocacy activities are disclosed in the EU Transparency Register. Furthermore, participation in industry and business associations is subject to mandatory compliance training and regular review.

> **"We can be very proud of what Holcim is doing here in Belgium. The greenest cement in the world will be produced here."**
>
> **ALEXANDER DE CROO**
> Prime Minister of Belgium (Oct 2020 to Feb 2025)

Direct climate policy advocacy

Our advocacy efforts have centered on amplifying climate action through direct engagement with policymakers, contributing to relevant policy developments and forming strategic partnerships.

Engaging on specific policy developments

We are actively engaged in the development of ambitious and enabling climate policy frameworks. At a global level, we are proactively involved in relevant frameworks, such as the Basel Convention on the Transboundary Movement of Waste and the revision of its Annex IVB. At a regional level, in Europe we actively contribute to the development of innovative policy frameworks such as the EU's Industrial Carbon Management Strategy and the Net Zero Industry Act, which were both adopted in 2024.

Engaging at global events

Holcim engages proactively during global events throughout the year. In 2024, this included the Buildings and Climate Global Forum (Paris, France), the EU's Industrial Carbon Management Forum (Pau, France) and the UNFCCC's COP29 (Baku, Azerbaijan). We foster regulatory developments and cross-sectoral collaboration that enable the decarbonization of industrial activities, products and solutions, as well as the built environment value chain.

Forming strategic partnerships and alliances

To further advance global advocacy for low-carbon and circular construction, we joined key coalitions, including the Circular Leaders Group of the Ellen MacArthur Foundation, and took on a leadership role as co-chair of the Focus Group Sustainability & Circularity of the Davos Baukultur Alliance, hosted by the Swiss Confederation.

The GO4ZERO groundbreaking event in Obourg, Belgium, was attended by regional, national and EU representatives

At COP29, Holcim joined calls for global policy action to boost demand for low-carbon materials and transformative climate policies

Climate advocacy in action (indirect)

We promote our commitment to the Paris Agreement and net-zero targets by collaborating with partners and trade associations including Cembureau and GCCA, with a view to shaping Paris-aligned climate policies locally and globally.

By way of example, in 2024, we contributed to the launch of global definitions for low-carbon cement and concrete at COP29, based on frameworks from the IEA and UNIDO's IDDI, to drive low-carbon cement and concrete demand.

Advocacy through multi-stakeholder collaboration

In 2024, we collaborated with global organizations such as World Business Council for Sustainable Development (WBCSD), World Green Building Council (WGBC), European Roundtable for Industries (ERT) and World Economic Forum (WEF), to drive industrial and built-environment decarbonization, supporting circular economy principles and the Paris Agreement.

At COP29, Holcim joined calls for global policy action to boost demand for low-carbon materials and transformative climate policies.

Industry associations review

Holcim is committed to ensuring that our advocacy through trade associations is aligned with the Paris Agreement and Holcim's positions. We conduct an annual trade association review focused on:

- Support for the Paris Agreement's climate ambition and net-zero agenda.
- Support for carbon pricing mechanisms.
- The need to develop 2050 decarbonization roadmaps.
- Acceptance of the need to deploy advanced technologies, including CCUS.
- Support for the creation of demand-pull policies for low-carbon products.

We are committed to working with our trade associations to accelerate that journey. We address misalignment with associations or, if necessary, reconsider our membership.

Additional details regarding our climate advocacy and our trade association review are available in our Climate Policy Engagement Report.

Read more about our Climate Policy Engagement Report

JUST TRANSITION

We take a whole-society approach to reaching net zero, respecting labor and human rights while creating decent jobs.

Decarbonizing in line with the Just Transition
We are committed to decarbonization in line with the Just Transition principles, assessing and addressing the impacts of our journey to net zero on four key stakeholder groups: our people, our suppliers, our communities and our customers.

Holcim is committed to fostering a Just Transition where the well-being of our key stakeholders is prioritized. Our Just Transition commitments ensure the most equal and inclusive solutions for progress toward our net-zero journey to decarbonize the built environment.

By promoting a fair and holistic approach, Holcim seeks to ensure that everyone, including people from marginalized and disadvantaged groups, has the opportunity to lead fulfilling and sustainable lives characterized by dignity, inclusivity and empowerment.

Our Just Transition plan
Our comprehensive Just Transition plan will represent our commitment to implementing a series of substantive actions as we transition to a low-carbon economy. These actions will be designed to support our key stakeholders, such as employees, unions, communities, suppliers and customers throughout our decarbonization projects.

UPSKILLING PEOPLE

EMPOWERING OUR WORKFORCE IN BELGIUM

As part of our GO4ZERO project in Obourg, Belgium (see page 74), we launched an extensive upskilling and reskilling program that will run until 2027. Targeting approximately 170 employees, from factory workers to managers at the plant, this initiative reflects our commitment to a Just Transition by equipping our people with the necessary skills to drive operational excellence and achieve our strategic goals.

A key focus is on technical training delivered through workplace learning, which will ensure hands-on experience in real-world operational contexts. To prepare employees for this phase, group tools such as iCecil will be used during e-learning sessions, offering a seamless transition into practical applications.

Beyond technical expertise, the program incorporates soft skills development to foster a future-ready workforce capable of navigating dynamic environments.

Read more about the Just Transition at Holcim

As part of our GO4ZERO project in Obourg, Belgium, we launched an extensive upskilling and reskilling program

Our employees

We are committed to supporting our employees and empowering them with the necessary skills to thrive in a rapidly evolving net-zero future. To ensure the successful implementation of our decarbonization projects with a highly engaged workforce, we provide initiatives such as comprehensive training, reskilling and upskilling opportunities, redeployment options and fair compensation packages.

Our suppliers

Holcim's principles of respect for human and labor rights, protecting the environment and our commitments to climate and nature are integral to how we work with our suppliers. As part of this effort, we are engaging our suppliers to identify and manage the environmental impact of their operations and the life cycle of products and services we purchase from them. We focus our efforts on products and services that have the highest impact on climate, water, air emissions, waste, biodiversity and land use.

Our customers

To help our customers build better with less, we are developing low-carbon and recycled products and solutions worldwide. We are becoming a global leader in roofing with systems spanning cool, green and solar-enabling roofs. We drive cutting-edge innovation for customers, from 3D printing to ultra-high-strength concrete. The Holcim Sustainable Construction Academy improves knowledge of sustainable construction practices to accelerate the transition to net zero.

Our communities

Holcim remains fully committed to creating a positive social impact in the communities where we operate. We aim to decarbonize while providing high-value jobs, increased affordable housing and skills development. We promote sustainable development through innovative building materials and solutions to enable our communities to thrive in safe and resilient environments.

PEOPLE

HOLCIM PEOPLE

In 2024 we introduced the Holcim Spirit, with Purpose, People and Performance at the core of our strategy.

The Holcim Spirit
We are proud to connect our people to our shared purpose: building progress for the people and the planet, with sustainability and innovation at the core of our strategy. We are constantly aiming to create the best workplace where talent is nurtured, diversity is celebrated and health and safety is a top priority. Our 65,000 people worldwide are reinforcing our culture of performance and value creation for our people, customers and shareholders, every single day.

Progress through a culture of respect
Our approach empowers all our countries to cultivate practices that balance the equitable treatment of our workforce with the demands of our operations, customers and communities. This resolution is stated in our Group People Policy, where it reinforces our commitment to put our employees at the center of what we do.

Our policy is adaptable to align with local regulations while upholding its fundamental principles of fairness, respect, and the safeguarding of human rights, as well as preventing child labor. Should the need arise, we will refine the policy to comply with local laws, while preserving its essence. Our Human Rights Policy and Diversity, Equity and Inclusion (DEI) Standard further strengthen our approach to integrity and fair treatment.

Growth through learning and development
Growth starts with all of us. And it starts with development opportunities for all our people who are encouraged to take charge of their own careers.

Launch of Holcim University
We were proud to launch the Holcim University in 2024, a one-stop destination where business schools, functional academies, forums and online learning converge under one global brand. Its objective is to provide more and transparent growth opportunities to all employees, from Early Career to Middle Management and Senior Leaders.

HOLCIM SPIRIT
PURPOSE
PEOPLE
PERFORMANCE

500+	21%	85%
P&L leaders	**Women in senior leadership roles**	**Internal promotion rate across Senior Leaders**

HOLCIM GLOBAL LEADERSHIP PROGRAMS

SENIOR LEADERS BUSINESS SCHOOL	Driving strategy execution	**On-site** 3 days	**200** senior leaders participated	**Total** **1,667** leaders trained by end of 2024
ADVANCED LEADERS BUSINESS SCHOOL	Preparing the organization's senior leadership	**Live online** 5 sessions	**123** completed (+98%)[1]	
EMERGING LEADERS BUSINESS SCHOOL	Nurturing leaders to lead the way in accelerating growth	**Live online** 4-month journey	**643** completed (+48%)[1]	
EARLY CAREER LEADERSHIP PROGRAM	Building the next generation of leaders	**Live online** 6-month journey	**701** completed (+36%)[1]	

[1] Leaders trained by end 2023/2024 (year-on-year change).

Our well-established and highly successful business schools continue to deliver outstanding results. Talents from Early Career through to Middle Management and Senior Leaders are being educated by best-in-class educational providers such as IMD, Ivey, IE and Franklin Covey – in collaboration with our own learning and development experts.

One example is our Early Career Leaders Program, which is equipping the next generation of leaders with the tools, knowledge, skills and experience to become effective leaders. Spanning a six-month period, the program gives participants a unique opportunity to receive coaching, engage in hands-on learning through project work focusing on sustainability, gain exposure to senior management, and more. By the end of 2024, over 700 early career leaders had completed the program.

Our colleagues in more senior roles continue their professional development in the Business School for Emerging Leaders, Advanced Leaders and Senior Leaders.

In addition to our business schools, a variety of functional academies are offered in person or virtually to Middle Managers, Team Leaders and Individual Contributors from all over the world – from finance to sustainability. Our growth catalog holds critical learning opportunities for all our functions. This offering is well complemented by our extensive online library, where thousands of learning modules are freely accessible to all employees, providing just-in-time learning and performance support.

We continue to ensure that development is not only offered through traditional courses (virtual or in person), but also by creating more social dialog and human interaction. Through Collaborative Learning, we provide a variety of alternative learning opportunities. This includes our in-house mentoring platform Career Catalyst, through which Holcim employees get to access mentorship pairings. We also partner with external mentoring and coaching experts such as Advance in Switzerland and CoachHub.

> **"Holcim University enables all our employees to take ownership of their own careers, and explore new opportunities for development."**
>
> **CARMEN DIAZ**
> Chief People Officer

It all starts with strong leadership

Best-in-class leadership is a key enabler of the Holcim Spirit and Holcim's success. We do not leave this up to chance, and ensure that our Senior Leaders are being developed on an ongoing basis, where we foster the importance of inclusive leadership.

Every year, we bring our most senior leaders together for the annual Senior Leaders Meeting. In 2024, this event took place in Madrid. Kicked off by our Chief Executive Officer Miljan Gutovic and Chairman Jan Jenisch, and attended by the entire Group Executive Committee, the meeting was an immersive opportunity to celebrate the achievement of our "Strategy 2025 – Accelerating Green Growth" ambition and launch a new era of growth.

Strategic focus on the right gender balance

Driven by our strategic objective to have 30% of our senior leadership roles held by women by 2030, we continue to promote a diverse and inclusive work environment. Various diversity initiatives have been launched or scaled in 2024 across Holcim, all under the umbrella of The Right Mix, our female empowerment program.

In partnership with Lean In we launched Lean In Girls, with Holcim Iraq as an early adopter, designed to empower girls aged 11–15. We further scaled up Lean In Circles – our network for women to exchange, connect and create "nurture ambassadors".

Various countries are engaged in activities supporting girls in science, technology, engineering and mathematics (STEM), as we aim to increase the future pipeline for women in our industry as a whole. Within our mentoring program Career Catalyst, a dedicated pairing is reserved for women only, called Stronger Together.

ONE YOUNG WORLD 2024

For the fourth year running, Holcim partnered with One Young World (OYW), sponsoring the attendance of 30 internal delegates and five external scholars at the One Young World Summit. Here, scholars drive positive change, develop leadership skills and grow their global networks. Inspired by the summit, they return with new ideas and drive meaningful projects.

At the 2024 summit in Montreal, a team of returning Holcim ambassadors showcased their own idea which they have successfully implemented – Holcim's Virtual Innovation Hub. Hundreds of visitors experienced the hub through the virtual reality tool at Holcim's booth, and learned about our innovative and sustainable building solutions.

To date, Holcim has built an internal community of 81 OYW ambassadors. 60% are female and 63% have won internal promotions in the last two years.

Holcim delegates at the 2024 One Young World Summit in Montreal, Canada

Senior leaders visiting Holcim's Villaluenga site in Spain, during their annual meeting, held in Madrid in 2024

Celebrating our diversity
With over 150 nationalities represented within our organization, we aim to celebrate what makes each of us unique and leverage all the cognitive diversity we possess. We celebrate annual events such as General Diversity Awareness month, Movember, Pride and International Women's Day – to name just a few.

Our multiple Employee Resource Groups (ERGs) that enhance visibility for underrepresented groups such as LGBTQ+, people with disabilities or Black, Indigenous and people of color (BIPOC) communities are gaining momentum. At Holcim, we fully empower our ERGs to proactively propose new initiatives or concepts, which we aim to scale and execute globally, whenever possible.

"The Career Catalyst mentoring program was a transformative experience. As a mentor I gained fresh insights, while my mentee flourished in her role with newfound confidence and skills."

IRMA FLORES
Health & Safety Manager, Holcim Mexico

62%

Promotion rate of One Young World participants in last two years

250+

Participants in Stronger Together female mentorship program

Holcim strives to provide a best workplace for our people, a place where everyone feels welcome, valued and where our performance culture is lived. We regularly benchmark our efforts against top employers in the industry, and review and update our diversity, equity and inclusion (DEI) and People processes to ensure that Holcim is an inclusive workplace.

We have integrated the "Inclusion Index" into our Engagement survey, and have won accolades from the likes of Top Employer and EDGE following external assessments – in locations including Switzerland, Poland, Spain, Colombia, Mexico, France and Slovakia.

In recognition of our progress on gender, age diversity and broader diversity and inclusion, Holcim was named a Financial Times and Statista "Leader in Diversity" and one of Fast Company's 2024 "Best Workplaces for Innovators".

Expanding Women on Wheels

Since its launch in 2021, our Women on Wheels (WoW) program has enabled women to become truck drivers, improving their lives as well as those of their families and communities.

In 2024, the number of women driving Holcim trucks across 36 countries increased to more than 950, up 10% from 2023. We launched WoW in Oman, while in Ecuador the program was recognized by the World Economic Forum in the "Guide to Promote Gender Equality in Latin American and Caribbean Companies". In Australia, Holcim Concrete in Victoria launched a training program to support women to become professional drivers.

Looking ahead, WoW is expanding its reach. In partnership with the University of Villa Maria in Argentina, Holcim is developing a blueprint for female driving schools, set to launch in early 2025.

WoW's success earned the program numerous awards in 2024. For example, at the Reuters Sustainable Business Awards, WoW won in "Diversity, Equity & Inclusion," and was also a finalist at the 2024 edie Awards in "Social Sustainability, Diversity & Inclusion".

In Ecuador, 43 women completed their Women on Wheels training program in 2024


The annual Global People Forum brought together 150 Holcim colleagues, to learn about and equip themselves for Holcim's new era of growth

Advancing global pay equity and inclusion

While our local teams consistently meet the requirements of local gender pay equity regulations, we went further, using an advanced, recognized statistical regression analysis model to conduct our fourth global assessment.

Our commitment to fair and equitable pay is ongoing, with annual monitoring to reinforce equal pay for equal work and performance – not only between women and men but also across all dimensions of diversity, including ethnic origin, age, religion, ideology, sexual orientation and physical ability. The results of this assessment continue to show encouraging progress, underscoring our dedication to fostering a truly inclusive workplace.

Driving performance through engagement

Living the Holcim Spirit, we are committed to creating an environment with the maximum engagement of our people. Empowering people to voice their views through the Global Employee Engagement Survey (last conducted at the end of 2023), helps us drive meaningful action at country, region and Group levels with everyone's involvement. Listening to all our 65,000 employees is key, and is of the highest priority for our leaders.

We are committed to continue fostering best leadership practices across Holcim worldwide, and ensuring we apply global standards of employee experience across the entire life cycle – from talent attraction and onboarding to people growth, performance and offboarding.

That is why our purpose-driven performance culture is lived by our people through the Holcim Spirit: Purpose, People and Performance.

HEALTH, SAFETY AND ENVIRONMENT

Our strong culture prioritizes zero harm, environmental excellence and empowered teams.

In 2024, our three-pillar operating model – Critical Risk Management, Workforce Engagement, and Continuous Improvement – drove tangible progress in Health, Safety and Environment (HSE).

Aiming for a zero-harm business

- In 2024, our lost-time injury frequency rate (LTIFR) fell to 0.39, with 98% of our sites and 42% of countries reporting zero lost-time injuries (LTIs).
- We are deeply saddened that two employees lost their lives in work-related incidents in 2024. Each case was carefully investigated, and corrective measures were implemented to prevent future occurrences. Our top priority is to support affected families and colleagues. Holcim is committed to ensuring a safe, healthy workplace and will not rest until we reach zero.
- In 2024, we made progress toward zero environmental impact by completing over 150 projects globally: diverting 63,000 tons of waste from landfill, recycling 1.8 million m^3 of water, and reducing Scope 2 CO_2 emissions by 45,000 tons. Real-time monitoring systems and focus projects enhanced emissions governance, cutting absolute dust (−42%), SO_2 (−1.6%), and NO_x (−5.6%) emissions.

Critical risk management

Our critical risk management program targets the 50 highest-risk controls, ensuring they are rigorously reviewed on a quarterly basis. This year, over 76,000 verifications resulted in 7,000+ improvement actions and 150,000 coaching sessions to enhance workforce understanding of our critical controls.

In 2024, we launched the World-Class Energy Isolation Program, mobilizing all countries to implement industry-leading practices.

To date, we have run 500 assessments to develop improvement plans, given 2,000 training hours, and created 24,000 procedures via our homegrown digital platform.

Workforce engagement

Boots on the Ground (BoG), our workforce engagement program, introduced a new module for HSE professionals and executives. Giving access to all HSE stats, it facilitates structured feedback, streamlines visit reporting and enables follow-ups. Our roadmap features AI-powered advancements, including technical inspection modules, digital work permits, and positive recognition.

With over 4.2 million hours dedicated to field activities, the program delivered 670,000 HSE coaching sessions with workers.

Continuous improvement

In 2024 we launched a set of real-time performance dashboards to promote accountability and informed decision making, and we improved incident management tools. WeInvestigate is a new board game to help site teams develop skills and strengthen our safety culture.

Our Health program encompasses initiatives to support the well-being of our employees and their families. The Fitness for Work medical evaluation program is now present in seven Latin American countries. In the UK, one mental health first aider is trained for every 25 employees, providing confidential mental health support to 6,000 employees and contractors.

We conducted 59 comprehensive HSE audits and invested CHF 95 million in HSE improvement projects throughout the year.

0.39

2024 lost-time injury frequency rate

98%

Of our sites with no lost-time injuries

Transforming old cement bags into children's school bags in Guinea

TOWARD ZERO ENVIRONMENTAL IMPACT

Our journey toward zero environmental impact has become a platform for innovative collaborations with local communities and industries. Here are some highlights from over 160 projects worldwide:

- In Guinea, discarded cement bags are transformed into durable school backpacks for kids, reducing waste and creating jobs in recycling.
- Our Lägerdorf plant in Germany repurposed process waste into a ground stabilization binder, eliminating the need for landfill.
- Our Villaluenga cement plant in Spain meets its water needs by recycling local wastewater, while in Ecuador, our ready-mix plants collaborate with breweries to repurpose discharged water.
- In the United Arab Emirates, Holcim's Fujairah plant maximizes energy efficiency with waste heat recovery systems.
- Holcim's Liverpool, UK, asphalt site piloted air-to-air heat exchangers, a technology we are now implementing in more locations.
- In Lebanon, our Chekka plant has transformed unused roof space into a renewable energy hub, generating solar power.

Participants in the annual Global Health, Safety and Environment meeting

GAMIFYING HSE IMPACT WITH TREASURE HUNT

We have upgraded Treasure Hunt, our annual team competition within our Boots on the Ground app, to amplify its impact on HSE priorities. Employees explore opportunities to improve energy efficiency, water conservation, dust emission reduction and serious safety risk mitigation.

A new micro-learning module leveraging advanced adult learning techniques engages employees with gamified HSE questions. This flexible, interactive format blends education with action, enhancing motivation and competency among supervisors and managers while driving real-world improvements.

In 2024, we introduced the "Champions League", a global competition sponsored by country, regional, and Group executives, which boosted our results.

Ten thousand employees took part, including over 350 senior managers. We achieved CHF 3.2 million in cost savings, removed 45,000 metric tons of CO_2, conserved 1 million m^3 of water, mitigated 5,500 dust emission sources and potentially prevented 7,500 serious injuries.

HUMAN RIGHTS AND OUR COMMUNITIES

We are committed to upholding and promoting human rights, while fostering positive social impact in the communities where we operate.

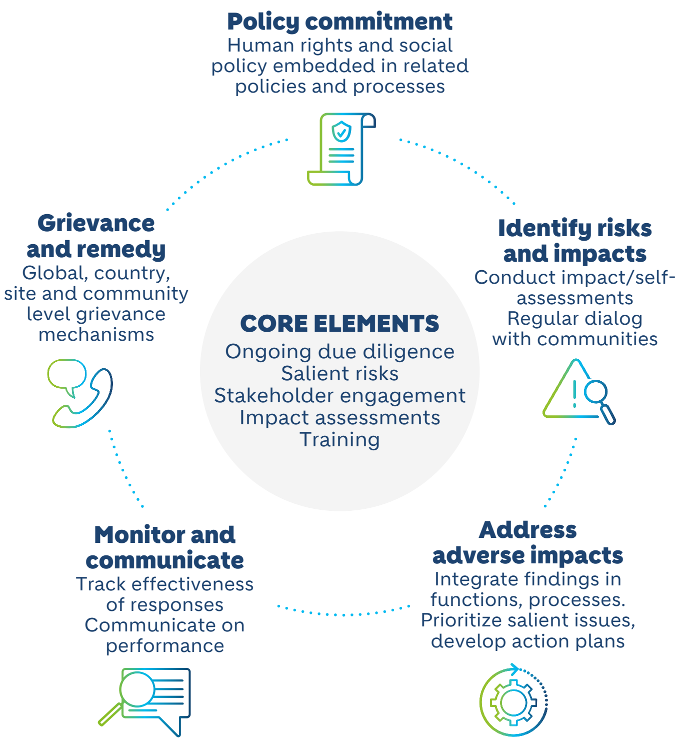
Upholding human rights

Treating people with respect and dignity and providing decent working conditions are the minimum requirements in all our operations, business activities, business relationships and in the communities where we work.

Holcim is committed to adopting internationally recognized human rights frameworks such as the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. We have actively participated in the UN Global Compact for over two decades.

Our human rights approach

Our Human Rights and Social Policy and Human Rights Directive set out our approach, processes and our salient risks. We have carried out human rights assessments for more than a decade, led either by Group-level experts or at country level. Today, every country where we operate has a human rights assessment process in place with defined action plans. In 2024, 18 impact assessments and 38 self assessments were conducted. All the findings from a human rights assessment and mitigating action plans are recorded in a global system, and are followed up every quarter by the country's and Group's human rights experts.



Harvesting and treating rainwater to provide safe drinking water for locals near our plant in Chhatak, Bangladesh

REMEDIATION IN MEXICO

In June, heavy rains caused water accumulation at our Orizaba plant in Mexico, resulting in a wall collapsing. This incident resulted in water flowing into the community, damaging furniture in 10 homes. Recognizing our responsibility, we engaged with the affected stakeholders through challenging yet constructive dialog to address grievances.

These efforts led to formal agreements for damage compensation, including fully covering furniture replacement. Beyond immediate remediation, we prioritized long-term solutions by collaborating with the community to rebuild and reinforce the wall, as well as improve internal drainage systems, mitigating future risks. Our proactive approach restored trust and resolved tensions, strengthening our relationship with the local community.

Supporting local people in Orizaba, Mexico to strengthen community relations

A typical Human Rights Impact Assessment

In 2024, during a Human Rights Impact Assessment (HRIA) in Mexico, we held anonymous and confidential consultations with more than 160 stakeholders at one of the cement plants and a Geocycle sorting station.

These consultations included employees on all levels: contractors, union representatives, representatives of minority groups such as Indigenous people, government officials and representatives of the affected local communities.

The assessment showed that our employees and contractors are proud to work at Holcim and enjoy safe and dignified working conditions. Labor rights are being respected, and the Holcim operating company goes considerably beyond minimum legal requirements in all areas.

Scope for improvement was also identified and reported to the country Executive Committee (ExCo). For example, during the consultations, employees reported that the global grievance mechanism (Integrity Line) was not working. The issue was immediately investigated, fixed and communicated to all internal and external stakeholders. A final report and action plan addressing all findings was shared with the Group's ExCo.

The impact assessment was carried out by highly experienced and trained Group-level staff who have done similar HRIAs in many parts of the world. Holcim representatives from Argentina, Colombia, Costa Rica and El Salvador, as well as eight people from other plants in Mexico, joined the HRIA to learn the methodology.

> **"Respect for human rights is fundamental to how we conduct business, and our ability to operate around the world."**
>
> **NOLLAIG FORREST**
> Chief Sustainability Officer

Ongoing stakeholder engagement

Ongoing due diligence, stakeholder engagement and training characterize our human rights approach. Under our country- and Group-level programs, we trained more than 18,000 employees, contractors, community members and other stakeholders in 2024 on human rights topics.

From Group level to our sites, we speak to a wide range of stakeholders, from community members and employees to NGOs and government representatives, to explain company positions, build trust, understand expectations and listen to grievances and concerns.

At and around our sites, we aim to build and maintain regular and constructive relationships with the people who influence our business activities or could be impacted by them. Every cement and grinding site must have a locally managed stakeholder map and engagement plan in place.

Having a Community Advisory Panel is mandatory for cement plants and grinding units and ensures regular exchanges with community representatives. In 2024, 39 countries had an active Community Advisory Panel and 1,856 meetings were held with local stakeholders. Such engagements with relevant stakeholders are mandatory in the planning of any new industrial development (such as a new quarry, for example).

We have a number of mechanisms in place to address stakeholder questions and concerns. Our Integrity Line is an anonymized and confidential grievance mechanism, operated by an external third party. Available in multiple languages, the line serves employees and their families, contractors, suppliers, business partners, customers, community members and other stakeholders. All grievances are investigated and responded to.

More about our social impact initiatives here

INDIGENOUS RIGHTS

In Canada, we are committed to fostering lasting relationships with Indigenous peoples. Last year, we reaffirmed our partnership with the Whitefish River First Nation in Ontario by signing a new 50-year land lease agreement, reflecting our respect for Indigenous rights and the principle of free, prior and informed consent (FPIC).

Through our partnership with Habitat for Humanity Australia, Holcim donated concrete and materials for the construction of a new refuge in Western Sydney. This emergency transitional accommodation is for Indigenous women and children escaping domestic violence. On the other side of the country, we partnered with local construction company Geraldton Building Services and Cabinets Yurra to supply more than 1,300 m³ of ECOPact concrete for the Short Stay project. It will provide affordable short-stay accommodation for Aboriginal people visiting the region.

Our collaboration with the Whitefish River First Nation is an important part of our commitment to Indigenous communities

Access to adequate housing

Collaborating with NGOs such as Habitat for Humanity and Build Change, we help to address the global housing gap affecting 1.6 billion people. Additionally, we engage in emergency relief initiatives to help communities reconstruct after natural disasters. In 2024, reconstruction and volunteering programs were implemented from Romania and Spain to Mexico, to help rebuild residential, health and educational infrastructure after floods.

Building skills

To improve living standards, we offer skills training in communities such as Barangay Quirino, the Philippines. Here we launched a program in fish processing and baking, upskilling 270 people to support families with no steady livelihoods. In Egypt, we introduced Step-IN, an initiative that lets students complete their final semester as a Holcim intern. The first cohort of 10 students enhanced their skills to prepare them as future leaders.

Female empowerment

Holcim is committed to equal opportunities. In Spain, the Women's Construction Camp offers free hands-on construction training for women, with 15 participants this year. In Nigeria, our Female Tilers & Block Laying Program empowered 40 women in Lagos, providing skills in tiling, block laying, safety and entrepreneurship. In Morocco, the Loujain cooperative supports rural women, helping them produce and market essential oils and cosmetics, to provide sustainable income streams.

Education

Education is key to empowering communities. In Bazian, Iraq, we installed solar panels at a local school to stabilize the electrical grid, enhancing the educational experience. In Ivory Coast, our Sokouamekro team supported the construction of a new elementary school, training young villagers, including women, to make earth-cement blocks. Now operational, it serves 300 students in the 2024–2025 school year, helping to improve literacy and providing sustainable opportunities for the community.

ESSENTIAL HOMES IN LATIN AMERICA

We are working with Norman Foster to make sustainable building possible for all, scaling a new row house in Latin America in 2025.

How can we best provide safety, comfort and well-being for low-income or displaced communities? The Essential Homes project – with Holcim's sustainable building solutions inside – is designed by the Norman Foster Foundation to answer this question.

After a first prototype was unveiled at the Venice Biennale in 2023, a new scalable prototype for real-world use was presented at the 2024 Royal Academy Summer Exhibition in London. It has been developed for rollout in Costa Rica in 2025 following an in-depth survey of local housing conditions and the environment.

The Essential Homes in Latin America will be built with local, low-carbon materials – including ECOPact concrete and ECOPlanet cement. A custom, high-performance concrete will be used in the prefabricated roofs, and in line with Holcim's commitment to circular construction, Essential Homes applications are fully recyclable.

Durable, dignified homes

Essential Homes first grew out of a workshop on refugee housing organized by the Norman Foster Foundation. Realizing that a family can spend up to nearly two decades living in a tent, graduate students posed a challenge: Could a more durable, permanent and dignified home be built in a few days, and be economically viable and sustainable?

The new Essential Homes prototype has been developed for rollout in Costa Rica in 2025 following an in-depth study of local housing conditions and the environment

“Working with Holcim, we are demonstrating that we can deliver sustainable and dignified housing that has real quality.”

NORMAN FOSTER
President, Norman Foster Foundation

SUSTAINABLE SUPPLY CHAIN

Holcim's principles of respect for human and labor rights and environmental protection are integral to how we work with our suppliers in all markets.

The standards and principles governing sustainable procurement at Holcim are based on the UN Global Compact Ten Principles, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

The overriding policies that govern Holcim's approach to deploying responsible business practices in our supply chain are the Supplier Code of Conduct, the Procurement Policy, the Sustainable Procurement Directive and the Workers in the Value Chain Directive.

Commitment to transparency

Holcim's regular disclosures reflect our due diligence commitments and performance:

- Governance: policies, codes of conduct, process, minimum control standards to enforce ESG compliance across all business lines and geographies.
- Materiality: Risk-based methodology to identify areas of significant potential ESG impacts or risks.
- Performance: KPIs related to our Sustainable procurement actions taken to prevent or mitigate risks and impacts identified.

DUE DILIGENCE TARGET AND PERFORMANCE

88%

of spend with high-ESG impact is with qualified suppliers. Equivalent to approximately 22,000 suppliers worldwide, covering around 60% of our total third-party spend.

SUSTAINABLE PROCUREMENT CORE ELEMENTS

SUPPLIER DUE DILIGENCE

Supplier Code of Conduct

CLIMATE IN THE SUPPLY CHAIN

Sustainable Procurement Directive

NATURE IN THE SUPPLY CHAIN

Workers in the Value Chain

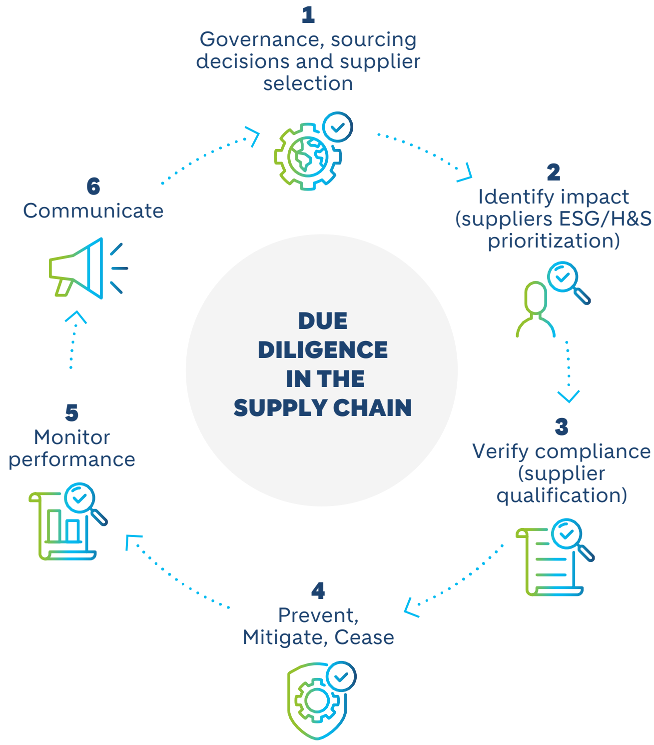
Supplier due diligence
In all countries, we have processes in place to identify, prevent and manage potential adverse impacts in our supply chain pertaining to Climate, Nature (biodiversity and water), Health, Safety and Environment (HSE), Security and Resilience (S&R), Social Responsibility, Human Rights, Business Ethics and Legal Compliance.

Holcim applies a periodic supplier prioritization methodology to focus due diligence actions on the main risk procurement categories:

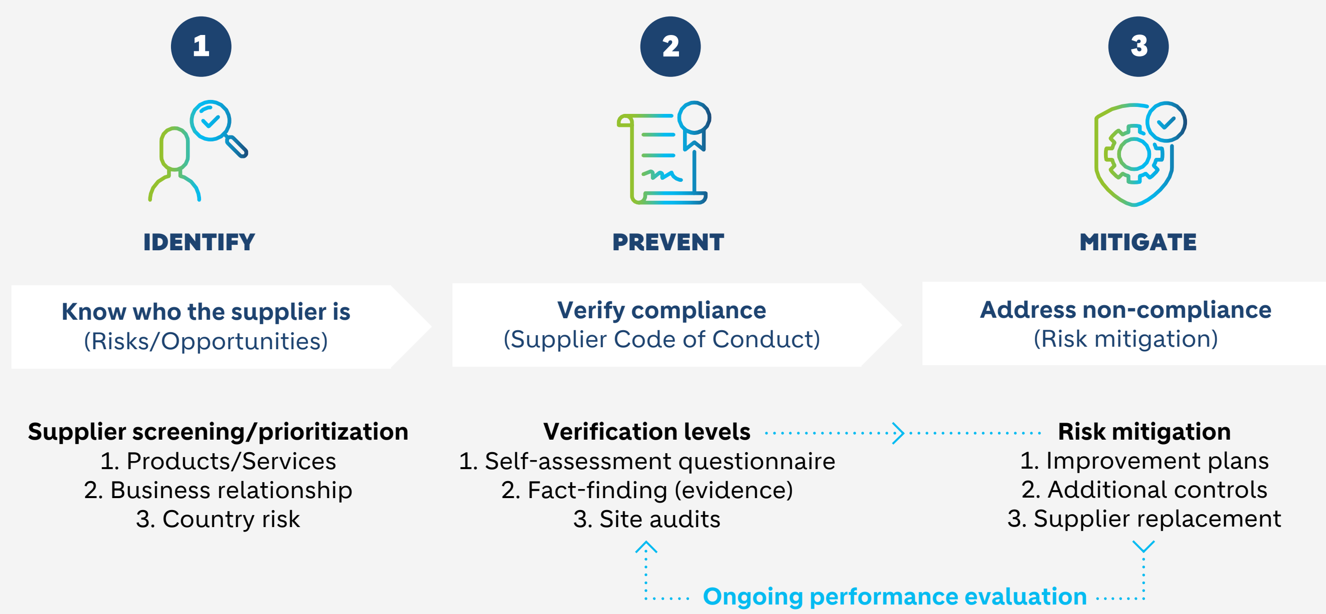
- Maintenance and production contracted services.
- Raw materials, in particular mining, chemicals and packaging.
- Logistics services.
- Energy and fuels.

Our due diligence approach begins with the qualification of prioritized suppliers, which consists of regular performance evaluations in the form of self-assessments, fact-finding or audits to verify compliance.

Throughout the process, Holcim engages in dialog with suppliers so that they understand our expectations and how they will be evaluated.



RISK-BASED DUE DILIGENCE IN THREE MAIN STEPS



When a supplier does not meet the requirements, corrective action plans are established and guidance is provided. Holcim monitors progress made and, where appropriate, supports suppliers in developing their capabilities to improve ESG performance.

Holcim may terminate relationships with suppliers that breach zero-tolerance requirements and/or suppliers that repeatedly and knowingly violate the Supplier Code of Conduct and refuse to implement improvement plans.

Holcim operates a global whistleblowing line known as Integrity Line, to facilitate employees, customers, suppliers and other stakeholders in reporting any concerns about Holcim's business practices.

Holcim cooperates in good faith with National Contact Point, when required, to address adverse impacts that might arise from stakeholders with regard to principles and standards contained in the OECD Guidelines.

Climate in our supply chain
Our procurement and logistics professionals around the world are working at full speed to deliver on Holcim's climate commitments across all GHG scopes. For example, we work with our suppliers of transportation services to help them decarbonize their fleet:

- Extending to them the agreements we negotiated with suppliers of trucks, so they can access clean technologies.
- Helping them access bank credit with favorable conditions negotiated by Holcim.
- Prioritizing business volumes with suppliers that join our decarbonization actions.

Nature in our supply chain
Holcim piloted the SBTN methodology and used it together with an Earth Engine platform to identify suppliers that operate in water risk areas. This is the first step to prioritize key suppliers to engage with, and work on implementing actions to reduce freshwater withdrawal and water pollution in our supply chain.

Using 100% electric trucks to distribute bulk cement to our ready-mix plants and customers in Guadalajara city, Mexico


A consultation in progress with our supplier's workers during one of our ESG site assessments

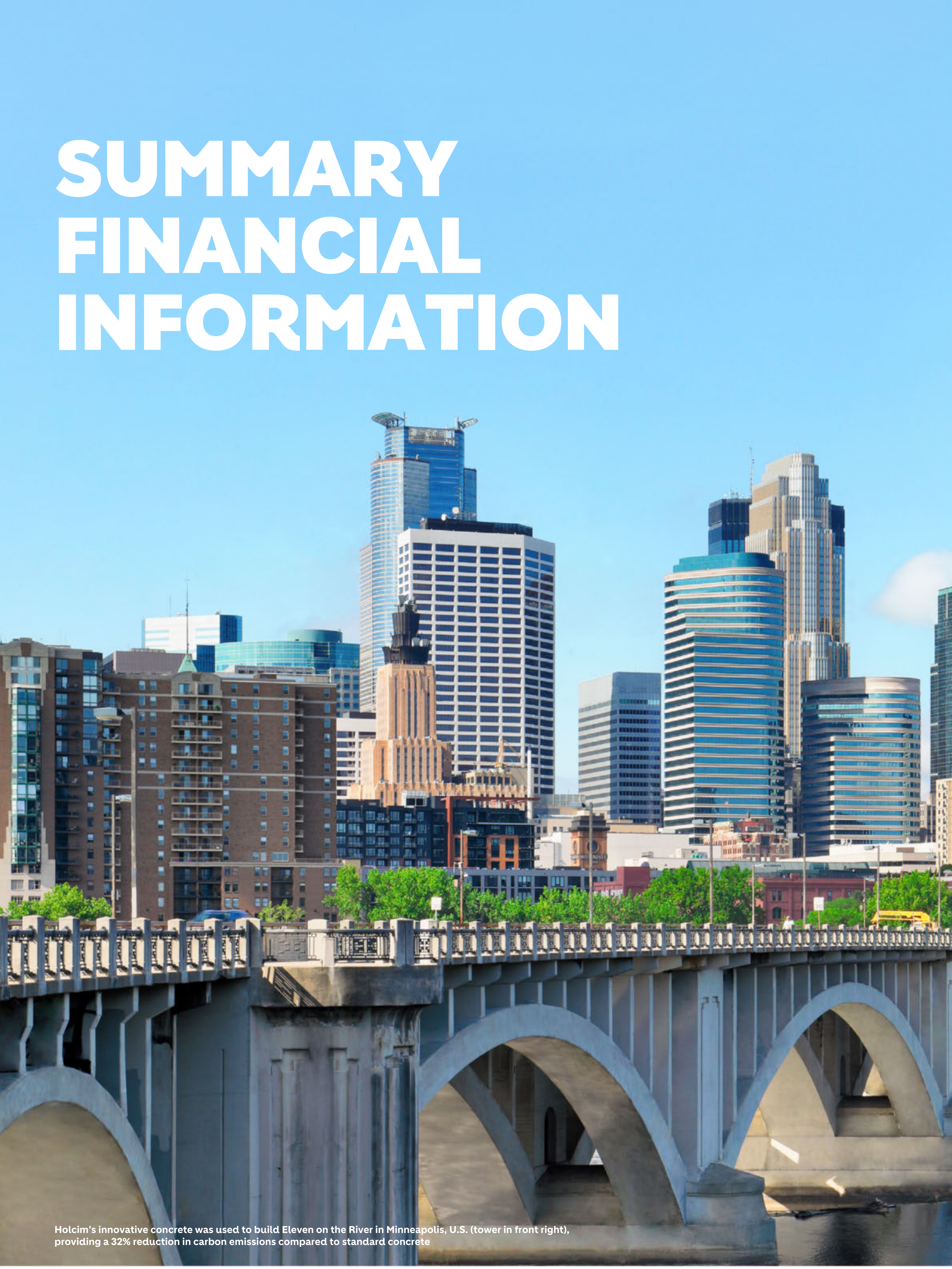
Workers in the value chain
Our supplier due diligence program includes site assessments to verify ESG standards in our suppliers' operations, following a risk-based approach and covering every market where we operate. This involves consultation with our suppliers' workers to better understand their working conditions, health and safety, and welfare.

Site assessments are periodically conducted by Holcim employees empowered through a "train the trainer" approach, and equipped with a comprehensive ESG assessment toolbox. Findings are shared constructively with suppliers in order to promote continuous improvement in ESG standards.

"We integrate sustainability criteria into every sourcing decision to scale up action at pace, and deliver on our climate, nature and human rights commitments."

RAJESH SURANA
Chief Procurement Officer

SUMMARY FINANCIAL INFORMATION



Holcim's innovative concrete was used to build Eleven on the River in Minneapolis, U.S. (tower in front right), providing a 32% reduction in carbon emissions compared to standard concrete

IN THIS SECTION

Record performance

Holcim delivered record performance in 2024 as we executed on our strategic priorities. We are taking the next step in our growth and value creation – with the planned spin-off of our North American business expected to occur by the end of the first half of 2025.

holcim.com/annual-report-2024

CAPITAL MARKET INFORMATION

Holcim delivered record performance in 2024 ahead of its planned spin-off of the North American business.

Holcim's record Recurring EBIT of CHF 5,049 million and industry-leading Recurring EBIT margin of 19.1% demonstrate that our business model is resilient in all market conditions and economic cycles. With a Free Cash Flow of CHF 3,801 million, we achieved a cash conversion rate of over 50% for the fifth consecutive year, demonstrating consistent financial strength and discipline.

This success reflects a strong focus on our differentiated value strategy, from continuing to advance sustainable building solutions and growing multibillion-dollar brands such as ECOPlanet or ECOPact and Elevate, to our empowered leadership with its strong performance-driven culture.

Building on this success, the company has announced its intention to list its North American operations in the U.S. with a full capital market separation. As evidenced by the share price, this initiative has been widely supported by the financial community at large: Holcim's share price increased by 32.3% to CHF 87.4 as of 30 December 2024. In the same period, the Swiss Market Index (SMI) posted a gain of 4.2%.

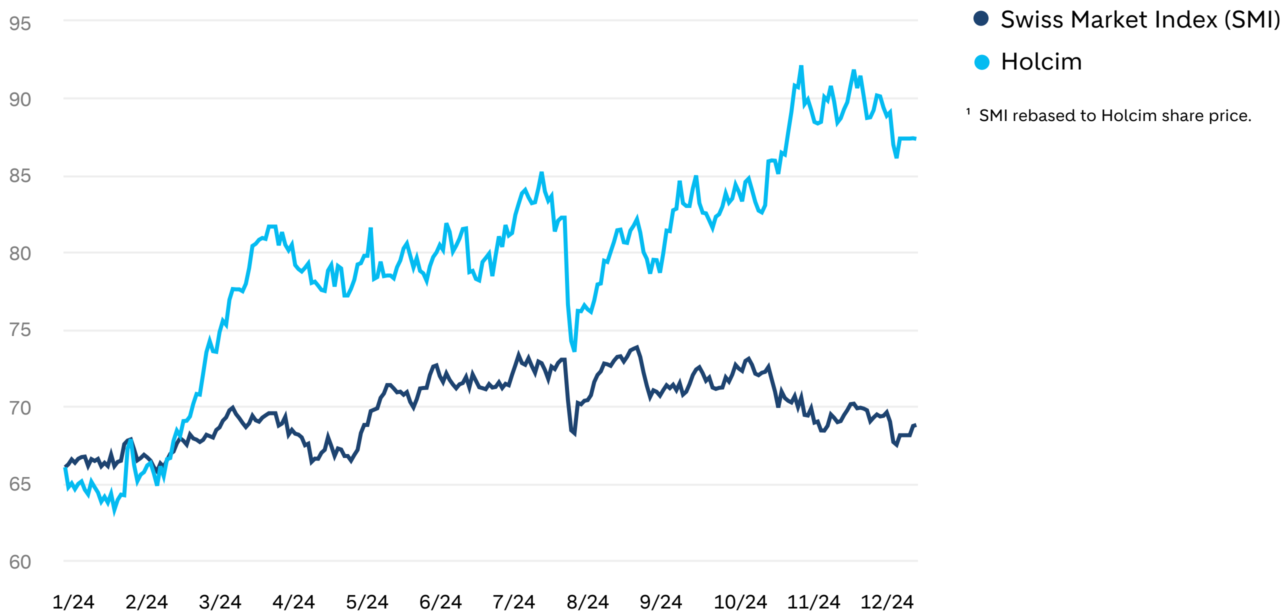
The average trading volume amounted to approximately 1.2 million shares per day on the SIX Swiss Exchange.

WEIGHTING OF THE HOLCIM REGISTERED SHARE IN SELECTED INDICES

Index	Weighting in %
SMI, Swiss Market Index	3.88
SPI, Swiss Performance Index	3.10
SPI ESG, Swiss Performance Index ESG	3.13
SLI, Swiss Leader Index	4.41
STOXX Europe 600 Construction	13.50
STOXX Europe Large 200	0.58
STOXX Europe 600	0.48
STOXX Global 1800	0.07
FTSE4Good Europe Index	0.60

Sources: SIX, STOXX, FTSE as of year-end 2024.

PERFORMANCE OF HOLCIM SHARES VERSUS THE SWISS MARKET INDEX (SMI) in 2024[1]

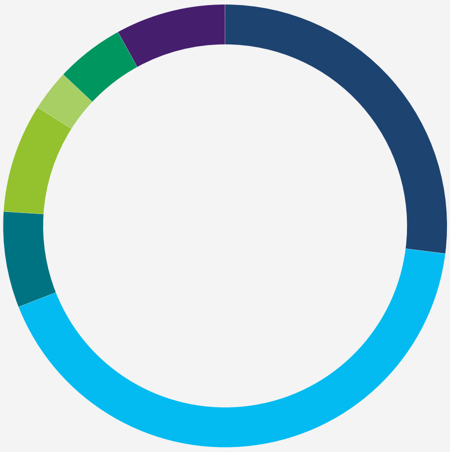


[1] SMI rebased to Holcim share price.

A WELL-BALANCED SHAREHOLDER BASE

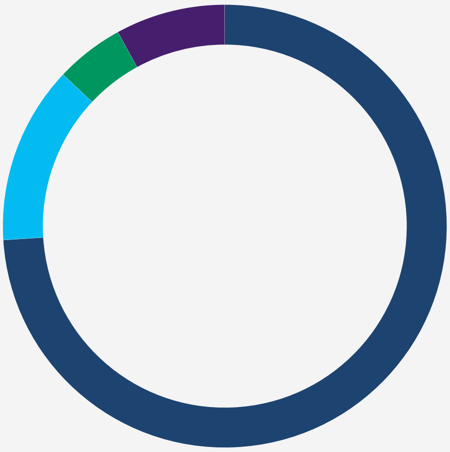
31 December 2024, in percentage of shares outstanding

SHAREHOLDERS BY GEOGRAPHY



North America	27%
Switzerland	42%
UK and Ireland	7%
Continental Europe	8%
Rest of the world	3%
Company-related holders	5%
Miscellaneous[1]	8%

SHAREHOLDERS BY INVESTMENT CATEGORY



Institutional investors	74%
Private investors	13%
Company-related holders	5%
Miscellaneous[1]	8%

CLOSING PRICE
CHF

87.4

As of 30 December 2024
Annual performance: +32.3%

MARKET CAPITALIZATION
CHF

50.6BN

As of 30 December 2024
2023: CHF 38.2BN

DIVIDEND PER SHARE[2]
CHF

3.10

+11% compared to 2023
(CHF 2.80)

STOCK EXCHANGE LISTINGS (AS OF 31 DECEMBER 2024)

	Security	ISIN Code	Security Code Number	Ticker Symbol	Bloomberg Code	Thomson Reuters Code
SMI, Swiss Market Index	Holcim Ltd, Zurich, share	CH0012214059	1221405	HOLN	HOLN SW	HOLN.S

1 Includes nominee or custodian accounts.
2 For the 2024 financial year, the Board of Directors proposes a cash dividend of CHF 3.10 per registered share, subject to approval by the shareholders at the Annual General Meeting on 14 May 2025. The dividend will be fully paid out of the foreign capital reserves from tax capital contributions, not subject to Swiss withholding tax.

Listings
Holcim is listed on the SIX Swiss Exchange. The Group is a member of the main large indices on the SIX Swiss Exchange (SMI, SLI and SPI). Holcim is also included in the ESG indices 'SPI ESG' and 'SPI ESG Weighted' launched in February 2021 as sustainable benchmarks for the Swiss capital market.

Share repurchase and cancellation
In February 2024, Holcim announced a new share buyback program, planned for CHF 1 billion, with the share cancellation to be approved at the Annual General Meeting 2025. This program was completed on 13 December 2024. The company bought back 12.2 million shares, representing 2.1% of total shares issued, at an average purchase price of CHF 81.64 per share.

Free float
Free float as defined by the SIX Swiss Exchange stood at 93.5% at year end.

Dividend policy
Dividends are distributed annually. For the 2024 financial year, the Board of Directors is proposing a dividend payout in the amount of CHF 3.10 per registered share, subject to approval by shareholders at the Annual General Meeting. The payout is scheduled for 22 May 2025, to be paid out of the foreign capital reserves from tax capital contributions, not subject to Swiss withholding tax.

Significant shareholders
Information on significant shareholders can be found on page 360 of our 2024 Integrated Annual Report.

Disclosure of shareholdings
Under the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA), whosoever, directly, indirectly, or acting in concert with third parties, acquires or disposes of shares in a company incorporated in Switzerland whose equity securities are listed, in whole or in part, in Switzerland and thereby attains, falls below, or exceeds the threshold of 3, 5, 10, 15, 20, 25, $33^{1/3}$, 50, or $66^{2/3}$ % of the voting rights, whether or not such rights may be exercised, shall notify the company and the stock exchanges on which the equity securities in question are listed. Consequently, significant shareholdings may have varied within the relevant threshold levels since they were reported.

Registration in the share register and restrictions on voting rights
The company maintains a share register for registered shares in which the names and addresses of owners and beneficiaries are entered. According to the applicable rules and regulations, only those included in the share register are deemed shareholders or beneficial owners of the registered shares of the company. Upon request, purchasers of registered shares shall be included in the share register as shareholders with voting rights if they expressly declare that they have acquired the shares in their own name and for their own account. Exceptions to this rule apply for nominees who have signed a nominee agreement with the company regarding this position and are subject to a recognized financial markets supervisory authority. The share register is closed approximately one week prior to the date of the Annual General Meeting of shareholders (the exact date is communicated in the invitation to the Annual General Meeting).

Each Holcim share carries one voting right.

Information on Holcim registered shares
Further information on Holcim registered shares can be found at: *holcim.com/investors*

KEY DATA HOLCIM REGISTERED SHARES

Par value CHF 2.00	**2024**	2023	2022	2021	2020
Number of shares issued	579,124,606	579,124,606	615,929,059	615,929,059	615,929,059
Number of treasury shares	28,109,057	17,301,182	27,364,975	7,919,042	4,216,907

Stock market prices in CHF	**2024**	2023	2022	2021	2020
High	93	68	53	58	54
Low	63	48	39	43	28
Average	79	58	46	51	43
Market capitalization (billion CHF)	50.6	38.2	29.5	28.6	29.9
Trading volumes (million shares)	294.5	357.5	456.5	458.7	774.2
Earnings per share (EPS) in CHF	5.24	5.37	5.48	3.73	2.74
EPS before impairment and divestments in CHF	5.70	5.42	3.66	3.98	3.07
Cash earnings per share in CHF[1]	10.16	9.64	7.59	8.26	7.54
Dividend per share in CHF[2]	3.10	2.80	2.50	2.20	2.00

[1] Cash EPS calculated based on cash flow from operating activities divided by the weighted-average number of shares outstanding.
[2] For 2024, proposed by the Board of Directors to be paid out of the foreign capital reserves from tax capital contributions, not subject to Swiss withholding tax.

CURRENT RATING
(28 February 2025)

Rating Agency	Long-term rating	Short-term rating
Standard & Poor's Ratings Services	BBB+, outlook stable	A-2
Moody's Investors Service	Baa1, outlook stable	P-2

FINANCIAL CALENDAR

First Quarter 2025 Trading Update
25 April 2025

Annual General Meeting 2024
14 May 2025

Half-Year Results 2025
31 July 2025

Third Quarter 2025 Trading Update
24 October 2025

Dividend payment date
22 May 2025 (ex-dividend date 19 May 2025)

Last trading day with entitlement to receive the dividend
16 May 2025

CONSOLIDATED STATEMENT OF INCOME OF HOLCIM

Million CHF	2024	2023
Net sales	**26,407**	**27,009**
Production cost of goods sold	**(14,731)**	(15,511)
Gross profit	**11,676**	**11,498**
Distribution and selling expenses	**(5,784)**	(5,905)
Administration expenses	**(1,514)**	(1,319)
Share of profit of joint ventures	**264**	304
Operating profit	**4,642**	**4,577**
Profit on disposals and other non-operating income	**50**	156
Loss on disposals and other non-operating expenses	**(169)**	(97)
Share of profit of associates	**24**	36
Financial income	**156**	198
Financial expenses	**(681)**	(697)
Net income before taxes	**4,022**	**4,174**
Income taxes	**(981)**	(999)
Net income	**3,042**	**3,176**
Net income attributable to:		
Shareholders of Holcim Ltd	**2,926**	3,060
Non-controlling interests	**115**	115
Earnings per share in CHF		
Earnings per share	**5.24**	5.37
Fully diluted earnings per share	**5.22**	5.35

Alternative Performance Measures used in this report are defined from page 370

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HOLCIM

Million CHF	**31.12.2024**	31.12.2023
Cash and cash equivalents	**5,347**	6,082
Short-term derivative assets	**55**	13
Current financial receivables	**137**	128
Trade accounts receivable	**2,613**	2,723
Inventories	**3,117**	2,807
Prepaid expenses and other current assets	**837**	849
Assets classified as held for sale	**81**	239
Total current assets	**12,187**	**12,842**
Long-term financial investments and other long-term assets	**538**	542
Investments in associates and joint ventures	**3,331**	3,184
Property, plant and equipment	**20,307**	19,341
Goodwill	**14,594**	13,589
Intangible assets	**2,380**	2,127
Deferred tax assets	**565**	674
Pension assets	**378**	296
Long-term derivative assets	**6**	90
Total non-current assets	**42,098**	**39,844**
Total assets	**54,285**	**52,686**

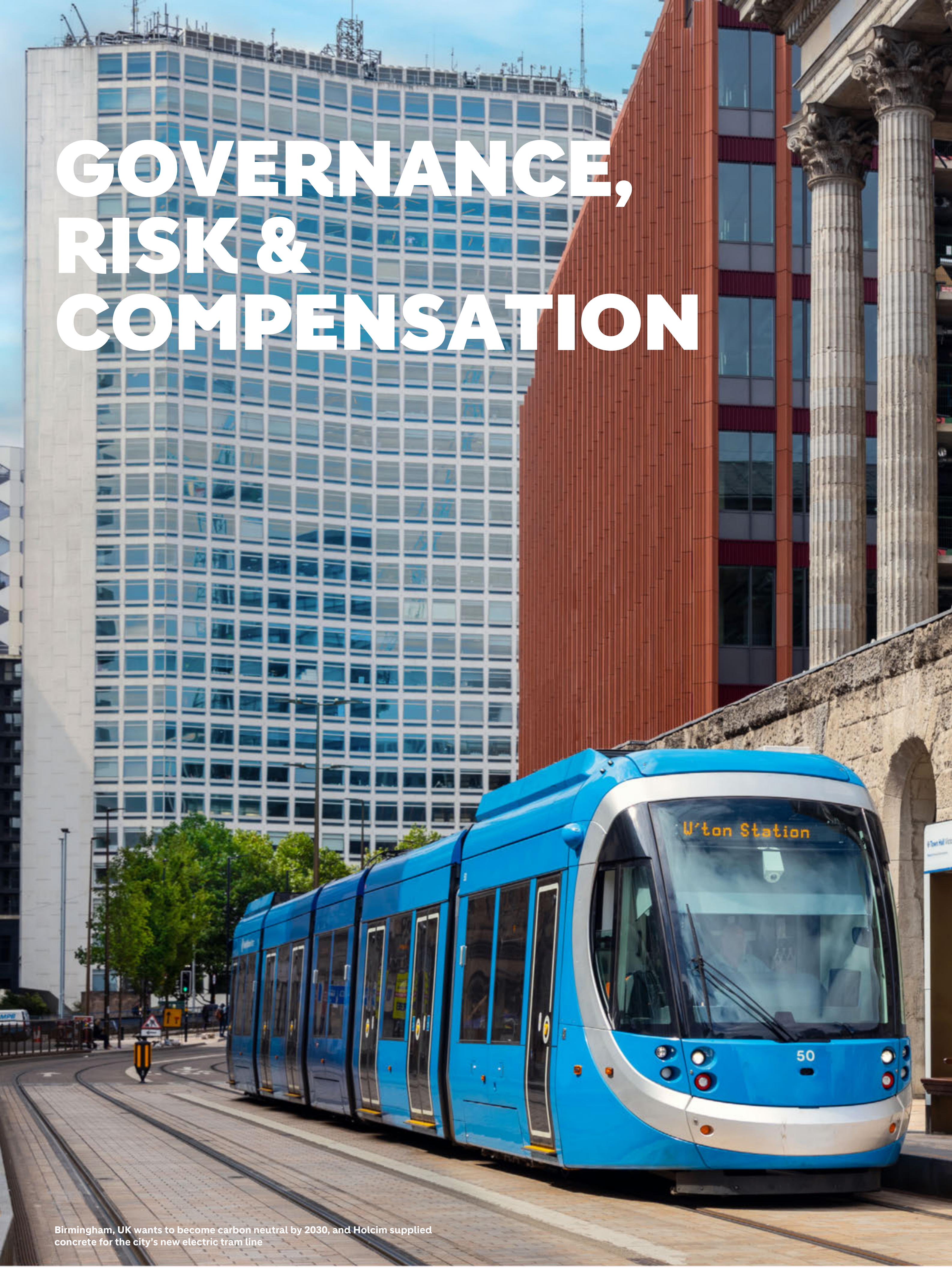
Million CHF	**31.12.2024**	31.12.2023
Trade accounts payable	**4,745**	4,336
Current financial liabilities	**1,842**	1,416
Current income tax liabilities	**712**	801
Other current liabilities	**2,068**	1,899
Short-term provisions	**387**	348
Liabilities directly associated with assets classified as held for sale	**0**	104
Total current liabilities	**9,754**	**8,904**
Long-term financial liabilities	**12,014**	12,665
Provision for pensions and other post-employment benefit plans	**548**	587
Long-term income tax liabilities	**154**	170
Deferred tax liabilities	**1,994**	1,868
Long-term provisions	**1,866**	1,708
Total non-current liabilities	**16,575**	**16,999**
Total liabilities	**26,330**	**25,903**
Share capital	**1,158**	1,158
Capital surplus	**14,593**	16,672
Treasury shares	**(1,744)**	(811)
Reserves	**13,232**	8,978
Total equity attributable to shareholders of Holcim Ltd	**27,239**	**25,997**
Non-controlling interests	**716**	786
Total shareholders' equity	**27,956**	**26,783**
Total liabilities and shareholders' equity	**54,285**	**52,686**

FINANCIAL REVIEW

CONTENTS

Left image:
Australia 108 in Melbourne, the tallest residential skyscraper in the Southern Hemisphere, built using DYNAMax – Holcim's ultimate high-strength concrete

GOVERNANCE, RISK & COMPENSATION



Birmingham, UK wants to become carbon neutral by 2030, and Holcim supplied concrete for the city's new electric tram line

IN THIS SECTION

Holcim applies high standards to corporate governance. The goal is to assure the long-term value and success of the company in the interests of various stakeholder groups: customers, shareholders, employees, creditors, suppliers and the communities where Holcim operates.

Preliminary remarks
The ultimate goal of effective corporate governance is long-term value creation and strengthening of the Group's reputation. This includes continuous improvement to decision-making processes and management systems through legal, organizational and ethical directives and terms of reference, as well as measures to enhance transparency.

Compliance with internal as well as external law and regulations, early recognition of business risks, social responsibility for stakeholder groups, and open communication on all relevant issues are among the principles of Holcim.

The Code of Business Conduct, binding for the entire Group, is part of our internal regulations. For further information in relation to Holcim's comprehensive risk-based compliance program, please refer to page 147.

The information published in this chapter conforms to the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange (SIX) and the disclosure rules of the Swiss Code of Obligations. In the interest of clarity, reference is made to other parts of the Annual Report or, for example, to the Group's website: *holcim.com*

Except where otherwise indicated, this Annual Report reflects the legal situation as of 31 December 2024.

Group structure and shareholders
The holding company Holcim Ltd was established under the laws of Switzerland for an indefinite period. Its registered office is in Zug (Canton of Zug, Switzerland). It has direct and indirect interests in all companies listed on pages 275–284 of this Integrated Annual Report.

The Group is organized by segments. The management structure as of 31 December 2024 is described in this chapter.

To the knowledge of Holcim, it has no mutual cross-holdings with any other company. To the knowledge of Holcim, there are neither shareholders' agreements nor other agreements regarding voting or the holding of Holcim shares.

More detailed information on the business review, Group structure and shareholders can be found on the following pages of the Annual Report:

TOPIC

- Business review of the Group segments pages 256–260
- Segment information pages 285–290
- Principal companies page 281
- Information about Holcim Ltd & listed Group companies page 284
- Information on significant shareholders page 360

Capital structure

Holcim has one uniform type of registered share in order to comply with international capital market requirements in terms of an open, transparent, and modern capital structure and to enhance attractiveness, particularly for institutional investors.

Share capital

As of 31 December 2024, the nominal, fully paid-in share capital of Holcim amounted to CHF 1,158,249,212. The share capital is divided into 579,124,606 registered shares of CHF 2.00 nominal value each.

Conditional share capital

The share capital may be increased by a nominal amount of CHF 2,844,700 through the issuance of a maximum of 1,422,350 fully paid-in registered shares, each with a par value of CHF 2.00 (as of 31 December 2024). The conditional capital may be used for exercising conversion rights and/or warrants relating to bonds or similar debt instruments of the company or one of its Group companies. The subscription rights of the shareholders will be excluded. The current owners of conversion rights and/or warrants will be entitled to subscribe for the new shares. The acquisition of shares through the exercise of conversion rights and/or warrants and each subsequent transfer of the shares will be subject to the restrictions set out in the Articles of Incorporation. As of 31 December 2024, no bonds or similar debt instruments of the company or one of its Group companies were outstanding that would give rise to conversion rights or warrants related to the conditional capital. Therefore, in the year under review, no conversion rights or warrants have been exercised.

Further information on conversion rights and/or warrants and applicable conditions may be found in the Articles of Incorporation of Holcim at: *holcim.com/articles-incorporation*

Authorized share capital/Certificates of participation

As of 31 December 2024, neither authorized share capital nor certificates of participation were outstanding.

Changes in share capital

The share capital remained unchanged in the 2024 financial year.

Articles of Incorporation

The Articles of Incorporation of Holcim remained unchanged in the 2024 financial year.

For further details see below:

TOPIC

- Articles of Incorporation of Holcim Ltd
- Code of Business Conduct
- Changes in Holcim equity pages 268–269 (information for the year 2022 is included in the *Annual Report 2023*, pages 288–289)
- Detailed information on conditional capital. Articles of Incorporation: Art. 3bis
- Key data per share, pages 126–129
- Rights pertaining to the shares. Articles of Incorporation: Art. 6, 9, 10
- Regulations on transferability of shares and nominee registration. Articles of Incorporation: Art. 4, 5
- Warrants/options, pages 330–339

Board of Directors and committees

The Board of Directors currently consists of eleven members, ten of whom are independent, were not previously members of the Holcim management and have no important business connections with Holcim.

Independence is defined in line with Swiss best corporate governance standards. A member of the Board of Directors shall be considered independent if the member is not and has not been employed as a member of the Executive Committee at the company or any of its principal subsidiaries for the past three years or as employee or affiliate of the auditors of Holcim for the past two years and does not, in the sole determination of the Board of Directors, maintain a material direct or indirect business relationship with the company or any of its subsidiaries. Members of the Board of Directors with immediate family members who would not qualify as independent shall not be considered independent, subject to a three-year cooling-off period.

Please see pages 156–160 for the biographical information of the members of the Board of Directors as of 31 December 2024.

At Holcm's Annual General Meeting 2024, which took place on 8 May 2024, the shareholders elected Catrin Hinkel and Michael H. McGarry as new members of the Board of Directors. The shareholders re-elected nine members of the Board of Directors and re-elected Jan Jenisch as Chairman of the Board of Directors. The Board of Directors appointed Miljan Gutovic as Chief Executive Officer of Holcim, effective 1 May 2024. He succeeded Jan Jenisch, who decided to focus on his role as Chairman of the Board of Directors. Also, the Board of Directors has tasked Jan Jenisch to lead the planned U.S. listing of Holcim's North American business.

The shareholders confirmed four members of the Nomination, Compensation & Governance Committee. Michael H. McGarry was newly elected to the Nomination, Compensation & Governance Committee.

New members of the Board of Directors are required to participate in an induction program, which includes on-site visits to Holcim plants and customer construction sites, where they are introduced in detail to the company's areas of business and where they become familiar with the organizational structure, strategic plans and other important matters relating to the governance of the company.

The Board of Directors meets as often as business requires, but at least four times a year.

In 2024, six ordinary meetings and two extraordinary meetings were held. One additional meeting focused on strategy topics. As a rule, the members of the Executive Committee attended those parts of the regular meetings of the Board of Directors which dealt with operational issues relating to areas of their responsibility. In addition, selected members of senior management had been invited by the respective chairpersons to attend the meetings of the Board of Directors or its committees. The average duration of the ordinary meetings of the Board of Directors was six hours and ten minutes.

Elections and terms of office

All members of the Board of Directors, the Chairman of the Board of Directors, and all members of the Nomination, Compensation & Governance Committee are elected annually and individually as a matter of law by the shareholders at the Annual General Meeting. They may be proposed for re-election by the Board of Directors upon motion by the Nomination, Compensation & Governance Committee. The Nomination, Compensation & Governance Committee bases its motion on a review of the overall performance of each candidate.

A member of the Board of Directors shall not serve on the Board of Directors for more than 12 years. In addition, it is expected that members of the Board of Directors will offer their resignation at the ordinary General Meeting following their 72nd birthday. The Board of Directors may provide for exceptions to this rule in individual cases under special circumstances, and if this is in the best interest of Holcim.

Composition of Board of Directors and succession planning

Succession planning is of high relevance to the Board of Directors. The Nomination, Compensation & Governance Committee regularly considers the composition of the Board of Directors as a whole and staffing for the Committees.

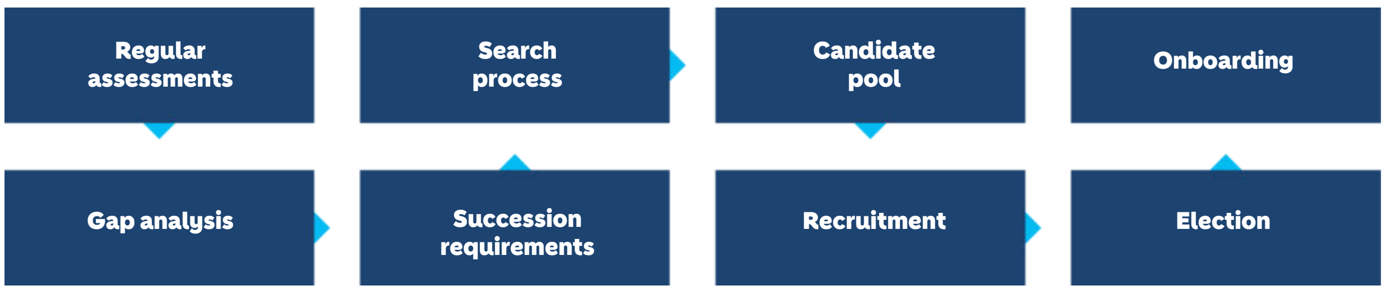
With regard to the composition of the Board of Directors, the Nomination, Compensation & Governance Committee considers diversity (including but not limited to: origin, domicile, gender, age and professional background), as well as such other factors necessary to address the needs of the Board of Directors to fulfil its responsibilities. The Nomination, Compensation & Governance Committee also considers other activities and commitments of an individual in order to ensure that a proposed member of the Board of Directors will have sufficient time to dedicate to their role as member of the Board of Directors of Holcim.

The Board of Directors initiates the evaluation of potential new board members in a timely manner. A search for new board members is launched – normally with the support of a professional executive search company – with precise selection criteria. Candidates are interviewed by the Chairman of the Board of Directors, the Chairwoman and members of the Nomination, Compensation & Governance Committee and other members of the Board of Directors. The Nomination, Compensation & Governance Committee makes a recommendation to the Board of Directors, who then decide on the proposal to the Annual General Meeting for election.

BOARD REFRESHMENT

Thorough succession planning in the interests of Holcim.

- The Nomination, Compensation & Governance Committee is responsible for talent management on Board of Directors and executive levels, as well as overseeing overall corporate culture ambitions.
- Together with the Board of Directors, the Nomination, Compensation & Governance Committee ensures a thorough refreshment process over time.

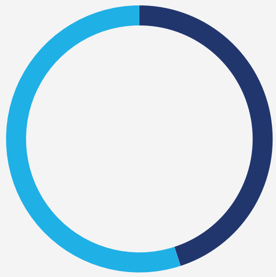


The current composition of the Board of Directors is well balanced in terms of diversity, nationality, cultural background and tenure. Except for the Chairman, all members of the Board of Directors are independent Directors.

TENURE YEARS

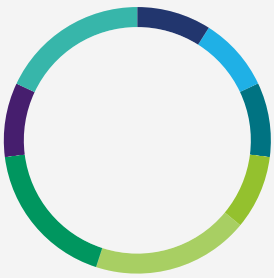
<5	64%
5 to 10	27%
>10	9%

GENDER



Female	45%
Male	55%

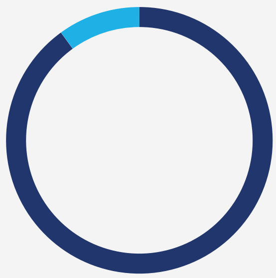
NATIONALITY



American	9%
Belgian	9%
Brazilian	9%
Canadian	9%
Danish[1]	19%
German	18%
Indian	9%
Swiss	18%

[1] Rounded amount presented.

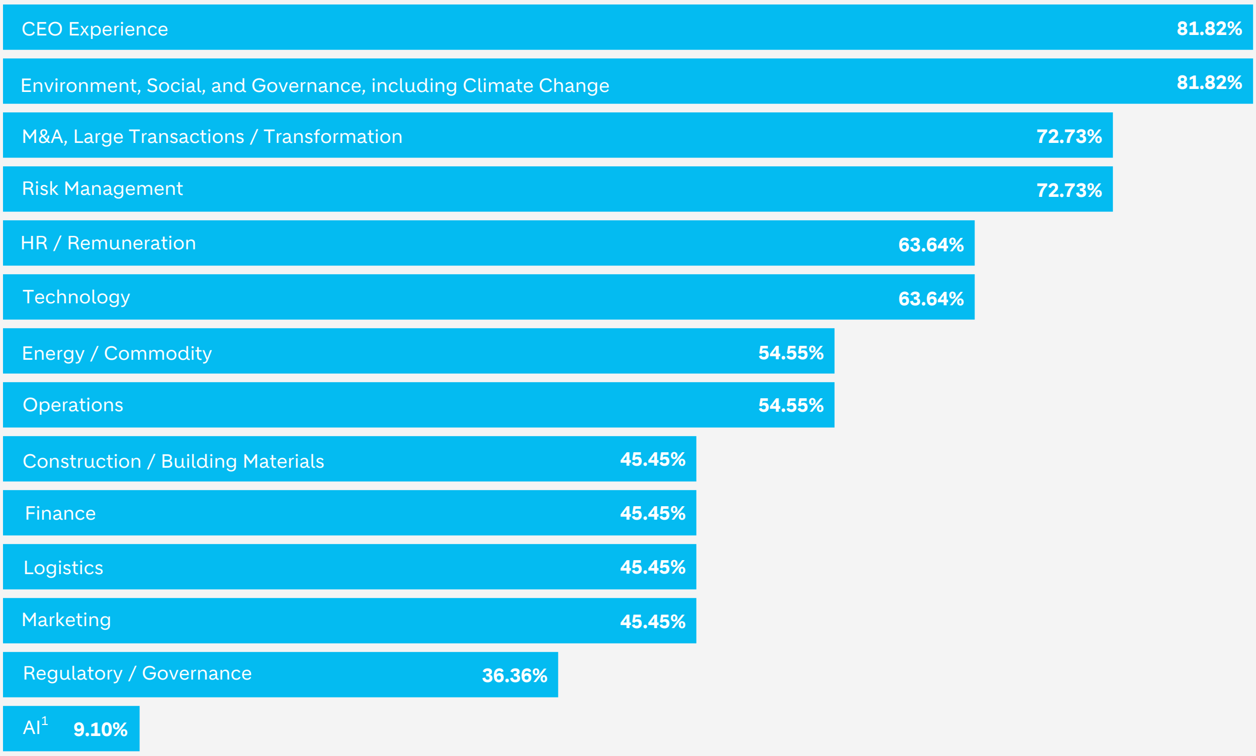
INDEPENDENCE



Independent	91%
Non-independent	9%

The Board of Directors covers the following experience, skills and knowledge adding up to a well-balanced and diverse skill set of the company's Board of Directors aligned with Holcim's strategic ambitions.

EXPERTISE



[1] Cyber security / AI.

Board of Directors and committee performance and effectiveness evaluation

According to Paragraph 4 of the company's Organizational Rules, the Board of Directors annually conducts self-assessments to evaluate the performance and operational effectiveness of the Board of Directors and its committees. This includes confidential feedback based on anonymous questionnaires and individual interviews with each member of the Board of Directors conducted by the Chairman of the Board of Directors and the Chairwoman of the Nomination, Compensation & Governance Committee. This assessment covers topics including size/composition of the Board of Directors, qualifications, meeting cycle, allocation of tasks between the Board of Directors and its committees, processes, governance, meetings, pre-reading materials, effectiveness, leadership and culture. In addition, each committee reviews the adequacy of its composition, organization and processes as well as the scope of its responsibilities and evaluates its own performance. The main issues identified are then presented and discussed to ensure the continued effectiveness of the Board of Directors and its committees.

Honorary Chairman

After Thomas Schmidheiny retired from the Board of Directors at the Shareholders General Meeting of 8 May 2018, the Board of Directors decided to name Thomas Schmidheiny Honorary Chairman of the Group in recognition of his many years of service to Holcim. The Honorary Chairman can participate at the meetings of the Board of Directors as a guest.

As of 31 December 2024, the members of Holcim's Board of Directors served on the following expert committees:

AUDIT COMMITTEE (AC)
Naina Lal Kidwai (Chairwoman)
Kim Fausing
Ilias Läber
Jürg Oleas

NOMINATION, COMPENSATION & GOVERNANCE COMMITTEE (NCGC)
Hanne B. Sørensen (Chairwoman)
Ilias Läber
Michael H. McGarry
Jürg Oleas
Claudia S. Ramirez

The Audit Committee assists and advises the Board of Directors in conducting its supervisory duties with respect to the internal control systems. It examines the reporting for the attention of the Board of Directors and evaluates the Group's external and internal audit procedures, reviews the risk management systems of the Group and assesses financing issues.

All members are independent in order to ensure the necessary degree of objectivity required for an Audit Committee. The Audit Committee is chaired by a person who has the necessary experience in financial matters.

In 2024, four ordinary meetings of the Audit Committee were held. The average duration of the ordinary meetings was two hours and ten minutes.

In 2024, the Audit Committee reviewed, in particular, the Group's financial reporting, the quarterly results releases, the external auditors' findings and the progress on the planned full capital market separation of Holcim's North American business. The Audit Committee took note of the status of the Internal Control System (ICS), discussed the findings of the Group Internal Audit, dealt with compliance and internal guidelines and evaluated financing issues. The Audit Committee evaluated the performance of the external auditors and their fees.

The charter of the Audit Committee is available at: *holcim.com/regulations-and-reporting*

The Nomination, Compensation & Governance Committee supports the Board of Directors in planning and preparing succession at the Board of Directors and senior management level. It monitors developments with regard to corporate governance and compensation for the Board of Directors and Executive Committee and briefs the Board of Directors accordingly.

The Nomination, Compensation & Governance Committee advises the Board of Directors on the compensation policy for the Board of Directors and for the Executive Committee as well as on the motion by the Board of Directors to the Annual General Meeting for the total compensation of the Board of Directors and of the Executive Committee.

The Nomination, Compensation & Governance Committee (NCGC) proposes the objectives for the Long-Term Incentive Plan, which alongside financial metrics, includes metrics related to the reduction of specific net CO_2, waste-derived resources and the reduction of specific cement freshwater withdrawal. These objectives are then approved by the Board of Directors. In 2024, the NCGC also reviewed compensation principles and governance related to the planned spin-off of Holcim's North American business.

In 2024, the Nomination, Compensation & Governance Committee held four ordinary and four extraordinary meetings. The average duration of the ordinary meetings was two hours and twenty-five minutes.

More details on the activities of the Nomination, Compensation & Governance Committee, in particular with regard to the process of determining compensation, can be found in the Compensation Report, starting on page 166.

The Nomination, Compensation & Governance Committee Charter is available at: *holcim.com/regulations-and-reporting*

CLIMATE REPORT 2024

HEALTH, SAFETY & SUSTAINABILITY COMMITTEE (HSSC)

Philippe Block (Chairman)
Leanne Geale
Catrin Hinkel
Naina Lal Kidwai
Claudia S. Ramirez

The Health, Safety & Sustainability Committee supports and advises the Board of Directors on the development and promotion of a healthy and safe environment for employees and contractors as well as on sustainable development and social responsibility.

For information on the role of the Health, Safety & Sustainability Committee with regard to governing the risks and opportunities around sustainability, including climate change, please see the table on the right.

In 2024, the Health, Safety & Sustainability Committee held four ordinary meetings. The average duration of the meetings was one hour and forty minutes.

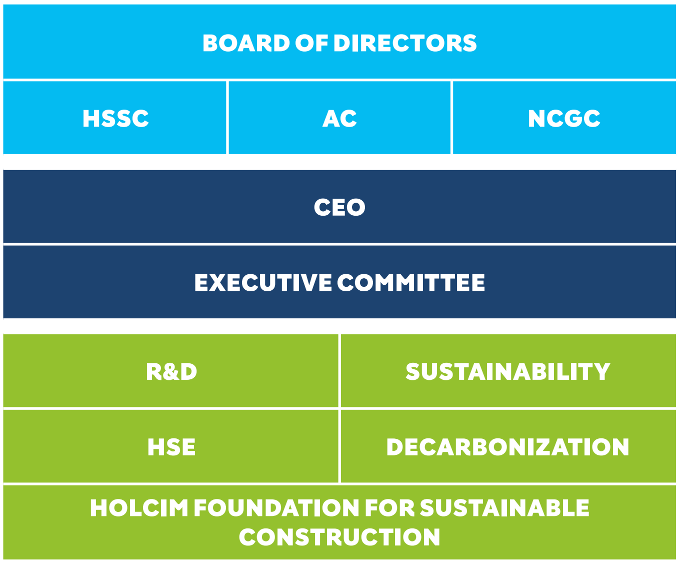
In 2024, the topics discussed by the Health, Safety & Sustainability Committee included:

- Health, safety and environment KPIs and focus areas, in particular root causes for fatalities and strategic initiatives to reduce air emissions.
- Sustainability focus areas and ESG strategy including:
  - The Group's third Climate Report, presented at the 2024 AGM receiving 95.07% approval by shareholders.
  - Launch of the sector's most ambitious decarbonization roadmap in Europe including seven EU-awarded carbon capture, utilization and storage (CCUS) projects.
  - Strategic Nature roadmaps for each country to reduce freshwater used as well as a science-based measurable positive impact on biodiversity.
  - Holcim named by the Science Based Targets Network (SBTN) as one of the first three companies globally to adopt science-based targets for nature.
  - Strategic People roadmaps for each country to meet social initiatives, pending targets, human rights assessments and affordable housing programs.
- Holcim's response to adverse events; mainly geopolitical events, pandemic/epidemic outbreaks, natural disasters.
- Security & Resilience program, in particular the updated governance and key performance indicators.

The Health, Safety & Sustainability Committee Charter is available at: *holcim.com/regulations-and-reporting*

Climate governance, read more on page 175

HOLCIM GOVERNANCE APPROACH CLIMATE- AND NATURE-RELATED RISKS AND OPPORTUNITIES



Board of Directors (BoD)
Ultimate responsibility for strategy and overall governance of the company, including Holcim's climate strategy. Through the AC and the HSSC, the BoD oversees Holcim's risk management and internal control Process, including sustainability/climate and nature-related risks and opportunities.

Health, Safety & Sustainability Committee (HSSC)
Consists of five BoD members. Advises BoD on all matters related to sustainability, including climate and nature.

Executive Committee
Responsible for execution of the sustainability strategy including climate and nature strategies.

Chief Sustainability Officer (CSO)
Climate and nature issues are managed on an operational level by the CSO, an Executive Committee-level position. The CSO is supported by a core sustainability team.

Core Sustainability Team
A cross-disciplinary department responsible for developing and overseeing the deployment of Holcim's sustainability strategy.

R&D team
- Around 74% of resources at the Group's Innovation Center in Lyon, France, are dedicated to low-carbon products.
- Since 2021, 90% of new patent applications filed relating to cement-based products support our sustainability goals. 50% of new patents support sustainable solutions such as CCUS and low-emission construction materials. 25% relate to sustainability drivers such as 3D printing.

Decarbonization Team
Accelerates the implementation of both our traditional and next-generation decarbonization levers based on bottom-up decarbonization plans for every cement plant.

BOARD OF DIRECTORS AND COMMITTEE ATTENDANCE AT SCHEDULED ORDINARY MEETINGS

		Number of Board of Directors meetings attended			Number of Nomination, Compensation & Governance Committee meetings attended		
Board member	Position	Ordinary (incl. strategy meeting)	Extraordinary	Number of Audit Committee meetings attended	Ordinary	Extraordinary	Number of Health, Safety & Sustainability Committee meetings attended
Jan Jenisch[1]	Chairman	7/7	2/2	–	–	–	–
Hanne B. Sørensen	Vice-Chairwoman and Lead Independent Director	7/7	2/2	–	4/4	4/4	–
Philippe Block	Member	7/7	2/2	–	–	–	4/4
Kim Fausing	Member	7/7	1/2	3/4	–	–	–
Leanne Geale	Member	7/7	2/2	–	–	–	4/4
Catrin Hinkel[2]	Member	5/5	–	–	–	–	2/2
Naina Lal Kidwai	Member	7/7	2/2	4/4	–	–	4/4
Ilias Läber	Member	7/7	2/2	4/4	4/4	4/4	–
Michael H. McGarry[3]	Member	5/5	–	–	3/3	2/2	–
Jürg Oleas	Member	7/7	2/2	4/4	4/4	4/4	–
Claudia Sender Ramirez	Member	7/7	2/2	–	4/4	4/4	4/4

1 Chief Executive Officer until 30 April 2024; although the Chairman is not formally a member of the committees, he regularly attends as a guest.
2 Member of the Board of Directors and member of the Health, Safety & Sustainability Committee as of 8 May 2024.
3 Member of the Board of Directors and member of the Nomination, Compensation & Governance Committee as of the Annual General Meeting 2024.

Corporate Governance Framework

Organizational Rules / areas of responsibility

The division of responsibilities between the Board of Directors, the Chief Executive Officer (CEO) and Executive Committee is set out in detail in the company's Organizational Rules.

The Organizational Rules entered into force on 24 May 2002, are reviewed at least every two years and amended as required. They were last reviewed and amended in July 2023 and may be found at: *holcim.com/regulations-and-reporting*

The Organizational Rules are issued by the Board of Directors in accordance with the terms of Art. 716b of the Swiss Code of Obligations and Art. 18 of the company's Articles of Incorporation. They stipulate the organizational structure of the Board of Directors and the Executive Committee and govern the tasks and powers conferred on the company's executive bodies. The rules regulate the convocation, execution and number of meetings to be held by the Board of Directors and the Executive Committee. If the chairperson of the Board of Directors is not independent, the Organizational Rules provide for the election of a Lead Independent Director.

The Board of Directors also has the power to establish expert committees and, if required, ad hoc committees for special tasks. The Board of Directors can delegate special tasks or tasks related to specific functions to a vice-chairperson on a temporary or permanent basis.

As part of its non-transferable statutory responsibilities, the Board of Directors defines the corporate strategy, approves the Group consolidated mid-term plan, including the budget, and the integrated Annual Report for submission to the Annual General Meeting. In 2024, the Board of Directors also reviewed the planned spin-off of Holcim's North American business.

The CEO is responsible for operational management, preparing a large part of the business of the Board of Directors – including corporate strategy proposals – and executing the latter's resolutions.

The CEO issues directives and recommendations with Group-wide significance in the CEO's own authority and is also responsible for electing and dismissing function heads and CEOs of Group companies, as well as for the nomination of the members of the Board of Directors of Group companies and supervisory bodies of Group companies.

Within the framework of mid-term plan approval, the Board of Directors defines limits for investments and financing.

Within these limits, the Executive Committee decides on financing transactions and on one-off investments and divestments for amounts up to CHF 400 million. Amounts exceeding this are subject to approval by the Board of Directors. The Board of Directors is regularly informed about important transactions under the authority of the Executive Committee.

The Board of Directors determines the CEO's and the Executive Committee members' objectives upon motion by the Nomination, Compensation & Governance Committee, both after advice and assessment with the CEO.

The CEO assesses the performance of the members of the Executive Committee and, after advice and assessment by the Nomination, Compensation & Governance Committee, determines their respective individual objectives.

The Executive Committee oversees risk management following appraisal by the Audit Committee. The Board of Directors is informed annually about risk exposure.

In case of a direct conflict of interest, the Organizational Rules require each member of the corporate body concerned to stand aside voluntarily prior to any discussion of the matter in question. Members of the corporate bodies are required to treat all information and documentation which they may obtain or view in the context of their activities in these bodies as confidential and not to make such information available to third parties.

All individuals vested with the powers to represent the company have joint signature power collectively by two.

Information and control instruments of the Board of Directors

The Board of Directors determines the way it is to be informed about the course of business. Any member of the Board of Directors may demand information on all issues relating to the Group and the company. All members of the Board of Directors may request information from the CEO. At meetings of the Board of Directors, any attending member of the Executive Committee has a duty to provide information. All members of the Board of Directors have a right to inspect books and files to the extent necessary for the performance of their tasks.

Financial reporting

The Board of Directors is informed on a monthly basis about the current course of business, adopts the quarterly reports and releases them for publication. The Board of Directors discusses the integrated Annual Report, takes note of the Auditors' reports and submits the integrated Annual Report to the Annual General Meeting for approval.

Regarding Group strategy development, a strategy plan, as well as a mid-term plan covering four years and including the budget, are submitted to the Board of Directors.

Risk management

Holcim benefits from many years of experience with a risk management process that is structured around several coordinated approaches and subject to continuous improvement. A detailed update and analysis of the Group Risk Map was carried out in 2024 and submitted to the Executive Committee and Audit Committee.

Responsibilities concerning risks are clearly defined at country, region and corporate level following the governance, policies and control framework defined by the Group.

Risks are identified and assessed according to impact and likelihood. The full risk spectrum – from market, operations, finance, legal, compliance, environmental and sustainability to external risk factors of the business environment – is addressed in the ERM process. Key risks are analyzed in greater depth regarding their causes and potential impacts on Holcim's reputation and the achievement of the Group's targets, along with comprehensive action plans to further mitigate the risks. The Internal Control System (ICS) forms an integral part of the way risks are monitored, and their status is regularly reported to the Executive Committee and the Audit Committee. Independent assessments of the effectiveness of mitigating actions and controls are performed by Group Internal Audit.

Please see page 194 for more details about the Group's risk management.

Internal control

Holcim aims to have an effective internal control system and culture supported by the commitment of the Board of Directors and the Executive Committee. Group Internal Control (GIC) primarily aims to provide the Board of Directors and the Executive Committee with reasonable assurance regarding the reliability of the financial reporting and statements, compliance with laws and regulations and the protection of assets.

GIC has designed a set of minimum control standards and a continuous reporting system to receive country and function assessments of the controls and status of any action plans. Discussions regularly occur with local management to ensure controls are properly assessed and issues swiftly addressed.

GIC designs and coordinates the annual certification process to review the main action plans in progress and to confirm management responsibility at each relevant level of the Group organization for the quality of both internal control and financial reporting. The outcome is presented to the Executive Committee and the Audit Committee.

Group Internal Audit

The core mission of Group Internal Audit (GIA) is to provide the Board of Directors and the Executive Committee with an independent, risk-based and objective assurance on the effectiveness and efficiency of the governance, risk management and Internal Control System of Holcim Group. The members of the Board of Directors have access to GIA. Each year, the Internal Audit Plan, which defines the audit areas of focus to be addressed by GIA, is reviewed and approved by the Audit Committee. The main observations and findings observed during audit assignments are reported to the Executive Committee and the Audit Committee periodically.

GIA's activity is governed by adherence to the mandatory guidance issued by the Institute of Internal Auditors ("IIA"), including the Definition of Internal Auditing, the Code of Ethics and the International Professional Practices Framework (IPPF).

Compliance Program – Performance with Integrity

High performance with high integrity is key to achieving sustainable success. Acting with integrity creates trust, protects our reputation, lowers our cost of doing business and enhances shareholder value.

Holcim maintains a comprehensive, risk-based compliance program (Compliance Program), which is based on requirements under national as well as international laws and relevant standards. Holcim's decentralized, empowered operating model is considered in the design and operation of the Compliance Program, in a manner that recognizes the business model while also ensuring appropriate centralized oversight and control.

Combating corruption is an important area of the Compliance Program. Compliance with all applicable anti-bribery and anti-corruption laws and regulations is an integral part of Holcim's license to operate. Holcim is a signatory to the United Nations Global Compact Initiative and committed to supporting its principles on anti-corruption.

The Compliance Program has five pillars and is subject to continuous optimization.

1. Organization and governance

The Group's Executive Committee is responsible for the Group-wide implementation of the Compliance Program and sets the tone from the top in support of it. The core responsibilities of the Compliance function lie in the prevention, detection and correction of compliance infringements. It is the responsibility of the Compliance function to work with all stakeholders to identify weaknesses and control gaps, support management during implementation of corrective measures and ensure the systematic follow-up of such measures. Compliance assists management with promoting and fostering a foundation of integrity in all business practices.

The Compliance function is embedded and aligned within the Legal function and includes staff at the Group, region and country levels. At the Group level, the Compliance function is led by the Group General Counsel who has delegated responsibility for organizing and managing the Compliance function to the Chief Compliance Officer and the head of Competition Law (in relation to Fair Competition). Regular checks and reviews are conducted to ensure that Compliance resources at the Group, region and country levels are adequate.

The Group provides oversight of the Compliance Program through the Ethics, Integrity and Risk Committee (EIRC). The EIRC meets at least quarterly to oversee compliance matters, including compliance investigations, disciplinary actions recommended to management, as well as remediation of identified process or control deficiencies.

The Group's governance structure further ensures that the Audit Committee maintains significant visibility regarding the effectiveness of the Compliance Program. The Group General Counsel attends the Audit Committee meetings and reports regularly to the Audit Committee on the Compliance Program and function. Furthermore, the Chief Compliance Officer has a dotted reporting line to the Chair of the Audit Committee, allowing the Group Chief Compliance Officer to escalate matters directly if necessary.

2. Risk assessment

The annual compliance risk assessments survey key risk manifestations such as bribery and corruption or sanctions and export control violations against different risk triggers and specific scenarios. If there are relevant changes to the risk profile during an annual cycle – such as, for example due to mergers or acquisitions, the compliance risk assessments will be updated on an ad hoc basis. The compliance risk assessments are integrated into the Enterprise Risk Management (ERM) Group-wide risk assessment cycle.

Regarding bribery and corruption, the main risks identified in the compliance risk assessments include risks associated with obtaining and maintaining licenses and permits for business operations. As Holcim also operates in jurisdictions with a heightened exposure to bribery and corruption, the risk profiles in these jurisdictions are elevated accordingly. Third-party risks and risks pertaining to joint ventures are considered additional risk heightening factors where applicable.

For more information, please refer to the "Key operational risks" section on page 202.

3. Controls

Holcim has adopted a multi-layered approach to controls. This includes:

- Specific and detailed policies and directives that specify the conduct to which to adhere in operations. Their coverage includes the topics of bribery and corruption, third-party due diligence, sanctions, embargoes and export controls, conflicts of interest, fair competition, data protection and privacy, as well as speak-up and internal investigations.
- Policies and directives are strengthened through the use of specific transactional and entity level controls which are implemented through the Internal Control System and monitored by the Internal Controls function. For more information please refer to the "Internal control" section on page 210.
- Policies, directives and controls are reinforced through training and communications activities, which are planned, implemented and tracked in all operating countries.
- The implementation of controls and the delivery of training and communications is monitored through a system of compliance metrics and through audits conducted by the Internal Audit function.
- All conduct is subject to speak-up integrity reporting and a comprehensive review and response mechanism, including employee disciplinary measures.

4. Training and communications

Regular compliance communications and training start at onboarding, during which all employees are required to review the Code of Business Conduct, which begins with a letter from the Group CEO and Group General Counsel discussing the importance of integrity, compliance, and the Code of Business Conduct – and to acknowledge in writing that they have read and understood the Code.

Continuous communications are subject to an annual planning process, which is localized to every operating country. The annual compliance planning process results in country-specific communications plans, tailored to the risk profiles of each country, executed in each country, and monitored by regional and Group levels. This establishes a Group-wide dialog on compliance at country level that is supplemented by Group-wide or regional communications and awareness campaigns.

Training is delivered both through e-learning and face-to-face training sessions. E-learning training is provided to a broad employee audience. Face-to-face training is given to employees in functional positions that face heightened exposure to compliance risks. Training attendance is tracked and follow-ups are conducted. In 2024, a total of 23,458 role-relevant business integrity face-to-face trainings and 48,658 business integrity e-learnings were completed.

5. Monitoring and Reporting

By monitoring and reporting compliance-related metrics, Holcim measures the performance of the Compliance Program, providing reasonable assurance that the Compliance Program is effectively implemented. Metrics include both preventive measures such as training, communications or third-party due diligence, as well as detective or responsive measures such as corrective actions identified through the compliance processes, internal control testing, internal audits or internal investigations.

To support transparency over its conduct and business integrity, Holcim encourages a culture of speaking up. Any concern over known or suspected misconduct, which means any conduct relating to Holcim's business that is potentially illegal, violates the Code of Business Conduct or other applicable policies and directives, can be reported. Holcim manages a global reporting system called Integrity Line to facilitate employees, suppliers, customers, or members of the public to report any concerns. Holcim employees have a duty to report their concerns, and Holcim views active reporting as a healthy indicator of an integrity culture. The Integrity Line is provided by an independent third party and all reports are objectively assessed and investigated if required.

All reports are treated seriously, and the confidentiality of the involved parties is preserved to the fullest extent possible. Holcim applies a zero-tolerance policy regarding any misconduct and any retaliatory actions against reporters.

In 2024, a total of 1,067 reports were received in the Integrity Line, out of which 668 were reports of misconduct that required further assessment or investigation. The reporting categories of the 668 reports included: Human resources, Diversity and workplace respect (340/51%); Business integrity (170/25%); Misuse or misappropriation of assets (76/11%); Health, Safety & Environment (60/9%); Accounting, auditing & financial reporting (6/1%); Other (16/3%). 44 cases resulted in dismissals, 66 cases in other employment/disciplinary measures and 76 cases in process improvements, including training, third-party related sanctions and control adjustments.

Report on due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor

A) Minerals and metals from conflict-affected areas

Holcim is committed to maintaining a responsible and ethical supply chain. Based on the information contained in Holcim's supply chain traceability system, Holcim has not placed in free circulation or processed in any country of operation, including Switzerland, any conflict minerals or metals (tantalum, tin, tungsten and gold) from conflict-affected or high-risk areas in 2024.

B) Child labor

1) Holcim's commitment and adherence to international regulations

Holcim is committed to respecting and promoting the rights of people and children in its own operations, supply chain and in the communities where it operates. Respect for human and children's rights is fundamental to Holcim's ability to do business across all sites in the operating countries. Child rights are fully integrated into Holcim's human rights and sustainable procurement programs and standards. In 2021, Holcim signed a pledge to eliminate child labor in global supply chains.[1]

Holcim's commitment is aligned with the principles and values contained in the following internationally recognized regulations:

- ILO Convention No. 138 on Minimum Age
- ILO Convention No. 182 on the Worst Forms of Child Labour
- ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015
- OECD Due Diligence Guidance for Responsible Business of 8 June 2023
- UN Guiding Principles on Business and Human Rights

2) Due diligence

a) Supply chain policy

Holcim's supply chain policy is integrated into its overall human rights approach. The company's due diligence on human rights – including child labor – is based on thorough human rights impact assessments and stakeholder engagement, which are carried out at both country and site levels, as well as risk-based due diligence. For more details, please refer to "Human rights" section on page 114.

Holcim clearly and actively communicates its commitment and human rights expectations of employees and business partners through its Code of Business Conduct, Human Rights Directive, Sustainable Procurement Directive, and the Supplier Code of Conduct, all of which are publicly available. The Supplier Code of Conduct, which forms an integral part of contracts and agreements between Holcim and its suppliers, explicitly states that suppliers shall prevent all forms of child labor.[2]

Holcim applies a zero-tolerance approach to any form of child labor in its supply chain, and any breach leads to immediate termination of the business relationship and remediation of the situation.

b) Own operations

Holcim's efforts to eliminate child labor start within its own operations. For Holcim employees, the Code of Business Conduct explicitly prohibits the exploitation of children, including through child labor.[3] The basic principles provided by the International Labour Organization (ILO) are adopted in Holcim's Human Resources Policy and implemented throughout all business operations. This includes Holcim's commitment to conduct business with the goal of causing zero harm and in full compliance with its strict health and safety requirements.

For the financial year 2024, Holcim does not have reasonable grounds to suspect any child labor within its own operations.

1 *endchildlabour2021.org/holcim-ltd*
2 *holcim.com/responsible-sourcing-supply-chain*
3 *holcim.com/building-with-integrity-code-of-business-conduct*

c) Supplier qualification, traceability and verification

Holcim's Sustainable Procurement program requires that new suppliers be assessed to identify potential risks related to the products or services provided, business activities (volumes and spend, work- and location-related hazards) and the countries' risk levels.

Supplier qualification is conducted before starting a business relationship with the supplier and continues during the business relationship, as a minimum on an annual basis.

Holcim tracks every purchase of goods and services in each market where it operates, including descriptions of products or services, trade names as well as the names and addresses of suppliers and the production sites or service providers. This enhances Holcim's ability to trace the origin of the materials purchased and this information is used to monitor the country risk for child labor via the UNICEF Children's Rights in the Workplace Index and ILO Statistics on Child Labour. Furthermore, Holcim maps and monitors additional tiers of the supply chain as an additional measure to prevent child labor in its supply chain.

Holcim verifies compliance with its Supplier Code of Conduct by means of a three-step verification process:

1. Self-assessment questionnaire: Using Holcim qualification platforms.
2. Fact-finding: collecting evidence to verify potential breaches identified in the self-assessment.
3. Field audits: To confirm deviations and to verify compliance in high-risk procurement categories.

For more details, please refer to the "Sustainable supply chain" on page 120.

d) Reporting procedure

Holcim addresses complaints and grievances received through its global Integrity Line, which supplements numerous site- and community-level grievance mechanisms. All Holcim employees, suppliers and other interested third parties have access to the Integrity Line, which is an independently operated platform to raise potential or actual concerns regarding business practices, including child labor.

Reports can be submitted online, via phone or email in their chosen language, anonymously, if preferred. All reports are documented, and indications of potential child labor are subject to assessment, investigation and follow up. Depending on the results, appropriate measures are applied to avert or mitigate risks and negative effects, and Holcim evaluates the results of the measures taken and communicates them. For more details on the Integrity Line, please refer to page 148.

e) Risk management

Holcim's supply chain policy follows a risk-based approach that considers, among other things, the OECD Due Diligence Guidance for Responsible Business, the UN Human Development Index (HDI) and the Freedom House Index. Risk management is set up to eliminate, prevent or mitigate any identified risks in the supply chain, according to their likelihood of occurrence and the severity of adverse impacts.

f) Transparency

Holcim publicly discloses annual performance indicators regarding the implementation of its supply chain policy. This information is disclosed for the entire Group and covers all geographic areas and all business segments.

For more details, see our ESG policies, documents and reports

Executive Committee

Members of the Executive Committee (including the Chief Executive Officer (CEO) are appointed by the Board of Directors and are responsible for the management of the Group.

The tasks of the Executive Committee are divided into different areas of responsibility in terms of country and function, with each of these areas ultimately supervised and managed by a member of the Executive Committee.

During the year under review the following changes within the Executive Committee have occurred:

Miljan Gutovic was appointed by Holcim's Board of Directors as CEO of Holcim, effective 1 May 2024.

Effective 3 September 2024, Toufic Tabbara, Region Head North America, has decided to pursue opportunities outside of Holcim.

Effective 1 October 2024, Feliciano González Muñoz, Head Human Resources, has decided to step down from the Executive Committee, and to retire by 31 December 2024.

As communicated in October 2023 and effective 31 October 2024, Mathias Gaertner, Group Head Legal and Compliance, has decided to pursue a new career opportunity outside of Holcim.

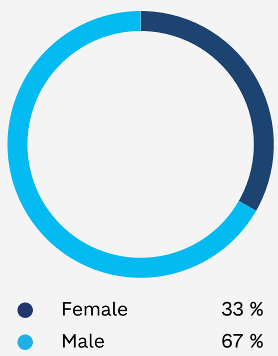
As of 31 December 2024, the Executive Committee of Holcim consisted of the six members reported in the table below.

Please refer to pages 162–164 for biographical information on the members of the Executive Committee. None of the members of the Executive Committees have important functions outside the Holcim Group or any other significant commitments of interest, with the exception of Jamie M. Gentoso, who is a non-executive director of the listed Public Service Electric and Gas Company.

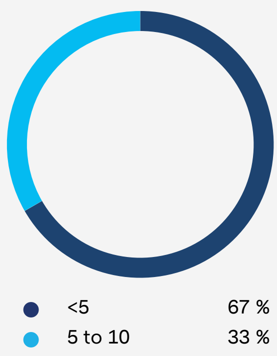
COMPOSITION OF THE EXECUTIVE COMMITTEE

Name	Position	Responsibility
Miljan Gutovic	CEO	
Steffen Kindler	CFO	
Nollaig Forrest	Member	Chief Sustainability Officer
Jamie M. Gentoso	Member	Global Head, Solutions & Products Business Unit
Martin Kriegner	Member	Region Head Asia, Middle East & Africa
Oliver Osswald	Member	Region Head Latin America

GENDER



TENURE



Shareholder's participation

Voting rights and representation restrictions

All holders of registered shares who are registered as shareholders with voting rights in the share register on the closing date for the share registry are entitled to participate in, and vote at, Annual General Meetings. Shares held by trusts and shares for which no declaration has been made that the holder requesting registration is holding the shares in his own name and for his own account, and that there is no agreement on the redemption of the relevant shares and that they bear the economic risk associated with the shares, are entered in the share register as having no voting rights.

Shareholders not participating in person in the Annual General Meeting may be represented by their legal representative, the independent voting rights representative, or with a written power of attorney, by any other representative who need not be a shareholder. In line with regulatory requirements, an electronic voting option is provided for. Voting rights are not subject to any restrictions. Each share carries one vote.

Statutory quorums

The Annual General Meeting constitutes a quorum, regardless of the number of shares represented or shareholders present; resolutions are passed by an absolute majority of the votes allocated to the shares represented, unless Art. 704 para. 1 of the Swiss Code of Obligations or the Merger Act provides otherwise. In such cases, resolutions may only be passed with the respective qualified majority of the votes represented. According to Art. 10 para. 2 of the Articles of Incorporation and in addition to Art. 704 para. 1 of the Swiss Code of Obligations, the approval of at least two-thirds of the votes represented and the absolute majority of the par value of shares represented shall be required for resolutions of the Annual General Meeting with respect to the removal of restrictions set forth in Art. 5 of the Articles of Incorporation (entries in the share register), the removal of the mandatory bid rule (Art. 125 para 4 of the Financial Market Infrastructure Act), and the removal or amendment of para. 2 of Art. 10 of the Articles of Incorporation.

Convocation of the Annual General Meeting and agenda rules

The Annual General Meeting takes place each year, at the latest six months following the conclusion of the financial year. It is convened by the Board of Directors, whereby invitations are published at least 20 days prior to the meeting and in which details are given of the agenda and proposals submitted.

Shareholders representing shares with a par value of at least CHF 1 million may request the addition of a particular item to be included on the agenda, or that a motion relating to an agenda item be included in the notice convening the Annual General Meeting. A respective written request listing the agenda items and the proposal or the proposals shall be lodged with the Board of Directors at least 40 days prior to the Annual General Meeting.The invitations as well as the minutes of the Annual General Meetings are published on: *holcim.com/agm*

Entries in the share register

The company maintains a share register for registered shares in which the names and addresses of owners and beneficiaries are entered. According to the applicable rules and regulations, only those included in the share register are deemed shareholders or beneficial owners of the registered shares of the company. Upon request, purchasers of registered shares shall be included in the share register as shareholders with voting rights if they expressly declare that they have acquired the shares in their own name and for their own account.

Exceptions to this rule apply for nominees who have signed a nominee agreement with the company regarding this position and are subject to a recognized financial markets supervisory authority.

The share register is closed approximately one week prior to the date of the Annual General Meeting. (The exact date is communicated in the invitation to the Annual General Meeting.)

Shareholders' participation and rights of protection are furthermore governed by the Swiss Code of Obligations.

For more details, see Holcim's Articles of Incorporation: *holcim.com/regulations-and-reporting*

Auditors

As part of their auditing activity, the auditors inform the Executive Committee and the Audit Committee regularly about their findings and make suggestions for improvements. Considering the reporting and assessments by the Group companies, the Audit Committee evaluates the performance of the auditors and their remuneration in line with market conditions. The Audit Committee approves the audit focus area, provides recommendations to the auditors, makes suggestions for improvement and assesses their independence. In 2024, the auditors participated in all meetings of the Audit Committee to discuss individual agenda items.

Ernst & Young Ltd, Zurich (EY) were appointed at the Annual General Meeting 2022 and were re-elected at the Annual General Meeting 2024 as financial auditors of Holcim Ltd for the 2024 financial year. Jacques Pierres has been responsible for managing the audit mandate, supported by Daniel Zaugg. The rotation of the lead auditor will be carried out in accordance with Art. 730a of the Swiss Code of Obligations. The auditors are elected for a one-year term at the Annual General Meeting.

The fees shown below were charged for professional services rendered to the Group by the auditors in 2024 and 2023:

Million CHF	2024	2023
Audit services fees[1]	**12.6**	11.3
Audit services fees for joint ventures	**0.9**	1.0
Total audit services fees related to EY	**13.5**	**12.3**
Audit services fees related to other audit firms	**2.0**	2.8
Total audit services fees	**15.5**	**15.0**
Audit-related services fees[2]	**0.4**	0.7
Grant applications services fees	**0.3**	0.6
Other services fees[3]	**0.6**	0.5
Total other fees related to EY	**1.3**	**1.8**
Total audit services and other fees	**16.8**	**16.8**

[1] This amount includes the fees for the individual audits of Group companies carried out by EY as well as their fees for auditing the Group financial statements.
[2] Audit-related services comprise, among other things, sustainability report reviews, comfort letters and certifications for local authorities.
[3] Other services fees comprise, among other things, fees for mergers, acquisitions and divestments support services.
In 2024, Holcim received services related to the planned spin-off of Holcim's North American business announced on 28 January 2024, covering the periods 2021–2024 for CHF 22 million, which are not reflected in the above section.

Other governance information

Management agreements

Holcim has no management agreements in place with companies or private individuals outside the Group.

Mandates outside Holcim

Please refer to Art. 27 of the company's Articles of Incorporation for information about the number of permitted mandates outside of Holcim for the members of the Board of Directors and of the Executive Committee: *holcim.com/regulations-and-reporting*

Compensation, shareholdings and loans

Details of Board of Directors and Executive Committee compensation, shareholdings, and loans are contained in the Compensation Report (starting on page 166) and in the holding company results (Note 11, page 358).

Changes of control and defense measures

The Articles of Incorporation contain no waiver of the duty to make a public offer under the terms of Art. 135 and 163 of the Financial Market Infrastructure Act ("opting out"). The result is that a shareholder who directly, indirectly, or acting in concert with third parties acquires shares in the company and, together with the shares he already possesses, thereby exceeds the 33⅓% threshold of voting rights in the company, must make an offer for all listed shares of the company.

Members of the Board of Directors and of the Executive Committee do not receive any special benefits in the event of a change of control. However, in the event of a change of control (unless the unvested LTI awards are replaced by an equivalent award following the change of control), unvested LTI awards vest immediately on a pro rata basis considering performance conditions are met.

Information policy

Holcim reports to shareholders, the capital market, employees and the public at large in a transparent and timely manner concerning its corporate performance, including achievement of its sustainability targets. Open dialog is nurtured with the most important stakeholders, based on mutual respect and trust. This promotes knowledge of the company and understanding of its objectives, strategy, and business activities.

As a listed company, Holcim is under an obligation to disclose facts that may materially affect the share price (ad hoc disclosure, Art. 53 and 54 of the SIX Listing Rules). Holcim is subject to the SIX rules on the disclosure of management transactions made by the members of the Board of Directors and senior management. These can be accessed on the SIX website: *ser-ag.com/management-transactions*

The most important information tools are the annual and half-year reports, the website *holcim.com*, media releases, press conferences, meetings for financial analysts and investors, and the Annual General Meeting.

Anyone interested may subscribe to the media releases mailing list available at *holcim.com/media* to receive ad hoc announcements and relevant corporate news via email. All published media releases of Holcim from recent years can be downloaded at *holcim.com/media*

Current information relating to sustainable development is available at: *holcim.com/sustainability*

In keeping with our commitment to integrated reporting, we have published the main indicators of our non-financial performance in this report, including climate-related information previously published in our Climate Report.

The financial reporting calendar is shown on page 129 of this Annual Report.

Should there be any specific queries regarding Holcim, please contact:

Corporate Communications

Phone: +41 (0) 58 858 87 10
E-mail: *media@holcim.com*

Investor Relations

Phone: +41 (0) 58 858 87 87
E-mail: *investor.relations@holcim.com*

BLACKOUT PERIODS

2025	2024
6 January 2025 to 27 February 2025 (included)	4 January 2024 to 27 February 2024 (included)
3 April 2025 to 24 April 2025 (included)	3 April 2024 to 24 April 2024 (included)
3 July 2025 to 30 July 2025 (included)	3 July 2024 to 25 July 2024 (included)
3 October 2025 to 23 October 2025 (included)	3 October 2024 to 24 October 2024 (included)

Holcim deems financial results to be inside information. All persons who are involved in the preparation or could have access to financial results before their disclosure are included on the insider list. Persons considered having access to financial results are all members of the Board of Directors and of the Executive Committee and their staff as well as employees in Group Finance, Communications and Legal. Employees in other functions may further be designated to be listed on the insider list.

Blackout periods commence when the consolidation of local financial data is initiated and end on the last day before the company's financial results are disclosed to the public. Persons on the insider list will receive a notice prior to the commencement and at the end of the blackout periods. The notice will include the duties, responsibilities, including potential sanctions applicable in case of use of inside information as well the specific dates of the upcoming blackout periods.

BOARD OF DIRECTORS

JAN JENISCH

Chairman of the Board of Directors

Professional background

A German national born in 1966, Jan Jenisch has been a member of the Board of Directors since 2021 and has served as its Chairman since 2023.

Jan served as Chief Executive Officer (CEO) of Holcim from 2017 to 2024. In January 2024, he was tasked by the Board of Directors to lead the planned U.S. listing of Holcim's North American business. In January 2025, he was appointed as the designated Chairman and CEO of the planned North American company, and will continue to serve as Chairman of Holcim until the company's Annual General Meeting on 14 May 2025.

Jan joined Holcim as CEO in 2017, with the vision to lead Holcim to become the global leader in innovative and sustainable building solutions. He launched the industry's first global ranges of low-carbon and circular building solutions from ECOPact and ECOPlanet to ECOCycle®. Jan accelerated green growth by expanding our Solutions & Products segment, while growing Holcim in the most attractive markets and advancing its leadership in sustainability.

Under Jan's leadership Holcim reached a new level of financial performance based on a superior earnings profile, with industry-leading margins and a strong balance sheet.

Before joining Holcim, Jan was CEO of Sika AG since 2012. He led the company to achieve new performance standards for sales and profitability, and it became a member of the Swiss Market Index.

Jan studied in the U.S. and Switzerland and obtained his MBA from the University of Fribourg in 1993. In 2021, he received a Dr. h.c. for his accomplishments as CEO of two SMI companies.

Mandates in listed companies

n.a.

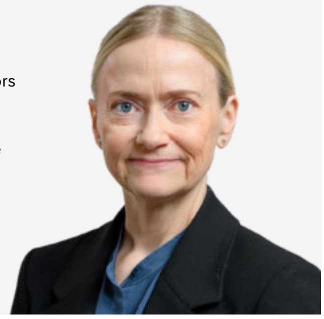
Other mandates

- Active Member of the European Round Table for Industry (ERT)
- Member of the Board of Directors of the Swiss-Japanese Chamber of Commerce (SJCC)
- Lecturer at the University of Fribourg, Switzerland

HANNE BIRGITTE BREINBJERG SØRENSEN

Vice-Chairwoman of the Board of Directors and Lead Independent Director

Chairwoman of the Nomination, Compensation & Governance Committee



Professional background

A Danish national born in 1965, Hanne Birgitte Breinbjerg Sørensen was elected to the Board of Directors of Holcim in 2013.

Hanne Birgitte holds an MSc in Economics and Management from the University of Aarhus. Until the end of 2013, she was the Chief Executive Officer of Maersk Tankers, Copenhagen and served as Chief Executive Officer of Damco, The Hague, Netherlands, another company of the A.P. Møller-Maersk Group, Copenhagen, Denmark, from 2014 until 31 December 2016.

Mandates in listed companies

- Member of the Board of Directors and Member of the Nomination and Remuneration Committee of Ferrovial S.E., Amsterdam, the Netherlands
- Member of the Board of Directors, Member of the Audit Committee, the Nomination and Remuneration Committee and the Technology Committee, and Chairwoman of the Risk Committee of Tata Motors Ltd, Mumbai, India
- Member of the Board of Directors and Member of the Audit Committee and of the Nomination and Remuneration Committee of Tata Consultancy Services Ltd, Mumbai, India

Other mandates

- Member of the Board of Directors, Member of the Audit Committee and the Technology Committee, and Chairwoman of the Nomination and Remuneration Committee of Jaguar Land Rover Automotive PLC, Coventry, UK (including its subsidiaries Jaguar Land Rover and Jaguar Land Rover Holdings Ltd)

PHILIPPE BLOCK

Chairman of the Health, Safety & Sustainability Committee

Professional background

A Belgian national born in 1980, Philippe Block was elected to the Board of Directors of Holcim in 2020.

Philippe holds a Master's degree in Architectural Engineering from the Free University of Brussels (VUB), Belgium, and a Master's degree in Architectural Studies in Design and Computation and a Ph.D. in Building Technologies from the Massachusetts Institute of Technology (MIT), Cambridge, U.S.

In 2009, Philippe was appointed Assistant Professor of Architecture and Structures at the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland. In 2017, he was promoted to full professor. He is the Co-Director of the Block Research Group at ETH where he focuses his research on unreinforced masonry structures, computational structural design, and innovative construction techniques with a strong emphasis on sustainability and circularity.

As Director of the Swiss National Centre of Competence in Research (NCCR) for Digital Fabrication, Philippe is a renowned expert in structural design, computational engineering and digital fabrication of concrete construction with many publications and awards.

Mandates in listed companies

- n.a.

Other mandates

- Founding Partner of Foreign Engineering GmbH, Zurich, Switzerland

KIM FAUSING

Member of the Audit Committee

Professional background

A Danish national born in 1964, Kim Fausing has broad management experience from leading positions in global industrial companies.

He was elected to the Board of Directors of Holcim in 2020, and has been proposed as Chairman of the Board of Directors of Holcim. Subject to vote at the Annual General Meeting in 2025, Kim will succeed Jan Jenisch, who will not stand for re-election following his appointment as the designated Chairman and Chief Executive Officer of the planned North American company.

Kim holds a Degree in Mechanical Engineering from Aarhus Teknikum, Denmark, and an MBA from Henley Business School, London, UK.

He has been President and Chief Executive Officer for the Danfoss Group (Denmark) since July 2017. Prior to this, he was Chief Operating Officer and member of the Executive Committee since January 2008, responsible for all Danfoss business segments as well as the Danfoss Business System and Global Procurement. In 2007, Kim joined Danfoss as President of the Danfoss Refrigeration & Air Conditioning Division.

Before this, from 1990 and until joining Danfoss, Kim held various international positions within the Hilti Group in Europe and Asia.

Mandates in listed companies

- Vice-Chairman of the Board of Directors of SMA Solar Technology AG, Niestetal, Germany

Other mandates

- n.a.

LEANNE GEALE

Member of the Health, Safety & Sustainability Committee

Professional background

A Canadian national born in 1965, Leanne Geale was elected to the Board of Directors of Holcim in 2022.

She holds an LLB from the Université de Montréal, Canada and a BA from the University of Alberta, Canada.

Leanne is currently Executive Vice President and Group General Counsel for Nestlé SA. Before this, Leanne was Chief Ethics & Compliance Officer of Royal Dutch Shell plc from 2014 to 2019, having joined Shell Canada in 2003.

At Shell, she held the positions of Associate General Counsel, Oil Products, Group Legal Services Coordinator, and Associate General Counsel, Heavy Oil and Head of Legal Canada.

Prior to joining Shell, Leanne was in-house counsel for international, publicly listed companies in banking (Royal Bank of Canada), mining (Rio Algom Limited) and manufacturing (Alcan Aluminium Limited).

Mandates in listed companies

- n.a.

Other mandates

- Member of the Board of Directors of CEELI Institute o.p.s., Prague, Czech Republic
- Treasurer of the Swiss-American Chamber of Commerce

CATRIN HINKEL

Member of the Health, Safety & Sustainability Committee

Professional background

A German national born in 1969, Catrin Hinkel was elected to the Board of Directors of Holcim in 2024.

She studied at the European Partnership of Business Schools (ESB), Reutlingen and London, where she obtained a Bachelor of Arts degree.

Having served as Chief Executive Officer of Microsoft Switzerland since May 2021, she has over 25 years of experience in the tech industry across a variety of organizations and diverse cultures.

Catrin previously held leadership roles at Accenture, most recently as Senior Managing Director, Europe Cloud First Strategy & Consulting Lead.

For her commitment to digital innovation, Catrin has been named by Swiss magazine BILANZ as one of Switzerland's Digital Shapers 2022, and by Forbes DACH in its list of C-Suite Women in Tech.

Mandates in listed companies

- n.a.

Other mandates

- Member of the Executive Committee, Digital Switzerland
- Member of the Board, ASUT Industry Association
- Member of the Supervisory Board, Helmholtz Center for Information Security (CISPA)

NAINA LAL KIDWAI

Chairwoman of the Audit Committee

Member of the Health, Safety & Sustainability Committee

Professional background

An Indian national born in 1957, Naina Lal Kidwai was elected to the Board of Directors of Holcim in 2019.

She holds an MBA from Harvard Business School, Boston, U.S.

Naina started her career in 1982 and until 1994 was at ANZ Grindleys Bank plc. From 1994 to 2002, she was Vice-Chairwoman and Head of Investment Banking at Morgan Stanley India before moving to HSBC, where she was Chairwoman of the HSBC Group of Companies in India and served on the Board of HSBC Asia Pacific, until her retirement in December 2015.

Naina was President of the Federation of Indian Chambers of Commerce & Industry (FICCI), and also served for 12 years until 2018 as Non-Executive Director of Nestlé S.A., Vevey, Switzerland.

Her interests in water and the environment are reflected in engagements with The Shakti Sustainable Energy Foundation, Global Commission on Economy & Climate, and positions as Chair of the FICCI Sustainability, Energy and Water Council and Chair of the India Sanitation Coalition.

Mandates in listed companies

- Non-executive Member of the Board of Directors of Gland Pharma Ltd, Hyderabad, India
- Non-executive Member of the Board of Directors and Chairwoman of the Sustainability and Stakeholder Committee of UPL Ltd, Mumbai, India
- Non-executive Member of the Board of Directors and Chairwoman of the Sustainability and Nomination & Remuneration Committees of Biocon Ltd, Bangalore, India

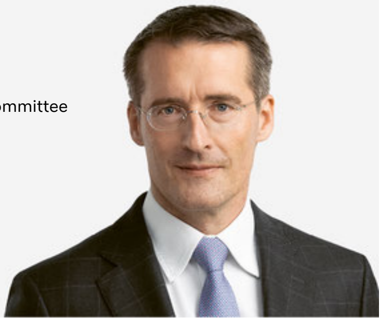
Other mandates

- Non-executive Member of the Board of Directors and Chairwoman of the CSR and Sustainability and Nomination and Remuneration Committees of Nayara Energy Ltd, Mumbai, India
- Chairwoman of the Board of Directors of Rothschild & Co India Private Limited, Mumbai, India

ILIAS LÄBER

Member of the Audit Committee

Member of the Nomination, Compensation & Governance Committee



Professional background

A Swiss national born in 1974, Ilias Läber was elected to the Board of Directors of Holcim in 2022.

He holds an MSc in Engineering from the Swiss Federal Institute of Technology (ETH) in Zurich, Switzerland, and an MA in Economics from University of Zurich, where he obtained a doctorate in 2004.

Ilias began his professional career at McKinsey & Company, where he served from 2001 to 2008, ultimately as Associate Principal. From 2008 to 2019 he was with Cevian Capital as a Partner and Managing Director of the Swiss office. From 2013 until 2019, he was on the Board of Directors of Panalpina Welttransport Holding AG, where he served as Chairman of the Audit, Risk and Compliance Committee. In 2019, he joined Quercis Pharma AG as Chief Executive Officer (CEO) and Chairperson of the Board of Directors.

In 2021, Ilias joined Spectrum Value Management Ltd as CEO and Partner – the firm administers the industrial and private investments of the Thomas Schmidheiny family. In this capacity he serves as a Member of the Board of Directors of Spectrum Value Management Ltd., of the Grand Resort Bad Ragaz AG and as Chairman and Managing Partner of SEO Management AG.

Mandates in listed companies

- Member of the Board of Directors and Chairman of the Audit Committee of CANCOM SE, Munich, Germany
- Member of the Board of Directors of dormakaba Holding AG, Rümlang, Switzerland

Other mandates

- Member of the Board of Directors and Chairman of the Audit Committee of Swiss Automotive Group AG, Cham, Switzerland

MICHAEL H. MCGARRY

Member of the Nomination, Compensation & Governance Committee

Professional background

A U.S. national born in 1958, Michael H. McGarry was elected to the Board of Directors of Holcim in 2024.

He is a Mechanical Engineering graduate of the University of Texas, and has completed the Advanced Management Program at Harvard Business School.

Michael is a highly-accomplished global business leader who most recently served as Executive Chairman of PPG Industries in 2023, and as Chairman and Chief Executive Officer from 2016 to 2022. During his tenure, PPG Industries led a successful portfolio transformation to become one of the world's largest specialty coatings companies, with net sales of USD 18.2 billion in 2023.

After joining PPG Industries as an engineer in 1981, Michael took on roles of increasing responsibility across all regions, from sales and market development in Pittsburgh, U.S., to leading a specialty business in Bangkok, Thailand, and serving as managing director, PPG Europe, in Switzerland.

Mandates in listed companies

- Member of the Board of Directors of United States Steel Corporation, Pittsburgh, U.S.
- Member of the Board of Directors of Shin-Etsu Chemical Co., Tokyo, Japan
- Member of the Board of Directors of C.H. Robinson, Eden Prairie, MN, U.S.

Other mandates

- n.a.

JÜRG OLEAS

Member of the Audit Committee

Member of the Nomination, Compensation & Governance Committee

Professional background

A Swiss national born in 1957, Jürg Oleas was elected to the Board of Directors of Holcim in 2014.

He retired from the Holcim Board in the context of the LafargeHolcim merger closing effective 10 July 2015, and was re-elected at the AGM 2016.

In January 2025, ahead of the planned listing of Holcim's North American business, Jürg was appointed as a designated independent director to serve on the Board of Directors of the planned North American company. The Board will become effective following the execution of the planned spin-off, expected by the end of the first half of 2025.

Jürg holds an MSc in Mechanical Engineering from the Swiss Federal Institute of Technology (ETH) in Zurich, Switzerland.

He was Chief Executive Officer (CEO) of GEA Group Aktiengesellschaft, a Düsseldorf-based mechanical engineering company listed on Germany's MDAX stock index, and has been a member of the GEA Group Executive Board since joining the company in May 2001. Initially responsible for the Group's chemical activities, he was appointed CEO of GEA Group on 1 January 2005.

Before joining GEA Group, Jürg spent nearly 20 years with ABB and the Alstom Group, where he held several management positions.

Mandates in listed companies

- Chairman of the Board of Directors and Member of the Audit and of the Nomination and Compensation Committees of Hochdorf Holding AG, Hochdorf, Switzerland, which was renamed HOCN AG in 2024

Other mandates

- Member of the Board of Directors and Member of the Audit Committee of RUAG International Holding AG, Bern, Switzerland

CLAUDIA SENDER RAMIREZ

Member of the Nomination, Compensation & Governance Committee

Member of the Health, Safety & Sustainability Committee

Professional background

A Brazilian national born in 1974, Claudia Sender Ramirez was elected to the Board of Directors of Holcim in 2019.

She holds a BS in Chemical Engineering from the Polytechnic School, University of São Paulo, Brazil, and an MBA from Harvard Business School, Boston, U.S..

Claudia was Senior Vice President for Clients at LATAM Airlines Group until May 2019. Before this, she was Chief Executive Officer (CEO) of LATAM Airlines Brazil from 2013. Claudia joined TAM Airlines in 2011 as Commercial and Marketing Vice President. In 2012, following the LAN and TAM mergers, she became responsible for the Brazil Domestic Business Unit.

Claudia also worked for several years in the Consumer Goods industry, focusing on marketing and strategic planning. Prior to joining LATAM, Claudia was Marketing Vice President at Whirlpool Latin America, where she worked for seven years. She has also worked as a consultant at Bain & Company, on projects ranging from telecommunications to airlines.

Mandates in listed companies

- Member of the Board of Directors of Telefonica S.A., Madrid, Spain
- Member of the Board of Directors, Chairwoman of the Compensation and Succession Committee and member of the Governance Committee of Gerdau S.A., São Paulo, Brazil
- Member of the Board of Directors, Chairwoman of the People and ESG Committee and Member of the Audit and Risk Committee of Embraer S.A., São Paulo, Brazil

Other mandates

- Delegate Commission, Telefonica Hispam and Telefonica Tech Advisory Committees, Madrid, Spain

EXECUTIVE COMMITTEE

MILJAN GUTOVIC

Chief Executive Officer

Professional background

An Australian national born in 1979, Miljan Gutovic was appointed as Chief Executive Officer of Holcim, effective 1 May 2024. Driven by a strong sense of purpose to decarbonize building at scale, Miljan leads the company's commitment to deliver record performance and value for all stakeholders.

Miljan began his Holcim career in 2018, when he was appointed Head of Middle East & Africa, and became a member of the Group Executive Committee that July. In March 2021 he became Region Head for Europe, and in November 2022 expanded his role to lead Holcim's Operational Excellence organization, focusing on decarbonization.

As Region Head Europe, Miljan turned sustainable growth into profitable growth, with an ambitious decarbonization roadmap delivering leading EBIT margins and increasing customer demand for advanced sustainable building solutions from ECOPact to ECOPlanet. A bold M&A strategy also contributed to strong regional growth and significantly expanded our footprint.

Miljan drove decarbonization across the Group in his Operational Excellence role: leading on renewable and green energy use, expanding green formulation, accelerating green mobility and deploying next-generation technologies such as carbon capture, utilization and storage.

He previously worked for the specialty chemical company, Sika in various management roles in Australia and the Middle East.

Miljan holds a Bachelor's degree in Civil Engineering and a PhD in Engineering from the University of Technology in Sydney.

Other activities and functions

- Member of the Board of Directors of the Global Cement and Concrete Association (GCCA)
- Member of the Executive Committee, World Business Council for Sustainable Development (WBCSD)

STEFFEN KINDLER

Chief Financial Officer

Professional background

A German national born in 1970, Steffen Kindler was appointed Chief Financial Officer (CFO) in April 2023, when he also became part of the Executive Committee.

Before joining Holcim, Steffen held positions of increasing responsibility at Nestlé over 25 years, most recently serving as CFO for Nestlé Germany.

His broad experience spans key business roles including Head of Finance and Control of Nestlé Beverage USA, based in Los Angeles, CFO of Nestlé Waters Europe, based in Paris, as well as responsibility for business development, based in the New York metropolitan area.

In addition, Steffen held roles of global responsibility for Nestlé's key corporate functions such as Head of Investor Relations and Senior Advisor in Mergers & Acquisitions, based in Vevey, Switzerland.

Steffen holds a degree in Business Administration and Computer Science (Diplom Wirtschaftsinformatik) from the University of Mannheim.

Other activities and functions

- Member of the CFO Coalition for the Sustainable Development (SDGs), United Nations Global Compact
- Member of the CFO Network of the World Business Council for Sustainable Development (WBCSD)
- Member of the CFO Platform of the European Round Table for Industry (ERT)

JAMIE M. GENTOSO

Global Head,
Solutions & Products
Business Unit

Professional background

An American national born in 1977, Jamie M. Gentoso was appointed Global Head Solutions & Products Business Unit and member of Holcim's Group Executive Committee in March 2021. Previously, she was Chief Executive Officer (CEO) of Holcim's U.S. cement organization. Before joining Holcim, Jamie was Vice President of Sales and Marketing, Construction Specialties at Sika Corporation U.S.

Jamie has global responsibility for the Solutions & Products Business Unit at Holcim. This includes Elevate (formerly Firestone Building Products), Malarkey Roofing Products and Duro-Last Roofing Systems. Jamie has also sat on the Board of Directors for several industry organizations, including the Ready Mix Concrete Foundation, Precast Concrete Educational Foundation and the Concrete Industry Management (CIM) program.

Jamie received both her MBA and Bachelor of Science in Civil Engineering from the University of Michigan.

Other activities and functions

- Member of the Board of Directors of PSEG, a public utility in the U.S.
- Member of the Leadership Advisory Board (LAB) for the University of Michigan, College of Engineering

MARTIN KRIEGNER

Region Head Asia,
Middle East & Africa

Professional background

An Austrian national born in 1961, Martin Kriegner was appointed Head of Asia Pacific and member of the Group Executive Committee of Holcim in August 2016. Since October 2022, he has been the Region Head for Asia, Middle East & Africa.

Martin joined the Group in 1990 and has held various senior leadership roles across Europe and Asia. He moved to India as Chief Executive Officer (CEO) in 2002 and later served as Regional President Cement for Asia, based in Kuala Lumpur. In 2012, he was appointed CEO for Cement, Ready-mix and Aggregates in India.

In July 2015, he became the company's Area Manager Central Europe.

Martin is a graduate of Vienna University and holds a Doctorate in Law. He also obtained an MBA from the University of Economics in Vienna.

OLIVER OSSWALD

Region Head Latin America

Professional background

A Swiss national born in 1971, Oliver Osswald was appointed Head of Latin America and member of the Group Executive Committee of Holcim in August 2016.

Oliver's career at Holcim began in 1995 at Holcim Apasco, Mexico. Between 1995 and 2005, he was responsible for various cement plants in Switzerland and Germany. From 2005, he moved into management and marketing positions at Holcim in Switzerland.

Under his leadership, Holcim successfully contributed to the construction of the longest railway tunnel in the world – the Gotthard Base Tunnel.

Oliver was appointed Commercial Director for Holcim Apasco in Mexico in 2012, before being appointed Country Head for Argentina in 2014. In 2016, Oliver took on the role of Region Head, Latin America, and also served as Global Head of Trading between 2019 and 2024.

In Latin America, Oliver has played a fundamental role in turning Holcim into a large-scale integrated construction enterprise present in 10 markets. Holcim is making a vital contribution to modernizing the region's infrastructure and construction sector, achieving market-leading profitability and industry-leading margins in all markets.

Oliver is a graduate of the Technische Hochschule in Ulm, Germany, and holds an Executive Education Degree from Harvard Business School, U.S.

NOLLAIG FORREST

Chief Sustainability Officer

Professional background

A Swiss national born in 1976, Nollaig Forrest was appointed as Chief Sustainability Officer and a member of the Group Executive Committee of Holcim, as well as Board Member of the Holcim Foundation for Sustainable construction, in September 2023.

Nollaig joined Holcim in 2020 as Group Head of Corporate Affairs, in charge of Group Communications, Public Affairs and Branding. Since joining the company, she has played an instrumental role in Holcim's net-zero transition, partnering with strategic influencers across the value chain, from architects and public authorities to media and employees, to decarbonize building at scale.

Before working at Holcim, Nollaig was Vice President of Corporate Communications at Firmenich. She has also held leading Public Affairs roles at Dow, DuPont and the World Economic Forum.

Nollaig holds a Masters Degree in International Relations from the Graduate Institute of International Studies in Geneva, Switzerland. She has also completed the Yale-WBSCD Sustainability Leadership and INSEAD International Marketing programs.

Other activities and functions

- Member of the MIT Climate and Sustainability Consortium Advisory Council
- Member of Bloomberg New Economy Dynamic Cities Coalition

Executive compensation is designed to reinforce the Holcim strategy by helping the company attract, motivate and retain talent while aligning their interests with those of shareholders.

The executive compensation structure balances rewards for short-term performance and long-term success by combining absolute and relative as well as financial and non-financial performance objectives, and by delivering compensation through a mix of cash and equity. To further strengthen alignment with shareholders, executives are expected to build up a minimum level of Holcim share ownership over time.

The Compensation Report provides detailed information on the compensation programs at Holcim, on the compensation awarded to the members of the Board of Directors and the Executive Committee for 2024 and on the governance framework around compensation. It is written in accordance with the Swiss Code of Obligations, the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange and the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse.

Dear shareholders,

I am pleased to share with you the Holcim Compensation Report for the 2024 financial year, which was prepared in accordance with applicable laws, rules and regulations. As a leading global provider of innovative and sustainable building solutions, we aim to be an employer of choice. This is supported by a compensation framework designed to attract, motivate and retain the qualified talent needed to succeed globally and to provide excellent returns to you, our shareholders.

Holcim delivered another year of record results in 2024, with record Recurring EBIT and an industry-leading Recurring EBIT margin of 19.1%. Driving profitable growth across all regions, we continued scaling up our sustainable building solutions: ECOPact reached 29% of total ready-mix sales and ECOPlanet reached 26% of cement sales. We continued to lead in circular construction as well, recycling 10.2 million tons of construction demolition materials, and further reduced CO_2 per net sales to achieve a 44% reduction since 2020.

In this report, we will explain how our performance in 2024 impacted the compensation awarded to the members of the Executive Committee under the incentive plans.

The Nomination, Compensation and Governance Committee (NCGC) performed its regular duties throughout the reporting year. These include succession planning for the Board of Directors and the Executive Committee, setting performance objectives at the beginning of the year and assessing performance at year-end. The NCGC also determines compensation for members of the Board of Directors and the Executive Committee, and prepares the Compensation Report, as well as say-on-pay votes at the Annual General Meeting.

Miljan Gutovic was appointed Chief Executive Officer (CEO) of Holcim effective 1 May 2024. Miljan took over from former CEO Jan Jenisch. Jaime Hill was appointed Region Head North America effective 3 September 2024. He took over from Toufic Tabbara, who pursued opportunities outside of Holcim. Carmen Díaz was appointed Chief People Officer effective 1 October 2024, succeeding Feliciano González Muñoz who retired from Holcim at the end of 2024. Lukas Studer was appointed Group General Counsel effective 1 November 2024. He succeeded Mathias Gaertner who pursued a new career opportunity outside of Holcim. Jaime Hill, Carmen Díaz, Lukas Studer, Simon Kronenberg and Dragan Maksimovic are not Group Executive Committee members.

With regard to the Board of Directors, Catrin Hinkel and Michael McGarry were elected as members of the Board of Directors at the Annual General Meeting in 2024.

Kim Fausing will be proposed as the new Board Chairman at the Annual General Meeting 2025. Subject to vote at this meeting, he will succeed Jan Jenisch, who will not stand for re-election following his appointment as the designated Chairman and CEO of the planned North American company. Jan Jenisch, currently Board Chairman of Holcim, is leading the planned listing of the North American business and previously served as Holcim's CEO from 2017 to 2024.

HANNE BIRGITTE BREINBJERG SØRENSEN

Chairwoman of the NCGC

On compensation matters, the NCGC reviewed the peer groups used for benchmarking, the performance indicators and target setting for the incentive plans (with a focus on ESG), the share usage for equity plans, compensation levels as well as the overall design of the compensation programs. The NCGC concluded that the compensation system continues to be aligned with the overall business strategy and shareholder interests and is well balanced. As a result, no changes were implemented in 2024 with the exception of the increase in the annual incentive target from 75 to 90% of the annual base salary and an amendment made to a sustainability objective in the long-term incentive. Those changes are explained in greater detail in this report. In the context of the planned spin-off of the North American business and the related changes in Holcim's structure, a thorough review has been launched to assess the compensation program's overall design. The results of this review will be presented in the next Compensation Report.

You will find further details regarding the NCGC's activities as well as the compensation-related decisions made during the reporting year in this report. You will have the opportunity to express your opinion about this Compensation Report in a consultative shareholder vote at the Annual General Meeting 2025.

We are convinced that the compensation framework supports our commitment to creating both financial and non-financial value over the long term and is well-aligned with our shareholders' interests. In the future, we will continue to review and assess our compensation programs while fostering an open dialog with our shareholders and their representatives.

Having served on the Board of Directors since 2013, I will not stand for re-election at this year's Annual General Meeting. It has been my privilege to serve, and to uphold the highest standards of corporate governance for Holcim.

Thank you for sharing your perspectives on executive compensation with us. I trust that you will find this Compensation Report informative.

HANNE BIRGITTE BREINBJERG SØRENSEN
Chairwoman of the NCGC

Compensation at a glance

Summary of compensation of the Board of Directors in 2024

To ensure their independence in their supervisory function, members of the Board of Directors receive fixed compensation only. This is delivered in the form of cash and shares blocked for five years. The compensation system for the Board of Directors does not contain any performance-related components.

Summary of compensation of the Executive Committee in 2024

The executive compensation framework is designed to reinforce Holcim's strategy by helping the company attract, motivate and retain talent while aligning their interests with those of the shareholders and stakeholders. The compensation structure is well balanced: it rewards short-term and long-term performance, it combines absolute and relative as well as financial and non-financial performance objectives and it delivers compensation through a mix of cash and equity.

The compensation of the Executive Committee consists of fixed and variable elements. Fixed compensation includes base salary and benefits based on prevalent market practice.

Annual retainer (gross)	Cash (CHF)	Shares (CHF)	Expense allowance (CHF)	Committee fees (gross)	Chair-person (CHF)	Member (CHF)
Board chair-person[1]	1,450,000	1,450,000	10,000	AC	160,000	40,000
Board vice-chair-person[1]	200,000	200,000	10,000	NCGC	125,000	40,000
Board member	100,000	100,000	10,000	HSSC	125,000	40,000

[1] The Board chairperson and vice-chairperson are not eligible for committee fees

Variable compensation comprises short-term and long-term elements as described below. It is based on ambitious and stretched performance objectives and it rewards Group and regional results. Clawback and malus provisions apply to the annual and the long-term incentive (LTI) plans.

Executive Committee members are subject to a share ownership guideline: the CEO must hold at least 500% of his annual base salary in shares, other Executive Committee members 200%.

SUMMARY OF COMPENSATION OF THE EXECUTIVE COMMITTEE IN 2024

Compensation element	Purpose	CEO	Other Executive Committee members
Base salary	Reward for the role		
Pension and benefits	Protect against risks, attract and retain		
Annual incentive	Reward short-term performance • Group relative sales growth (15%) • Group relative Recurring EBIT growth (15%) • Recurring EBIT (20%) • Free Cash Flow after leases (35%) • Health, Safety and Environment (15%)	**Target:** 125% of salary **Maximum payout:** 200% of target (250% of salary)	**Target:** 90% of salary **Maximum payout:** 200% of target (180% of salary)
Long-term incentive	Reward long-term performance (3–5 years) and align with shareholders' interests **Performance shares:** • EPS before impairment and divestments • ROIC • Sustainability **Performance options:** • Relative TSR	**Performance shares:** Grant value: 125% of salary Maximum vesting: 200% of target **Performance options:** Grant value: 52.4% of salary Maximum vesting: 100% of target	**Performance shares:** Grant value: 70% of salary Maximum vesting: 200% of target **Performance options:** Grant value: 26.3% of salary Maximum vesting: 100% of target

Compensation of the Board of Directors for 2024

The compensation awarded to the Board of Directors in the 2024 financial year is within the limits approved by the shareholders at the Annual General Meeting. Since the compensation period is not yet completed, a definitive assessment will be provided in the 2025 Annual Report.

Compensation of the Executive Committee for 2024

The compensation awarded to the Executive Committee for the 2024 financial year is within the limits approved by the shareholders at the Annual General Meeting 2023.

Summary of performance in 2024

Holcim delivered record results in 2024 in challenging market conditions. Growing our multi-billion brands to meet customers' needs, 36% of net sales came from advanced branded solutions in 2024 (versus 30% in 2023). We met customer demand for sustainable building solutions and achieved profitable growth across all regions.

Recurring EBIT reached a record CHF 5,049 million in 2024, up 10.5% organically, with a Recurring EBIT margin of 19.1%. Holcim delivered another record Free Cash Flow after leases of CHF 3,801 million, with a cash conversion of 57%. Return on Invested Capital (ROIC) rose to 11.2%, while earnings per share before impairment and divestments hit a new high of CHF 5.70.

We continued to lead in circular construction, recycling 10.2 million tons of construction demolition materials (+20% compared to the prior year). Advancing our leadership in sustainability, Holcim further reduced CO_2 per net sales, achieving a 44% reduction since 2020.

- Annual incentive 2024: payout of 165.1% of target on average for Executive Committee.
- Long-term incentive 2022: vesting level of 167.0% for the performance shares granted in 2022.

Compensation governance

- Authority for decisions related to compensation is governed by the Articles of Incorporation and the Organizational Regulations of Holcim Ltd as described in the Corporate Governance section.
- The prospective maximum aggregate amounts of compensation of the Board of Directors and of the Executive Committee are subject to binding shareholders' votes at the Annual General Meeting.
- The Compensation Report is subject to a consultative vote by the shareholders at the Annual General Meeting.

The Board of Directors is supported by the NCGC for all matters related to compensation and governance. The NCGC members are elected annually by the shareholders at the Annual General Meeting.

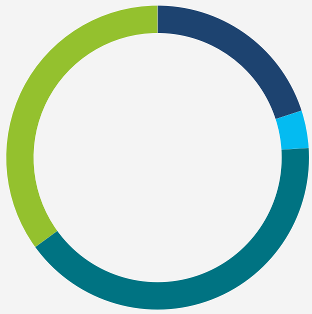
Compensation period	Approved amount (CHF)	Effective amount (CHF)
AGM 2023 – AGM 2024	3,000,000	2,790,875
AGM 2024 – AGM 2025	6,500,000	To be determined[1]

[1] The compensation period is not yet completed; a definitive assessment will be provided in the 2025 Compensation Report

Compensation period	Approved amount (CHF)	Effective amount (CHF)
2024 financial year	36,000,000	26,956,006

COMPENSATION AWARDED FOR 2024

CEO



Base salary	20%
Pension & benefits	4%
Annual incentive	41%
Long-term incentive	35%

EXECUTIVE COMMITTEE MEMBERS

Base salary	30%
Pension & benefits	11%
Annual incentive	36%
Long-term incentive	23%

Compensation system: Board of Directors

To guarantee their independence in exercising their supervisory duties, the members of the Board of Directors receive fixed compensation only and do not participate in Holcim's employee benefits plan. Part of the compensation is paid in blocked shares to strengthen alignment with shareholders' interests.

Board compensation consists of an annual retainer for the board chairperson, board vice-chairperson and board members plus additional fees for assignments to the committees of the Board of Directors, either as chairperson or member. The board chairperson and vice-chairperson are not eligible for committee fees. The annual retainer is paid half in cash and half in shares subject to a five-year restriction period (prohibition of sale or pledging). Committee fees are paid in cash.

Additionally, a lump-sum expense allowance is paid in cash. The members of the Board of Directors receive no additional reimbursements of business expenses beyond travel costs incurred abroad.

Cash compensation is paid quarterly for the board members and monthly for the board chairperson. The shares are transferred in March for the past reporting year.

The board chairman is being remunerated for his role on the Board of Directors since the new Chief Executive Officer (CEO) was appointed on 1 May 2024 and has ceased receiving compensation for his role as CEO. He did not receive any compensation for his role on the Board of Directors prior to this.

In exceptional circumstances, additional fees are payable to board members when an exceptional workload beyond the regular function of the Board of Directors is required. No such fees were paid in the reporting year.

AGM 2025 onwards

The compensation of the Board of Directors is benchmarked regularly, most recently in 2022, based on the board compensation of other industrial SMI companies including ABB, Geberit, Givaudan, Lonza, Nestle, Novartis, Richemont, Roche, SGS and Sika (please refer to the "Compensation governance" section for further details on the benchmark peer group).

The analysis showed that the compensation structure is aligned with prevalent market practice. In terms of compensation levels, the annual retainer and the committee fees for the chairperson roles are above market median, while they are below market for the board and committee members without a chairperson role.

Considering the complexity of the work of the Board of Directors and its committees as well as the substantial additional requirements of the board and committee chairpersons, the NCGC concluded that this is appropriate and decided not to make any change to the compensation model. In the context of the planned listing of the North American business and the consequent change in Holcim's structure, a thorough review of the compensation model has been initiated.

COMPENSATION MODEL OF THE BOARD OF DIRECTORS

Annual retainer (gross)	Cash compensation in CHF	Share-based compensation[3] in CHF	Expense allowance in CHF
Board chairperson since AGM 2024[1,2]	1,450,000	1,450,000	10,000
Board vice-chairperson[1]	200,000	200,000	10,000
Board member	100,000	100,000	10,000

Committee fees (gross p.a.)[1]	Cash compensation in CHF
Audit Committee chairperson	160,000
Other committee chairpersons (NCGC, HSSC)	125,000
Committee member	40,000

1 The board chairperson and vice-chairperson are not eligible for committee fees.
2 The Board Chairman was not eligible for any compensation for this role during his double mandate (from AGM 2023 until AGM 2024).
3 Converted into shares based on the average share price between 1 January 2025 and 15 February 2025.

Compensation system: Executive Committee

Compensation principles

Executive compensation is designed to reinforce the Holcim strategy by helping the company attract, motivate and retain talent while aligning their interests with those of shareholders. The compensation programs are based on the principles described on the right.

Compensation model of the Executive Committee

Compensation for members of the Executive Committee includes the following elements:

- Annual base salary
- Pensions and benefits
- Variable compensation: annual and long-term incentives

Base salaries

Annual base salaries are established on the basis of the following factors:

- Scope, size, and responsibilities of the role; skills required to perform the role
- External market value of the role
- Skills, experience and performance of the individual in the role

To ensure market competitiveness, the base salaries of the Executive Committee are reviewed annually taking into consideration the company's affordability, benchmark information, internal consistency and individual performance. The objective is to provide salaries broadly in line with competitive market practice at selected comparable SMI companies (please refer to the "Compensation governance" section for further details on the benchmarking peer group).

DRIVE SUSTAINABLE AND SOCIAL IMPACT

Our compensation programs are directly linked to our sustainability strategy and to our climate goals in particular. Extensive risk-taking and short-termism are strongly discouraged, especially when such behaviors could jeopardize our sustainable success. We believe in equal pay for equal work. Our compensation programs are straightforward and communicated transparently, both internally and externally.

PAY FOR PERFORMANCE

Our incentive plans reward short-term performance and long-term success through a balanced combination of absolute and relative performance objectives as well as financial and non-financial metrics. Non-financial goals focus on climate, the environment and our broader role in society.

ACCELERATE INNOVATION

With a strong focus on growth and sustainability, our compensation programs incentivize re-invention of our products and services to reach net zero. Our competitive compensation also helps us attract, retain and motivate highly talented individuals who contribute to this goal while also maintaining an agile and diverse workplace.

CREATE SHAREHOLDER VALUE

Our share-based compensation plans foster long-term thinking and success as they strengthen our management's alignment with the long-term interests of our shareholders. Our executives are expected to build a minimum level of share ownership over time so they always have "skin in the game".

COMPENSATION MODEL OF THE EXECUTIVE COMMITTEE

Element	Purpose	Structure	Drivers	Performance objectives
Base salary	Attract and retain	Fixed amount, paid out monthly in cash	• Role & responsibilities • Market value • Experience	
Pensions and insurances	Protect against risks	Pension contributions and insurances	• Market practice • Role	
Benefits	Attract and retain	• Perquisites • Company car or allowances	• Market practice • Role	
Annual incentive	Reward for short-term performance	Annual variable amount, paid out half in cash and half in shares blocked for three years	Annual financial and non-financial performance	• Group relative sales growth • Group relative Recurring EBIT growth • Recurring EBIT • Free Cash Flow after leases • Health, Safety and Environment
Long-term incentive (LTI)	• Reward for long-term performance • Align with shareholders' interests • Retain	• Performance shares, subject to a three-year vesting period • Performance options, subject to a five-year vesting period	Long-term financial and non-financial performance	• EPS before impairment and divestments • ROIC • Sustainability • Relative TSR

Pension

Executive Committee members participate in the benefits plans available in their country of employment. Benefits consist mainly of retirement, insurance and healthcare plans that are designed to provide a reasonable level of protection for the employees and their dependents with regard to health, retirement, death and disability. Those members of the Executive Committee with a Swiss employment contract participate in Holcim's defined benefit pension scheme for Swiss-based senior management. Under this scheme, executives retiring from Holcim at age 62 – assuming 10 years of service in senior management and 20 years of service within the Group – receive 40% of their base salary (average of the last three years before retirement, based on calendar years). Early or deferred retirement pensions are adjusted based on actuarial calculations. Pension plans for members of the Executive Committee under foreign employment contracts are commensurate with market conditions and their position. Each plan varies in line with the local competitive and legal environment and is, as a minimum, in accordance with the legal requirements of the respective country.

Benefits and perquisites

Members of the Executive Committee may receive certain executive perquisites such as a company car or allowances and other benefits in kind, in line with competitive market practice in their country of employment. Executives who are relocating may also be provided with expatriate benefits such as housing, schooling, travel benefits and tax advice, in line with Holcim's International Mobility Policy. These other compensation elements are included in the compensation table at fair value.

Annual incentive

The annual incentive rewards the financial results as well as the achievement of a Health, Safety and Environment (HSE) objective at Group and regional level (depending on the function) over a time horizon of one year.

The annual incentive target (i.e., incentive amount at 100% target achievement) is expressed as a percentage of the base salary and amounts to 125% for the Chief Executive Officer (CEO) and 90% for other members of the Executive Committee. The target amount for the members of the Executive Committee was increased from 75 to 90% of the annual base salary. This was to account for the fact that the compensation levels of the Executive Committee members have not been adjusted in the last few years (with the exception of recently promoted members), while market levels have evolved. Payout is capped at 200% of target, i.e., 250% of base salary for the CEO and 180% of the base salary for the other Executive Committee members.

Financial performance is measured both in absolute terms (against self-set targets) and in relative terms compared with a peer group of companies that are exposed to similar market cycles.

- Absolute financial performance includes Recurring EBIT as a measure of operational profitability at the Group and regional level as well as Free Cash Flow after leases as a measure of the company's ability to generate cash. For those objectives, the Board determines a target level of expected performance (corresponding to a 100% payout), as well as a threshold level of performance (below which there is no payout) and a maximum level of performance which corresponds to the maximum possible payout (cap).

- Relative financial performance includes Group sales growth and Group Recurring EBIT growth compared with peer companies. Group sales growth and Recurring EBIT growth are measured against peer companies with the aim of neutralizing market factors that fall outside of management's control. The objective here is to perform better than the peer companies (regardless of market circumstances) and to at least achieve median performance within the peer group, which corresponds to a 100% payout factor. The peer group includes companies that were chosen for their comparable products, technologies, customers, suppliers or investors, i.e., companies that are exposed to similar market conditions. The companies of the peer group are listed below. Relative Group performance is measured by Obermatt, an independent Swiss financial research firm that specializes in indexing company performance.

PERFORMANCE PEER GROUP

Acciona	Cemex	Saint-Gobain
ACS	CRH	Sika
Bouygues	Heidelberg Materials	Vicat
Buzzi Unicem	James Hardie	Vinci
Carlisle	RPM	

Boral was acquired by Seven Group Holdings in 2024 and was therefore removed.

ANNUAL INCENTIVE PERFORMANCE OBJECTIVES AND WEIGHTINGS

Performance objective	Weighting
Relative Group sales growth	15%
Relative Group Recurring EBIT growth	15%
Recurring EBIT	20%
Free Cash Flow after leases	35%
Health, Safety and Environment	15%

The achievement of the Health, Safety and Environment (HSE) objective is measured using a scorecard that includes both leading and lagging performance objectives and is based on four elements.

- HSE Improvement Plan (HSE-IP): The HSE-IP is determined at country level and includes strategic objectives such as key risk control, process safety management, health & well-being, industrial hygiene, road safety and incident elimination control. For the regions and the Group, the level of achievement is determined based on the average of the HSE-IP scores of the countries or regions.
- Critical Risk Elimination (CRE): CRE objectives include action closure based on the findings of an HSE audit and on the safety management process for each country. For the regions and the Group, the level of achievement is determined based on the average of the CRE scores of the countries or regions.
- Lost-Time Injury Frequency Rate (LTIFR): LTIFR score reflecting improvements in the Lost-Time Injury Frequency Rate at country, regional and Group level.
- Management evaluation criteria: evaluation of the overall workplace safety outcome for the year.

The annual incentive is paid out half in cash and half in shares, subject to a three-year blocking period.

The annual incentive design applicable to the Executive Committee is summarized on page 174.

The annual incentive is subject to clawback and malus provisions. In case of financial restatement due to non-compliance with the accounting standards and/or fraud, an infringement of law and/or internal rules, the Board of Directors may deem all or part of the annual incentive to be forfeit (malus) or may seek reimbursement of all or part of any paid annual incentive (clawback). Those provisions may be enforced within three years of any year subject to a financial restatement or during which the fraudulent behavior occurred.

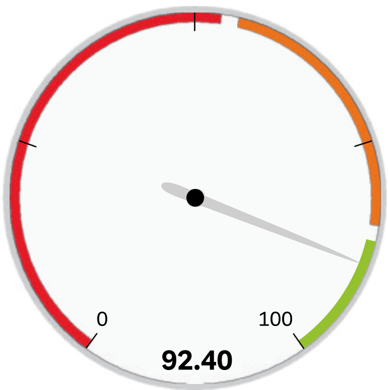
If employment is terminated and an entitlement to the annual incentive exists, this is paid pro rata. It is based on the effective performance (determined after year-end) and capped at the target amount (pro rata).

2025 onwards

The design of the annual incentive remains unchanged for 2025.

HEALTH, SAFETY AND ENVIRONMENT SCORECARD

Overall HSE Continuous Improvement Score (CIS)



	Threshold	Target	Stretch
CIS	55	85	100
Payout	50%	100%	200%

Health, Safety and Environment Improvement Plan (HSE-IP)
At country level: strategic objectives in the areas of • Leadership and competence • Key risk control and process safety management • Systems & processes • Health, well-being and industrial hygiene • Road safety: on-site and off-site traffic safety • Incident elimination control HSE-IP score based on percentage completion of strategic objectives (score of 85 if all objectives are achieved)

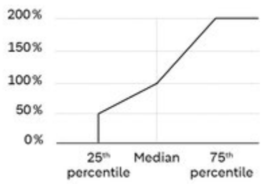
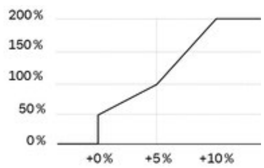
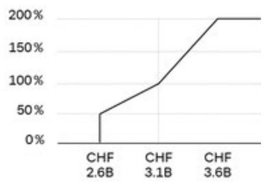
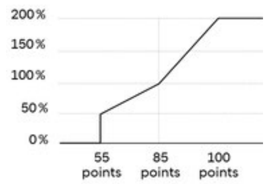
Critical Risk Elimination (CRE)
At country level: Group HSE audit and Process Safety Management (PSM) inspection CRE score based on action closure (score of 100% if action closure of audit + PSM findings completed on time)

Lost-Time Injury Frequency Rate (LTIFR)
Number of on-the-job injuries that require a person to stay away from work for a day or more per one million hours worked, goal to improve versus previous year LTIFR score based on specific target set at country, region or Group level

Management evaluation criteria
Evaluation of the overall outcome during the year with regard to workplace safety at country, region or Group level

DESIGN OF THE ANNUAL INCENTIVE 2024

Role	CEO	Other Executive Committee members
Target opportunity	125% of salary	90% of salary
Maximum opportunity	250% of salary	180% of salary

Performance objectives	Relative Group performance	Recurring EBIT growth (Group or region)[1]	Free Cash Flow after leases (Group or region)[1]	Health, Safety and Environment (HSE) (Group or region)[1]
Purpose	Measures Group's performance compared to peer companies exposed to similar market cycles	Measures Group or regional operational profitability	Measures the company's ability to generate cash	Measures health, safety and environment indicators to ensure a safe workplace
Definition	Relative Group sales growth (50%) and relative Group Recurring EBIT growth (50%) expressed as percentile ranking in the peer group of companies and measured on a constant scope basis (factoring out divestments and acquisitions occurring in the current year and the prior year). Group Recurring EBIT growth is then divided by net sales of the prior year (both adjusted for scope)	Organic growth versus prior year of the Recurring EBIT is defined as Operating profit/ loss (EBIT) adjusted for restructuring, litigation, other non-recurring costs and for impairment of operating assets Organic growth information is information factoring out changes in the scope of consolidation (such as divestments and acquisitions occurring in current and prior year) and currency translation effects (current year figures are converted with prior year exchange rates in order to calculate the currency effects)	Cash flow from operating activities, adjusted for net maintenance and expansion capital expenditures as well as for the repayment of long-term lease liabilities	100-point scorecard based on four elements: Health, Safety and Environment Improvement Plan (HSE-IP), Critical Risk Elimination (CRE), Lost-Time Injury Frequency Rate (LTIFR) and management evaluation criteria
Weighting	30%	20%	35%	15%
Targets for 2024	Ranking at the median of the peer group. This is unchanged compared to the ranking target applicable in 2023 and is in line with our ambition to outperform our peers on top-line and bottom-line growth	Recurring EBIT growth target of 5%. This is an increase compared to the target of 3% growth in 2023	Free Cash Flow after leases of CHF 3.1 billion. This is an increase compared to the target of CHF 2.6 billion for 2023, which is driven by the "Strategy 2025 – Accelerating Green Growth"	85 points on the HSE scorecard. This is unchanged compared to the HSE targets applicable in 2023 and is in line with our ambition to improve health, safety and environment globally
Payout formula (threshold, target and cap for the Group)				

[1] Group level for corporate Executive Committee roles, regional level for regional Executive Committee roles.

Long-term incentives

Our compensation philosophy is to align a significant portion of Executive Committee compensation with long-term company performance and to strengthen alignment with shareholders' interests. To support "Strategy 2025 – Accelerating Green Growth", the grant awarded under the long-term incentive consists of both performance shares and performance options.

Performance shares

Performance shares are subject to a three-year vesting period based on three equally weighted performance objectives: Earnings per share (EPS) before impairment and divestments, Return on Invested Capital (ROIC) adjusted for material changes in scope, and sustainability. These performance objectives have been chosen as they reflect the Group's strategic priorities of increasing profitability through strong operating leverage (EPS), improving how the company generates profits relative to the capital it has invested in its business (ROIC) and mitigating the company's impact on the environment (sustainability). The sustainability objective encompasses three pillars of the company's sustainability strategy, in line with Holcim's commitment to building a net-zero future with science-based targets (see also the box on the right):

- Climate: reduction of CO_2 emissions (Scope 1) per ton of cementitious material produced (50% by weight). Scope 1 includes all emissions released directly from operations and accounts for around 61% of the Group's overall footprint. These are at the core of Holcim's emissions strategy.
- Circularity: construction demolition materials (CDM) (25% by weight). To align the circularity performance objective in upcoming regulatory frameworks, the waste-derived resources performance objective was replaced by CDM. This is defined as the total volume of recycled material that comes from the construction, renovation, repair and demolition of houses, large building structures, roads, bridges, piers and dams.
- Nature: reduce freshwater withdrawal per ton of cementitious material produced (25% by weight).

For all three objectives, the board determines a threshold performance level (below which there is no vesting), a target level (vesting of 100%) and a stretch performance level (vesting of 200%). Vesting is calculated on a straight-line basis between these levels.

Performance options

Performance options are subject to a five-year vesting period based on Holcim's relative total shareholder return (TSR) compared with a group of peer companies. They have a maturity of ten years. Threshold vesting (25% of the maximum) will be achieved if the median of the peer group is reached, target vesting (50% of maximum) will be achieved if the 60th percentile is reached, and full vesting (100%) will be achieved if the 75th percentile is reached on average during the five-year vesting period. There will be no vesting for performance below the median of the peer group. The vesting level between threshold, target and full vesting is calculated on a straight-line basis. The companies of the peer group are the same as for the annual incentive and are listed on page 172.

Once vested, the LTI awards (performance shares and performance options) are not subject to any further holding period. The performance option can be exercised during a period of five years following vesting.

Unvested LTI awards shall be forfeited upon termination of employment, except in the case of retirement, ill health, disability, employment in a company/business that ceases to be a Group member, termination by the employer within 18 months of a relevant merger & acquisition transaction or in any other cases at the discretion of the NCGC. In such circumstances, unvested LTI awards are subject to a pro rata vesting (for the number of full months between the grant date and the termination date), without acceleration i.e., the vesting of the pro-rated number of awards will occur on the regular vesting date, subject to performance measurement over the entire performance period. In the event of death or a change of control (unless the unvested LTI awards are replaced by an equivalent award following the change of control), unvested LTI awards vest immediately on a pro rata basis assuming that performance conditions are met. For the sake of clarity, LTI awards always lapse when termination is due to voluntary resignation or gross misconduct.

LTI awards are subject to clawback and malus provisions for a period of three years after vesting in case of financial restatement, error or if inaccurate or misleading information was used to assess the fulfillment of performance conditions or a termination for cause.

The design of the long-term incentive for the Executive Committee is summarized on the following page.

Science-based targets

Holcim's commitment to building progress for people and the planet includes ambitious targets related to climate, waste and freshwater withdrawal. Holcim was the first global building materials company to sign the "Business Ambition for 1.5°C" pledge with the Science Based Targets initiative (SBTi) and in November 2022 it upgraded its 2030 climate targets, validated by SBTi, in line with the sector's new 1.5°C science-based framework.

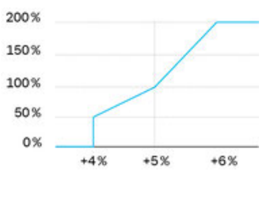
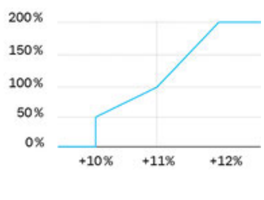
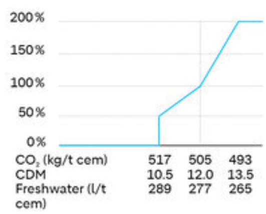
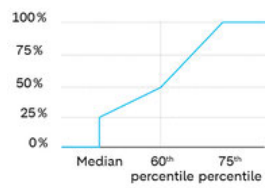
The CO_2 target included in the performance objectives of the long-term incentive is based on CO_2 targets validated by the SBTi.

2025 onwards

The design of the LTI remains unchanged for 2025.

DESIGN OF THE LONG-TERM INCENTIVE

Role	CEO	Other Executive Committee members
Grant size in 2024	177.4% of salary (125% in performance shares, 52.4% in performance options)	96.3% of salary (70% in performance shares, 26.3% in performance options)

Performance objectives	EPS growth before impairment and divestments (performance shares)	ROIC (performance shares)	Sustainability (performance shares)	Relative TSR (performance options)
Purpose	Measure the company's profitability to investors	Measure the company's ability to generate returns from invested capital	Measure the company's improvement in terms of mitigating the impact of its operations on the	Measure the company's ability to provide investors with strong returns
Definition	EPS adjusted for after-tax gains and losses on disposals of Group companies and impairments of goodwill and long-term assets It is defined as: +/- Net income/loss +/- Gains and losses on disposals of Group companies, net of taxation +/- Impairment of goodwill and long-term assets, net of taxation : Weighted average number of outstanding shares	ROIC at year-end 2026, adjusted for changes in scope between 2024 and 2026 It is defined as: +/- Net operating profit/ loss after tax (NOPAT) : Average invested capital (average invested capital = invested capital at beginning of year + invested capital at year end, sum divided by 2) In case of material changes in the scope during the year, average invested capital is adjusted pro rata temporis	Climate and energy: net CO_2 emissions (Scope 1) measured in kg CO_2/t of cementitious material (50% weight); construction demolition materials (CDM) measured in million tons (25% weight); nature: freshwater withdrawn in liters of freshwater/t of cementitious material (25% weight)	Holcim's TSR over the five-year performance period, starting on 1 January 2024 and ending on 31 December 2028, expressed as a percentile ranking in a peer group of companies It is defined as: Share price at end of period - Share price at beginning of period + Dividends paid during the period : Share price at beginning of period
Weighting	$33\frac{1}{3}$% of performance share grant	$33\frac{1}{3}$% of performance share grant	$33\frac{1}{3}$% of performance share grant	100% of performance option grant
Performance period	2024–2026	2026	2026	2024–2028
Targets for the 2024 grant	EPS growth of 5% p.a. This is unchanged compared with the EPS target applicable to the performance shares granted in 2023	ROIC of 11% in 2026. This is an increase by 2 percentage points compared with the ROIC target for 2025 applicable to the performance shares granted in 2023 and is in alignment with "Strategy 2025 – Accelerating Green Growth"	CO_2 emissions of 505 kilograms per ton of cementitious material produced in 2026 compared with the target of 520 kilograms set in 2023. CDM of 12 million tons recycled in 2026 (new metric). Freshwater withdrawal of 277 liters per ton of cementitious material produced in 2026 compared with the target of 292 liters set in 2023	Ranking at the 60th percentile of the peer group. This is unchanged compared with the ranking target applicable to the performance options granted in 2023 and is in line with our ambition to outperform our peers in terms of shareholder return
Performance vesting				
Maximum vesting level	200%	200%	200%	100%
Vesting and holding periods	Three-year cliff vesting No further holding period	Three-year cliff vesting No further holding period	Three-year cliff vesting No further holding period	Five-year cliff vesting No further holding period 10-year maturity (in total)

Executive share ownership guidelines

To reflect the importance the NCGC places on aligning their interests with shareholders, Executive Committee members are required to own at least a minimum multiple of their annual base salary in Holcim shares as set out below:

- Chief Executive Officer: 500% of annual base salary
- Other Executive Committee members: 200% of annual base salary

Members of the Executive Committee are expected to meet the minimum shareholding requirements within four years of their appointment to the Executive Committee. To calculate whether the minimum shareholding requirement is met, all shares purchased on the market and vested shares from incentive plans are considered. Unvested performance shares and options are, however, excluded.

Executive Committee members are prohibited from selling any shares held in the event of non-compliance with the minimum requirements on the date stipulated. Furthermore, their annual incentive (net of statutory deductions) will be paid out entirely in shares. Compliance with the share ownership guidelines is monitored on an annual basis. The current shareholdings of the members of the Executive Committee can be found on page 184.

Employment contracts for the Executive Committee

The employment contracts of the Executive Committee members are concluded for an indefinite period and may be terminated with one year's notice. Employment contracts do not contain severance compensation or change of control clauses except for the vesting provisions of the LTI awards as described above. They may include non-competition provisions that are limited in time to a maximum of one year and which may allow for compensation of up to a maximum of 50% of the last total annual compensation paid.

Compensation for the 2024 financial year

The tables on pages 178 and 179 were audited according to Article 734a-f of the Swiss Code of Obligations.

C: Committee chair
M: Member

AC: Audit Committee
NCGC: Nomination, Compensation and Governance Committee
HSSC: Health, Safety & Sustainability Committee

BOARD OF DIRECTORS (AUDITED)

	Positions as of 31 December				Share-based compensation						
Name	AC	NCGC	HSSC	Cash compensation CHF gross	Number	Value CHF gross	Other[4] CHF gross	Subtotal CHF gross	Social security[5] CHF	**Total 2024 CHF gross**	Total 2023 CHF gross
Jan Jenisch[1]				966,667	10,681	966,667	6,667	1,940,001	4,675	**1,944,676**	0
Beat Hess[2]										**0**	724,855
Hanne B. Sørensen		C		200,000	2,210	200,000	10,000	410,000	0	**410,000**	410,000
Philippe Block			C	225,000	1,105	100,000	10,000	335,000	4,675	**339,675**	339,675
Kim Fausing	M			140,000	1,105	100,000	10,000	250,000	0	**250,000**	250,000
Leanne Geale			M	140,000	1,105	100,000	10,000	250,000	4,675	**254,675**	254,675
Catrin Hinkel[3]			M	81,667	645	58,333	5,833	145,833	4,328	**150,161**	0
Patrick Kron[2]										**0**	154,167
Naina Lal Kidwai	C		M	300,000	1,105	100,000	10,000	410,000	0	**410,000**	343,333
Ilias Läber	M	M		180,000	1,105	100,000	10,000	290,000	4,675	**294,675**	294,675
Michael McGarry[3]		M		81,667	645	58,333	5,833	145,833	0	**145,833**	0
Jürg Oleas	M	M		180,000	1,105	100,000	10,000	290,000	0	**290,000**	290,000
Claudia Sender Ramirez		M	M	180,000	1,105	100,000	10,000	290,000	4,456	**294,456**	294,455
Total				**2,675,001**	**21,916**	**1,983,333**	**98,333**	**4,756,667**	**27,484**	**4,784,151**	**3,355,835**

1 Board chair as of AGM 2023, but has only received compensation as Board Chair since AGM 2024.
2 Board member until AGM 2023.
3 Board member since AGM 2024.
4 Expense allowances.
5 This amount includes social security contributions to the extent that they result in a future benefit entitlement. Additional contributions that do not result in an increase in the benefit entitlement are excluded (additional contributions in the amount of CHF 125,165 are excluded).

Explanations

In 2024, eleven non-executive members of the Board of Directors received in total compensation of CHF 4.8 million (2023: CHF 3.4 million), of which CHF 2.7 million was paid out in cash (2023: CHF 1.9 million), CHF 0.03 million in the form of social security contributions (2023: CHF 0.02 million), and CHF 2.0 million in shares (2023: CHF 1.3 million). Other compensation paid totaled CHF 0.1 million (2023: CHF 0.1 million).

Compensation in 2024 was higher than in 2023 because the Board Chairman received compensation for his role as Board Chairman from the AGM 2024 onward. The Board Chairman did not receive any compensation for his board role for the previous term due to the dual mandate. The compensation structure and levels for all the other roles on the Board of Directors remained unchanged from the previous year.

At the Annual General Meeting 2023, shareholders approved a maximum aggregate amount of compensation of CHF 3,000,000 for the Board of Directors for the term until the Annual General Meeting 2024. The compensation paid to the Board of Directors for this term was CHF 2,790,875 and is hence within the approved limits.

At the Annual General Meeting 2024, shareholders approved a maximum aggregate amount of compensation of CHF 6,500,000 for the Board of Directors for the term until the Annual General Meeting 2025. The compensation paid to the Board of Directors for this term is anticipated to be approximately CHF 6.0 million. The final amount will be disclosed in the 2025 Annual Report.

EXECUTIVE COMMITTEE (AUDITED)

				Performance shares[3]	Performance options[4]			
Executive	Base salary CHF gross	Other fixed pay[2] CHF gross	Annual incentive CHF gross	Fair value at grant CHF gross	Fair value at grant CHF gross	Social/ pension contri-butions[5] CHF	**Total 2024 CHF gross**	Total 2023 CHF gross
Miljan Gutovic, CEO 1 May until 31 December 2024	800,000	17,333	1,737,500	1,032,161	419,200	152,999	**4,159,193**	–
Jan Jenisch, former CEO 1 January until 30 April 2024	600,000	8,667	1,303,125	774,176	314,400	129,514	**3,129,882**	9,465,496
Other members[1] 1 January until 31 December 2024	5,247,109	590,039	6,995,181	3,400,772	1,237,760	2,196,070	**19,666,931**	24,113,685
Total	6,647,109	616,039	10,035,806	5,207,109	1,971,360	2,478,583	**26,956,006**	33,579,181

1 Miljan Gutovic's compensation for the period 1 January 2024 until 30 April 2024, in his role as Region Head Europe & Operational Excellence, is included under "Other members".
2 Includes the value of benefits in kind: car allowance and benefits for internationally mobile members (expatriates) such as housing, schooling, and tax consulting.
3 Performance shares granted under the long-term incentive plan, subject to a three-year performance-based vesting period. The disclosed amount corresponds to the fair value at grant.
4 Performance options granted under the long-term incentive plan, subject to a five-year performance-based vesting period. The disclosed amount corresponds to the fair value at grant.
5 Includes contribution to social security and occupational pension plans. Contributions to social security plans for members employed in Switzerland include social security contributions to Swiss old age, survivors and disability insurance (OASI/AHV/IV/EO) to the extent that they result in a future benefit entitlement. Additional contributions that do not result in an increase of the benefit entitlement are excluded (additional contributions in the amount of CHF 1,349,859 are excluded). Contributions to social security plans for members employed outside of Switzerland include the contributions effectively paid in the reporting year.

Explanations

The total annual compensation for the ten members of the Executive Committee for 2024 amounted to CHF 27.0 million (2023: CHF 33.6 million). This amount comprises base salaries, other fixed pay and annual incentives totaling CHF 17.3 million (2023: CHF 21.9 million), equity-based long-term incentives totaling CHF 7.2 million (2023: CHF 8.4 million) as well as employer contributions to social security and pension plans totaling CHF 2.5 million (2023: CHF 3.3 million).

The compensation changes for 2024 compared with 2023 are mainly caused by the following factors:

- The composition of the Executive Committee has changed compared with the previous year. No new members were appointed to the Executive Committee to replace three members who left the company. Their compensation, however, is still included for the duration of their notice period during the reported year. The compensation table thus contains ten Executive Committee members in 2024, eight of which on a full-year basis, compared with twelve Executive Committee members in 2023, nine of whom on a full-year basis.
- The compensation for the new Chief Executive Officer (CEO) was set below the compensation of the previous CEO. This was done in line with Holcim's policy of setting target compensation for newly promoted members at a level that is below the market median at the time of promotion and subsequently increasing it to market level over a reasonable period of time.
- The base salary of one Executive Committee member was increased between 2023 and 2024. No base salaries have been adjusted for any other Executive Committee members. Considering that the target STI and LTI are defined as a fixed percentage of the base salary, the target STI and LTI increased in monetary terms for the member who received the salary increase.
- The 2024 STI target amount for the members of the Executive Committee was increased from 75 to 90% of the annual base salary.
- 2024 was another record year for Holcim. The overall annual incentive payout of 165.1% compares to an overall payout of 174.8% in the previous year. Further details are provided on the next page.

The compensation awarded to the Executive Committee members for 2024 in the amount of CHF 26,956,006 is within the total maximum compensation of CHF 36,000,000 for the Executive Committee for the 2024 financial year that had been approved at the Annual General Meeting 2023.

Performance in 2024

Holcim delivered record results in 2024 in challenging market conditions. Growing our multi-billion brands to meet customers' needs, 36% of net sales came from advanced branded solutions in 2024 (versus 30% in 2023). We met customer demand for sustainable building solutions and achieved profitable growth across all regions.

Recurring EBIT reached a record CHF 5,049 million in 2024, up 10.5% organically, with a Recurring EBIT margin of 19.1%. Holcim delivered another record Free Cash Flow after leases of CHF 3,801 million, with a cash conversion of 57%. Return on Invested Capital (ROIC) rose to 11.2%, while earnings per share before impairment and divestments hit a new high of CHF 5.70.

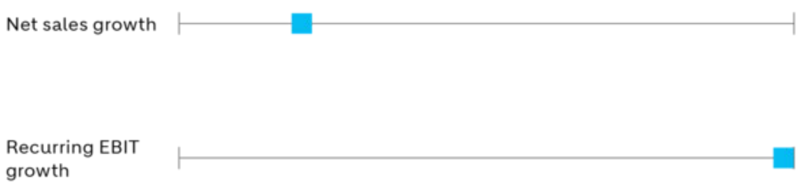
We continued to lead in circular construction, recycling 10.2 million tons of construction demolition materials (+20% compared to the prior year). Advancing our leadership in sustainability, Holcim further reduced CO_2 per net sales, achieving a 44% reduction since 2020.

With its 2024 results, the Group exceeded its internal targets for Recurring EBIT growth and Free Cash Flow after leases.

One region reached the stretch level of performance on both Recurring EBIT growth and Free Cash Flow after leases. With regard to Health, Safety & Environment (HSE), the safety of the workplace was again substantially improved year on year and the performance targets were exceeded.

Overall, the annual incentive amounted to 173.8% of target for the CEO (217.2% of salary) and 162.7% on average for the other members of the Executive Committee (146.4% of salary). The ratio of variable versus total compensation amounted to 76.7% for the CEO and to 59.2% on average for the other members of the Executive Committee.

PAYOUT OF THE ANNUAL INCENTIVE IN 2024

Performance objectives	Results	Payout percentage (Threshold – Target – Stretch)
Relative Group performance (30%)[1]	Holcim achieved the 32nd percentile in the peer group with Group net sales growth of -3.3% (on an adjusted basis for the purpose of external benchmarking based on a common methodology applied to the reported figures of Holcim and of the peer companies: constant scope; translation of all peers to Swiss francs as the common currency). Holcim achieved the 87th percentile in the peer group with Recurring EBIT growth of 1.0% (scaled by sales and on an adjusted basis). Holcim achieved the 60th percentile (138% payout factor) on a combined basis.	 Net sales growth; Recurring EBIT growth
Recurring EBIT (20%) (Group or regional)	Organic growth in Group Recurring EBIT was 10.5% for 2024 compared with a target of 5%. This corresponds to a payout factor of 200%. The regional Recurring EBIT performance was mixed, with one region below the target (80% payout factor) and all other regions between 160% and 200%.	 Group Recurring EBIT; Regional Recurring EBIT
Free Cash Flow after leases (35%) (Group or regional)	Group Free Cash Flow (FCF) after leases was CHF 3,801 million compared with a target of CHF 3,100 million, which corresponds to a payout factor of 200%. Performance with respect to regional FCF after leases was mixed and ranged from 104% to 200%, with two regions exceeding the stretch (200%).	 Group FCF after leases; Regional FCF after leases
Health, safety and environment (HSE) (15%) (Group or regional)	The HSE scorecard includes three elements (HSE-IP, CRE and LTIFR) as well as a management evaluation criteria. The management evaluation criteria allow HSE performance to be assessed beyond the three elements HSE-IP, CRE, and LTIFR. In 2023, the decision was made to cap the scorecard score at the target level in any region where severe incidents occurred. This approach has been applied in two regions and for the Group (weighted average of regional adjustments). At Group level, the payout factor was 149% (195% without the scorecard cap). At regional level, it ranged from 100% to 200% (188% to 200% without the scorecard cap). Further information on Health & Safety is provided in the integrated annual report on pages 112–113.	 Group HSE score; Regional HSE score
Total		**Overall payout of 173.8% for the CEO and of 162.7% on average for the other Executive Committee members**[2]

[1] The relative Group performance assessment is based on a best estimate at time of publication (i.e., it includes an estimate for companies that had not yet published their annual results). The final achievement level will be calculated by Obermatt before the payout date in March 2025 based on the annual report publications of the peer companies.

[2] Excluding three former Executive Committee members, as their payout is capped at 100% of target.

Performance shares granted in 2021 vested in March 2024 conditional upon EPS before impairment and divestments, ROIC, and sustainability objectives all measured in 2023. The vesting of this grant is disclosed in the first table below.

Performance shares granted in 2022 will vest in March 2025 conditional upon EPS before impairment and divestments, ROIC, and sustainability objectives all measured in 2024.

The performance period applying to this grant is therefore already completed and the payout of the plan can already be assessed. The vesting of this grant applies to all current six Executive Committee members and is disclosed in the second table below.

Performance options granted in 2019 were subject to a five-year vesting period based on total shareholder return (TSR). The vesting level in March 2024 was 90%, resulting in 90% vesting.

Performance options granted in 2020 are subject to a five-year vesting period based on total shareholder return (TSR) and will vest in March 2025.

VESTING OF THE LONG-TERM INCENTIVE IN 2024: PERFORMANCE SHARES GRANTED UNDER THE LONG-TERM INCENTIVE IN 2021

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2021 Performance shares	**EPS growth (33⅓%)**	Earnings per share before impairment and divestments in 2023: adjusted for after-tax gains and losses on disposals of Group companies as well as impairments of goodwill and long-term assets	EPS growth of 7%	EPS of CHF 5.42 leads to a 200% payout	33⅓% × 200%
	ROIC (33⅓%)	Return on Invested Capital at year end 2023, adjusted for changes in scope between 2021 and 2023	ROIC of 8%	ROIC of 10.6% leads to a 200% payout	33⅓% × 200%
	Sustainability (33⅓%)	Climate and energy in 2023: Scope 1 net CO_2 emissions measured in kg CO_2/t of cementitious material (50% weight); circular economy in 2023: quantity of waste re-used in millions of tons (25% weight); environment in 2023: freshwater withdrawn in liters of freshwater/t of cementitious material (25% weight)	CO_2 (kg/t cem): 547 Waste (mt): 38 Freshwater (l/t cem): 311	CO_2 of 545.0 (kg/t cem), waste of 36.3 (mt) and freshwater of 297.7 (l/t cem) lead to a 130.4% payout	33⅓% × 130.4%
	Total				**Overall vesting of 176.8%**

VESTING OF THE LONG-TERM INCENTIVE IN 2025: PERFORMANCE SHARES GRANTED UNDER THE LONG-TERM INCENTIVE IN 2022

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2022 Performance shares	**EPS growth (33⅓%)**	Earnings per share adjusted for after-tax gains and losses on disposals of Group companies and impairments of goodwill and long-term assets	EPS growth of 5%	EPS of CHF 5.70 leads to a 200% payout	33⅓% × 200%
	ROIC (33⅓%)	Return on Invested Capital at year end 2024, adjusted for changes in scope between 2022 and 2024	ROIC of 8.5%	ROIC of 11.2% leads to a 200% payout	33⅓% × 200%
	Sustainability (33⅓%)	Climate and energy: CO_2 emission (scope 1) measured in kg CO_2/t cem (50% weight); circular economy: quantity of waste recycled in million tons (25% weight); environment: freshwater withdrawn in liters freshwater/t cem (25% weight)	CO_2 (kg/t cem): 534 Waste (mt): 41 Freshwater (l/t cem): 302	CO_2 of 538.1 (kg/t cem), waste of 38.3 (mt) and freshwater of 277.0 (l/t cem) lead to a 100.9% payout	33⅓% × 100.9%
	Total				**Overall vesting of 167.0%**

VESTING OF THE LONG-TERM INCENTIVE IN 2024: PERFORMANCE OPTIONS GRANTED UNDER THE LONG-TERM INCENTIVE IN 2019

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2019 Performance options	**Relative TSR (100%)**	Holcim's TSR over the five-year performance period, starting on 1 January 2019 and ending on 31 December 2023, expressed as a percentile ranking in a peer group of companies	Relative TSR ranking at the 60th percentile of the peer group	Holcim's ranking at the 72nd percentile leads to a 90% payout	100% × 90%
	Total				**Overall vesting of 90%**

VESTING OF THE LONG-TERM INCENTIVE IN 2025: PERFORMANCE OPTIONS GRANTED UNDER THE LONG-TERM INCENTIVE IN 2020

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2020 Performance options	**Relative TSR (100%)**	Holcim's TSR over the five-year performance period, starting on 1 January 2020 and ending on 31 December 2024, expressed as a percentile ranking in a peer group of companies	Relative TSR ranking at the 60th percentile of the peer group	Holcim's ranking at the 84th percentile leads to a 100% payout	100% × 100%
	Total				**Overall vesting of 100%**

Loans or credit facilities granted to members of governing bodies

There were no loans or credit facilities granted to members or former members of the Executive Committee, members or former members of the Board of Directors or to parties closely related to members or former members of governing bodies in 2024. There were no loans or credit facilities to any of those parties outstanding on 31 December 2024.

Compensation for former members of governing bodies

In 2024, a former member of the Executive Committee received total compensation of CHF 0.9 million (2023: 0.2 million) during the notice period. During 2024 and 2023, no payments were made to other former members of the Executive Committee, members of the Board of Directors, or to parties closely related to members or former members of the governing bodies.

Share ownership information

Board of Directors

On 31 December 2024, the members of the Board of Directors held a total of 624,101 registered shares in Holcim Ltd. This number comprises privately acquired shares and those allotted under participation and compensation schemes. Until the announcement of market-relevant information or projects to the public, the Board of Directors, the Executive Committee and any employees possessing such market-relevant information are prohibited from effecting transactions with equity securities or other financial instruments of Holcim Ltd, exchange-listed Group companies or potential target companies (trade restriction period).

Ownership of shares and options: Executive Committee

As of 31 December 2024, the members of the Executive Committee held a total of 308,626 registered shares in Holcim Ltd. This figure includes both privately acquired shares and those allocated under participation and the Group's compensation schemes.

SHARES HELD BY THE BOARD OF DIRECTORS (AUDITED)

Name	Position	**Shares held as of 31 December 2024**	Shares held as of 31 December 2023
Jan Jenisch	Chairman	**540,000**	600,000
Hanne B. Sørensen	Vice-Chairwoman	**23,176**	20,105
Philippe Block	Member	**6,575**	5,039
Kim Fausing	Member	**6,575**	5,039
Leanne Geale	Member	**2,638**	1,102
Catrin Hinkel	Member (since 8 May 2024)	**0**	0
Naina Lal Kidwai	Member	**8,542**	7,006
Ilias Läber	Member	**11,043**	9,102
Michael McGarry	Member (since 8 May 2024)	**0**	0
Jürg Oleas	Member	**17,010**	15,474
Claudia Sender Ramirez	Member	**8,542**	7,006
Total		**624,101**	**669,873**

NUMBER OF SHARES AND OPTIONS HELD BY EXECUTIVE COMMITTEE MEMBERS AS OF 31 DECEMBER 2024 (AUDITED)

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Miljan Gutovic	CEO	107,040	218,731	437,461	35,466	70,932
Nollaig Forrest	Member	4,370	23,246	46,491	10,254	20,508
Jamie Gentoso	Member	30,997	99,869	199,738	23,235	46,470
Steffen Kindler	Member	7,455	38,267	76,534	15,631	31,262
Martin Kriegner	Member	108,764	183,961	367,922	25,535	51,070
Oliver Osswald	Member	50,000	185,842	371,683	26,011	52,022
Total		**308,626**	**749,916**	**1,499,829**	**136,132**	**272,264**

NUMBER OF SHARES AND OPTIONS HELD BY EXECUTIVE COMMITTEE MEMBERS AS OF 31 DECEMBER 2023 (AUDITED)

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Jan Jenisch	CEO	600,000	1,023,681	2,047,362	129,445	258,890
Nollaig Forrest	Member	0	5,581	11,162	6,745	13,490
Mathias Gaertner	Member	21,463	n/a	n/a	n/a	n/a
Jamie Gentoso	Member	22,139	79,703	159,405	24,646	49,292
Feliciano González Muñoz	Member	69,506	193,205	386,409	26,673	53,346
Miljan Gutovic	Member	84,909	201,503	403,005	28,724	57,448
Steffen Kindler	Member	1,000	17,005	34,009	9,241	18,482
Martin Kriegner	Member	91,124	210,462	420,923	28,428	56,856
Oliver Osswald	Member	50,000	208,066	416,132	28,724	57,448
Toufic Tabbara	Member	11,198	55,154	110,308	18,974	37,948
Total		**951,339**	**1,994,360**	**3,988,715**	**301,600**	**603,200**

Furthermore, at the end of 2024, the Executive Committee held a total of 749,916 registered options and 136,132 performance shares (at target); these arose as a result of the participation and compensation schemes of various years. Options are issued solely on registered shares in Holcim Ltd. One option entitles the holder to buy one registered share in Holcim Ltd.

The outstanding share options held by the Executive Committee (including former members) at year-end 2024 have the following expiry dates and exercise prices:

Option grant date	Expiry date		Exercise price	**Number 2024**	Number 2023
2015	2025	CHF	50.19	**0**	12,600
2019	2029	CHF	49.92	**0**	1,071,329
2020	2030	CHF	45.62	**1,669,835**	1,684,944
2021	2031	CHF	51.07	**723,975**	748,368
2022	2032	CHF	46.14	**831,895**	906,671
2023	2033	CHF	57.59	**546,961**	624,304
2024	2034	CHF	71.21	**433,066**	0
Total				**4,205,732**	**5,048,216**

Equity overhang and dilution as of 31 December 2024

As of 31 December 2024, the equity overhang – defined as the total number of unvested share units and options divided by the total number of shares issued – amounts to 0.85%.

The company's gross burn rate – defined as the total number of equities (shares, share units and options) granted in 2024 divided by the total number of shares issued – amounts to 0.15%.

Compensation governance

Rules relating to compensation in Holcim's Articles of Incorporation

The Articles of Incorporation contain provisions regarding the approval of compensation of the Board of Directors and Executive Management (Art. 23), the supplementary amount for new members of the Executive Committee (Art. 24), the general compensation principles (Art. 25) as well as provisions regarding the agreements with members of the Board of Directors and the Executive Committee (Art. 26). Moreover, the Articles of Incorporation contain provisions regarding the roles of the Board of Directors and the NCGC (Art. 14 to 21). The Articles of Incorporation are approved by the shareholders and are available at *holcim.com/article-incorporation*

Annual General Meeting – shareholder involvement

According to Art. 23 of the Articles of Incorporation, the Annual General Meeting approves annually the maximum aggregate compensation of the Board of Directors for the period from the Annual General Meeting to the next Annual General Meeting as well as the maximum aggregate compensation of the Executive Committee for the following financial year. In addition, the Compensation Report is submitted to the Annual General Meeting for an advisory vote on a yearly basis.

Art. 24 of the Articles of Incorporation provides for a supplementary amount for Executive Committee members who become members of, or who are promoted to, the Executive Committee during a compensation period for which the Annual General Meeting has already approved the aggregate compensation of the Executive Committee and if the compensation amount approved is not sufficient to cover the compensation of the new members.

The supplementary amount per compensation period shall not exceed 40% of the aggregate amount of compensation last approved by the Annual General Meeting and does not require further shareholder approval.

Nomination, Compensation & Governance Committee

In accordance with Article 21 of the Articles of Incorporation, the NCGC supports the Board of Directors in establishing and reviewing Holcim's nomination, compensation and governance strategy and guidelines as well as in preparing the motions to the Annual General Meeting regarding the nomination and compensation of the members of the Board of Directors and the Executive Committee. In particular, the NCGC performs the following duties:

- Nomination: Review of the composition and size of the Board of Directors to ensure appropriate expertise, diversity and independence; succession planning for the Board of Directors and its committees; preparation of the motions to the Annual General Meeting for (re-) election of candidates for positions on the Board of Directors and in the NCGC; succession planning and nominations for positions on the Executive Committee.
- Compensation: Planning and preparation of the compensation of the Board of Directors and the Executive Committee; preparation of the motions to the Annual General Meeting regarding compensation of the Board of Directors and the Executive Committee; determination of the compensation strategy and design of compensation programs including incentive plans; planning and preparation of the targets and performance assessment of the Chief Executive Officer (CEO) and other members of the Executive Committee; preparation of the Compensation Report.
- Governance: Dealing with all corporate governance-related matters; review of proposals to be made to the Board of Directors for amendments of the Articles of Incorporation, the Organizational Rules, the committee charters, the Code of Business Conduct, the overall policy landscape and the policies and directives approved by the Board of Directors; review of the criteria for determining the independence of members of the Board of Directors; approval of external mandates for the CEO and other Executive Committee members; review of the annual assessment of the functioning and effectiveness of the Board of Directors; review of the Corporate Governance section of the Annual Report.

The following table summarizes the decision authorities between the NCGC, the Board of Directors and the Annual General Meeting on compensation matters.

DECISION AUTHORITIES

	NCGC	Board of Directors	Annual General Meeting
Compensation strategy and design	Proposes	Approves	
Compensation Report	Proposes	Approves	Advisory vote
Maximum aggregate compensation amount of the Board of Directors	Proposes	Reviews	Approves (binding vote)
Individual compensation of members of the Board of Directors	Proposes	Approves (within the budget approved by the AGM)	
Maximum aggregate compensation amount of the Executive Committee	Proposes	Reviews	Approves (binding vote)
Individual compensation of members of the Executive Committee	Proposes	Approves (within the budget approved by the AGM)	
Setting performance objectives for the incentive plans	Proposes	Approves	

The NCGC is composed of five members of the Board of Directors (compared with four members for the previous term of office) who are elected individually by the Annual General Meeting for a period of one year. At the Annual General Meeting 2024, Hanne Birgitte Breinbjerg Sørensen (Chairwoman), Ilias Läber, Jürg Oleas and Claudia Sender Ramirez were re-elected to the NCGC and Michael H. McGarry was elected as a new member of the NCGC.

The NCGC holds ordinary meetings at least four times a year. In 2024, the NCGC held four ordinary meetings according to the annual schedule below and four additional extraordinary meetings on succession planning for the Board of Directors and the Executive Committee, and on the planned spin-off of the North American business.

ANNUAL NCGC MEETING SCHEDULE

	February	July	October	December
Nomination	• Proposal of elections to the Board of Directors • Proposal of the Board of Directors composition for coming term (committees)	• Selection criteria and succession planning of the Board of Directors • Selection criteria and succession planning of the Executive Committee and senior management • Performance evaluation of the Executive Committee • Country CEO succession and top appointments	• Diversity & inclusion • Learning strategy review • Social dialog update	• Update on succession planning of the Board of Directors and the Executive Committee
Compensation	• Proposal of AGM motions (amounts to be submitted to a shareholder vote) • Performance assessment and incentive payouts for the Executive Committee (previous period) • LTI grant for the Executive Committee and senior management (current year) • Approval of Executive Committee incentive targets for current year • Review of Executive Committee compliance with shareholding requirements • Review of peer group compensation benchmarking • Approval Board compensation directive	• Review of the compensation strategy and system (design) • Review of the disclosure approach (feedback from shareholders)	• Board compensation benchmarking (every 2–3 years) • Review of the incentive plan design for the coming year • Forecast of expected incentive payouts (current year)	• Proposal on Board compensation system (every 2–3 years) • Executive Committee compensation benchmarking (annually) • Determination of Executive Committee target compensation for the coming year • Determination of plan design and performance targets for the Executive Committee for the coming year (annual incentive, LTI), target setting postponed to 2025 in the context of the planned spin-off of the North American business and the related changes in Holcim's structure • Validation of performance peer group for STI and LTI • Forecast of expected incentive payouts (current year)
Governance	• Board and committee assessments • Governance Report • Compensation Report (final) • Proposal of AGM motions (other than compensation) • Governance update	• AGM retrospective: review of shareholders' feedback • Review of the independence of board and committee members • Governance update	• Governance update • NCGC risk mapping	• Review of governance documents: Articles of Incorporation, Organizational Rules, committee charters, Code of Business Conduct • Compensation Report (draft) • Validation of NCGC schedule for coming year • Governance update

In 2024, all NCGC members attended all meetings. Further information on meeting attendance is provided in the Corporate Governance Report on page 136.

The NCGC Chairperson may invite members of the Executive Committee, other officers of the Group or third parties to attend the meetings. They will not, however, be present when their own performance or compensation is discussed or determined. After each NCGC meeting, the Board of Directors is informed of the topics discussed, decisions taken and recommendations made. The NCGC minutes are available to all members of the Board of Directors.

External advisors

The NCGC may decide to consult an external advisor from time to time for specific compensation matters. In 2024, PricewaterhouseCoopers (PwC) continued to act as independent compensation advisor to the NCGC. PwC provides other services to Holcim and there are clear rules in place to ensure the independence of PwC consultants. Obermatt continued to measure Holcim's relative performance for the purpose of the incentive plans. This company does not have any other mandates with Holcim. Support and expertise are also provided by internal experts such as the Chief People Officer and the Head of Compensation & Benefits.

Method for determining compensation: benchmarking

In order to benchmark the compensation structure and levels of the Board of Directors and the Executive Committee, the NCGC determines relevant peer companies.

The Swiss peer group includes Swiss listed multinational companies from the SMI: ABB, Geberit, Givaudan, Lonza, Nestle, Novartis, Richemont, Roche, Sika and Sonova. A peer group review was conducted in February 2023, resulting in Sonova taking the place of SGS in the peer group since Sonova had replaced SGS in the SMI index. Holcim is positioned slightly above the peer group median in terms of revenue and headcount and below the median in terms of market capitalization.

The international peer group consists of cement producers as well as building materials and construction companies: Acciona, ACS, Bouygues, Buzzi Unicem, Carlisle, Cemex, CRH, Heidelberg Materials, James Hardie, RPM, Saint Gobain, Sika, Vicat and Vinci. These companies operate in similar and related sectors and are exposed to similar market cycles as Holcim. This peer group is reviewed and validated annually by the NCGC, with the support of Obermatt as an independent third-party advisor.

The compensation of the Board of Directors is regularly reviewed and compared with prevalent market practice (every 2–3 years). The last benchmarking analysis was conducted in 2022 by PwC on the basis of the Swiss peer group as described above.

The compensation of the Executive Committee was benchmarked against market practice in 2023 and will be benchmarked again in 2025 (following the planned spin-off of the North American business and related changes in the structure of Holcim). Executive Committee members who are on a Swiss employment contract are benchmarked against the Swiss peer group described above (analysis performed by PwC). For Executive Committee members who are on a foreign employment contract, benchmarking is performed based on an industry cut of the general data included in the Willis Towers Watson database for the respective country of employment. The benchmarking analyses establish a basis for the NCGC to monitor the compensation of the Chief Executive Officer (CEO) and the Executive Committee and set their target compensation levels. Holcim's policy is to aim for market median compensation for on-target performance while also establishing significant upside potential for above-target performance.

OVERVIEW AND PURPOSE OF THE PEER GROUPS

	Swiss listed peers	International peers
Board of Directors compensation	Compensation structure and levels	
Executive compensation	Compensation structure and levels	Compensation structure Relative performance (STI and LTI)

MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE HOLD THE FOLLOWING EXTERNAL MANDATES AS OF 31 DECEMBER 2023 AND 2024 ACCORDING TO ART. 734E OF THE SWISS CODE OF OBLIGATIONS (AUDITED)

Board of Directors	Company	Function	2024	2023
Jan Jenisch	World Business Council for Sustainable Development (WBCSD)	Member of the Executive Committee	**No**	Yes
	European Round Table for Industry (ERT)	Active Member	**Yes**	Yes
	Swiss-Japanese Chamber of Commerce (SJCC)	Member of the Board of Directors	**Yes**	Yes
	Glas Troesch Holding AG (privately held)	Non-Executive Director	**No**	Yes
Hanne B. Sørensen	Ferrovial S.A., Amsterdam, The Netherlands	Member of the Board of Directors and Member of the Nomination and Remuneration Committee	**Yes**	Yes
	Tata Motors Ltd, Mumbai, India	Member of the Board of Directors; Member of the Audit Committee, of the Nomination and Remuneration Committee and of the Technology Committee; Chairwoman of the Risk Committee	**Yes**	Yes
	Tata Consultancy Services Ltd, Mumbai, India	Member of the Board of Directors; member of the Audit Committee and of the Nomination and Remuneration Committee	**Yes**	Yes
	Jaguar Land Rover Automotive PLC, Coventry, UK (including its subsidiaries Jaguar Land Rover Ltd and Jaguar Land Rover Holdings Ltd)	Member of the Board of Directors; Member of the Audit Committee and of the Technology Committee; Chairwoman of the Nomination and Remuneration Committee	**Yes**	Yes
Philippe Block	Foreign Engineering GmbH, Zurich, Switzerland	Founding Partner	**Yes**	Yes
	VALUTED AG (ETH spin-off)	Co-Founder and Scientific Advisor	**Yes**	Yes
Kim Fausing	SMA Solar Technology AG, Niestetal, Germany	Vice-Chairman of the Board of Directors	**Yes**	Yes
	Danfoss Group (Denmark)	President and Chief Executive Officer	**Yes**	Yes
Leanne Geale	CEELI Institute o.p.s., Prague, Czech Republic	Member of the Board of Directors	**Yes**	Yes
	Nestlé SA	Executive Vice President and Group General Counsel	**Yes**	Yes
	Swiss-American Chamber of Commerce	Treasurer	**Yes**	Yes
Catrin Hinkel	Microsoft Switzerland	Chief Executive Officer	**Yes**	n/a
	Digital Switzerland	Member of the Executive Committee	**Yes**	n/a
	ASUT Industry Association	Member of the Board	**Yes**	n/a
	Helmholtz Center for Information Security (CISPA)	Member of the Supervisory Board	**Yes**	n/a
Naina Lal Kidwai	Gland Pharma Ltd, Hyderabad, India	Non-Executive Member of the Board of Directors and Chairwoman of the Risk Management Committee	**Yes**	Yes
	UPL Ltd, Mumbai, India	Non-Executive Member of the Board of Directors and Chairwoman of the Sustainability and Stakeholder Committee	**Yes**	Yes
	Biocon Ltd, Bangalore, India	Non-Executive Member of the Board of Directors and Chairwoman of the Corporate Social Responsibility & ESG Committee and of the Nomination and Remuneration Committees	**Yes**	Yes
	Nayara Energy Ltd, Mumbai, India	Non-Executive Member of the Board of Directors and Chairwoman of the CSR and Sustainability and of the Nomination and Remuneration Committees; and Member of the Audit Committee and Banking and Finance Committee	**Yes**	Yes
	Rothschild & Co India Private Limited, Mumbai, India (non-listed)	Chairwoman of the Board of Directors	**Yes**	Yes
Ilias Läber	Swiss Automotive Group AG., Cham, Switzerland	Member of the Board of Directors and Chairman of the Audit Committee	**Yes**	Yes
	Spectrum Value Management Ltd (Member of the Board of Directors of Grand Resort Bad Ragaz and Chairman and Managing Partner of SEO Management AG)	CEO, Partner and Member of the Board of Directors	**Yes**	Yes
	CANCOM SE, Munich, Germany	Member of the Board of Directors and Chairman of the Audit Committee	**Yes**	Yes
	Dormakaba Holding AG, Rümlang, Switzerland	Member of the Board of Directors	**Yes**	No
Michael H. McGarry	United States Steel Corporation, Pittsburgh, U.S.	Member of the Board of Directors; Member of the Compensation Committee and of the Audit Committee	**Yes**	n/a
	Shin-Etsu Chemical Co., Tokyo, Japan	Member of the Board of Directors and Member of the Compensation Committee	**Yes**	n/a
	C.H. Robinson, Eden Prairie, MN, U.S.	Member of the Board of Directors; Member of the Governance Committee and of the Talent and Compensation Committee	**Yes**	n/a

Board of Directors	Company	Function	**2024**	2023
Jürg Oleas	RUAG International Holding AG, Bern, Switzerland	Member of the Board of Directors and Member of the Audit Committee	**Yes**	Yes
	HOCN AG, Hochdorf, Switzerland (formerly Hochdorf Holding AG, Hochdorf, Switzerland)	Chairman of the Board of Directors and Member of the Audit and of the Nomination and Compensation Committees	**Yes**	Yes
Claudia Sender Ramirez	Telefonica S.A., Delegate Commission, Telefonica Hispam and Telefonica Tech Advisory Committees, Madrid, Spain	Member of the Board of Directors	**Yes**	Yes
	Gerdau S.A., São Paulo, Brazil	Member of the Board of Directors; Member of the Governance Committee and Chairwoman of the Compensation and Succession Committee	**Yes**	Yes
	Embraer S.A., São Paulo, Brazil	Member of the Board of Directors, Chairwoman of the People and ESG Committee and Member of the Audit and Risk Committee	**Yes**	Yes

Executive Committee	Company	Function	**2024**	2023
Miljan Gutovic	World Business Council for Sustainable Development (WBCSD)	Member of the Executive Committee	**Yes**	No
	Global Cement and Concrete Association (GCCA)	Member of the Board of Directors	**Yes**	No
Steffen Kindler	United Nations Global Compact	Member of the CFO Coalition for the Sustainable Development Goals (SDGs)	**Yes**	No
	The World Business Council for Sustainable Development (WBCSD)	Member of the CFO Network	**Yes**	No
	European Round Table for Industry (ERT)	Member of the CFO Platform	**Yes**	No
Nollaig Forrest	MIT Climate and Sustainability Consortium Advisory Council	Member	**Yes**	Yes
	Bloomberg's Cities Council for sustainable cities	Member	**Yes**	Yes
Jamie M. Gentoso	PSEG, a public utility in the U.S.	Member of the Board of Directors and Member of the Finance Committee and Industrial Operations Committee	**Yes**	Yes
	University of Michigan, College of Engineering	Member of the Leadership Advisory Board (LAB)	**Yes**	Yes
Martin Kriegner	No external mandates			
Oliver Osswald	No external mandates			

Pay equality

Pay equality is strongly embedded in Holcim's compensation principles. Holcim promotes pay equity and monitors progress biannually with the aim of ensuring equal pay for equal work and performance – not only between women and men, but also irrespective of ethnic origin, religion, ideology, sexual orientation or factors such as physical disability and age.

In 2021, we completed the equal pay analysis in Switzerland as required by the Swiss Federal Act on Gender Equality introduced in 2020. The results of the analysis confirmed that Holcim is fully compliant with Swiss equal pay standards, with a statistical wage difference significantly below the 5% regulatory requirement. Deloitte audited the results of the analysis and confirmed Holcim's compliance with the legal requirements.

In addition to local efforts made toward gender pay equity and compliance with applicable regulations, we conducted our fourth global assessment (i.e., first assessment in 2022, second in 2023 and third and fourth in 2024) using a recognized statistical regression analysis methodology. We focused on assessing the "adjusted gender pay gap" where we compare pay for people in similar roles, in the same country, at the same level and with similar years of experience. These achievements and efforts reflect our ongoing commitment to pay equality and fairness.

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To the General Meeting of
Holcim Ltd, Zug

Zurich, 27 February 2025

Report of the statutory auditor on the audit of the compensation report

Opinion

We have audited the compensation report of Holcim Ltd (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 178 to 179, page 184 and pages 190 to 191 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying compensation report complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the

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preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Jacques Pierres	Daniel Zaugg
Licensed audit expert (Auditor in charge)	Licensed audit expert

Holcim is committed to managing our risks to achieve our strategic objectives and create value for society.

In full alignment with Holcim's "Strategy 2025 – Accelerating Green Growth", we make continuous efforts to prevent and control the risks to which we are exposed. A comprehensive enterprise risk management (ERM) and internal control process is deployed throughout the company, supported by appropriate governance and tools. We use this process to identify, assess, mitigate and monitor the company's overall risk exposure while incorporating a risk mindset into all strategic decisions and ensuring that our Internal Control System is deployed in every country where we operate.

Risk management

The ERM process is structured around several coordinated approaches, including bottom-up and top-down risk assessments, complemented by thematic analyses that address all our Group's value drivers. These assessments are consolidated and used as a basis for the Group Risk Map, which is updated every year and reviewed by the Executive Committee and the Audit Committee.

The Risk Management process includes several stages:

• Identification and assessment

Country- and Group-level management assess and evaluate the potential impacts and likelihood of key mid-term risks that could have a material adverse effect on the current or future operations of our business. For sustainability- and climate-related risks, the timeframe has been extended to consider various threats that might impair the achievement of our 2030 sustainability targets and net-zero pledge.

• Mitigation and response

Our risk mitigation strategy begins with a number of internal actions, such as those defined by Holcim's Minimum Control Standards, which clarify and reinforce the responsibilities of our businesses. The strategy also includes the Holcim Integrity Line, which enables employees anywhere in the world to anonymously exercise their whistleblowing rights and report any breach of our Code of Business Conduct or other concerns.

• Monitoring and reporting

Risk leads at country level regularly monitor and report progress on the action plans to the Group through the Holcim Risk Management tool. Updates on mitigating actions, controls and overall risk exposure are reported to the Audit Committee and other executive committees. Additional reports on the effectiveness of the Minimum Control Standards are submitted to the Group on a regular basis. Further information is provided in the "Internal control" section on pages 210 and 211.

• Verification and remediation

Group Internal Audit performs independent assessments to evaluate the effectiveness of the risk management and internal control processes. It also assesses the effectiveness of mitigating actions and controls. The annual audit plan drawn up by Group Internal Audit and approved by the Audit Committee takes into account the Group Risk Map and the various analyses described above.

Roles and responsibilities

Holcim has a clear structure to ensure the implementation of the risk management and internal control process is implemented in compliance with the governance, policies and framework defined by the Group. This organization is built on the Three Lines Model. Under the first line, operational management has ownership and accountability for identifying, assessing, managing and mitigating risks. They are equally responsible for deploying the Minimum Control Standards. In all of our markets, a risk lead is appointed to facilitate and coordinate the whole ERM process. Risk leads receive specific training and are the main points of contact for all questions related to the ERM process at country level. The second line consists of Group corporate functions such as Legal, Compliance, Internal Control, Group Risk Management, Security and Resilience, IT, Sustainable Development as well as Health, Safety & Environment. These functions monitor and facilitate the implementation of an effective ERM process and appropriate internal controls to ensure that the first line is operating as intended. They also assist in the development of policies and controls. The third line is Group Internal Audit, which as an independent function provides assurance to the Board of Directors and Executive Committee on the effectiveness of the first and second lines as well as on the risk management and internal control process. Through the Audit Committee and the Health, Safety and Sustainability Committee (HSSC), the Board of Directors oversees Holcim's risk management and internal control process. The Audit Committee mandate includes the oversight of Compliance and Risk Management processes as well as the review of management and internal audit reports on the performance of the ERM and internal control process. The HSSC's mandate is to support and advise the Board of Directors on promoting a healthy and safe environment for employees and contractors, as well as on sustainable development and social responsibility. The HSSC approves Holcim's sustainability and climate-related strategy and major initiatives, including the Group's health and safety performance as well as its approach to human rights. All sustainability topics are monitored using key indicators. More details on the Audit Committee and HSSC are disclosed in the Corporate Governance section on pages 142–143.

• Holcim Resilience and Governance

Holcim Resilience and Governance (RaG) is a collaborative risk management team comprising subject matter experts from corporate functional and industrial leadership teams. The RaG team aims to break down silos and work closely with countries to identify and respond to a wide range of matters and adverse events that could impact Holcim's people, environment, assets and operations, reputation and legal exposure.

The RaG group has three main activities to ensure a holistic, multifunctional approach to risk prevention, mitigation and response that is fully aligned with the organizational strategy and objectives:

- Ensure that coordinated, efficient programs are in place to prepare for, monitor and reduce known risks.
- Develop dynamic mitigation strategies for emerging "rising tide" risks such as natural catastrophes and pandemics.
- Provide an effective, expert response and recover from risk manifestations.

• Risk Committee and Integrity Committee

The Risk Committee reports to the Audit Committee and meets twice a year. It is responsible for overseeing the ERM process and the activities performed by assurance functions such as Legal and Compliance, Internal Control, Group Risk Management, Internal Audit, Health, Safety & Environment, IT and Security and Resilience. It also includes the Group Chief Financial Officer (CFO) and Chief Sustainability Officer, who report to the Group Chief Executive Officer and are members of the Executive Committee. It is chaired by the Group CFO and the Head of Internal Audit. The Integrity Committee is responsible for overseeing the effective investigation and remediation of any Code of Business Conduct violations, as well as rigorous implementation of third-party due diligence, and sanctions and export control programs launched in 2017. It is chaired by the Group General Counsel.

HOLCIM'S ERM CYCLE

VERIFY & REMEDIATE

- Group Internal Audit performs independent assessments to evaluate the effectiveness of mitigating actions and controls
- Presentation of the Group Risk Map to Executive Committee and Audit Committee
- The Group Risk Map is taken into account for the annual audit plan drawn up by Group Internal Audit (risk-based approach)

IDENTIFY & ASSESS

- ERM process executed on a yearly basis combining bottom-up and top-down approaches
- All business objectives (financial and non-financial) and all categories of risks (strategic, operational and external) are included in the assessments
- In-depth assessments on security, IT & cyber, compliance, H&S, climate and nature risks

MITIGATE & MONITOR

- Comprehensive documentation of mitigations in place, including countries' activities, Minimum Control Standards, projects and programs
- Monitoring of new threats by the Resilience & Governance team
- Action plans followed up at country level as well as by Group's relevant functions

Holcim conducted a double materiality assessment (DMA) in 2024 to identify and evaluate material topics.

The DMA enables us to systematically prioritize and report on relevant sustainability issues. Material priorities inform Holcim's reporting and build the foundation of our sustainability strategy. These insights guide the adjustment of strategic and operational activities to maximize our impact for stakeholders.

We are committed to regularly conducting materiality assessments and to strengthen and adjust our process with each exercise. In 2022, we redesigned our materiality assessment to align closely with our risk assessment process and engage a broader range of stakeholders to capture more diverse insights.

This approach was further enhanced in 2024 when we conducted our first DMA. Conducting a DMA ensures full alignment with stakeholder priorities and compliance with the European Sustainability Reporting Standards (ESRS), in preparation for the upcoming EU Corporate Sustainability Reporting Directive (CSRD).

Double materiality considers both the impact of our business activities on the environment and people (impact materiality) and how external factors, such as environmental, societal or market topics, impact our own business success (financial materiality).

Process

We conducted a survey to gather quantitative input from key internal and external stakeholder groups to assess impact and financial materiality. Only stakeholders with subject matter expertise or experience were selected for the survey. This survey was complemented by several workshops, business context reviews and other qualitative contributions from the Group's sustainability and risk experts.

To ensure objectivity, we partnered with DNV Business Assurance to assist us with our DMA, and provide independent expertise and guidance on aligning with relevant standards and best practices.

- Impact materiality: Stakeholders assessed the impact on people, the economy and the environment in terms of scale and likelihood of both positive and negative, actual and potential impacts (in the short, medium and long term) for each topic.
- Financial materiality: Stakeholders evaluated the scale and likelihood of actual or potential risks and opportunities that could affect Holcim's financial performance and position in the short, medium and long term.

Stakeholder engagement was conducted through a survey that involved 444 participants (357 internal and 87 external) from over 20 different stakeholder groups.

Results

The DMA results are presented in Holcim's double materiality matrix that maps our material priorities (defined as having a high or very high impact). To create this comprehensive matrix of Holcim's material priorities, the results of the financial materiality assessment are placed on the x-axis and the results of the impact materiality assessment are placed on the y-axis. The top-right quadrant features the double materiality topics that have been defined as being most material for Holcim in terms of both financial and impact materiality.

We prepared a report with further details about our double materiality assessment including the process steps, value chain mapping, stakeholder mapping, an analysis of the qualitative and quantitative results as well as the validation steps. The full report will be available in March 2025 via the link below.

holcim.com/materiality-assessment

MATERIALITY MATRIX

ENVIRONMENTAL

1. Biodiversity, ecosystems and water management
2. Climate change adaptation and resilient infrastructure
3. Energy and alternative fuels
4. GHG emissions in the value chain (indirect)
5. Operational GHG emissions (direct)
6. Operational waste management
7. Pollution (air)
8. Resource use and circular economy

SOCIAL

9. Human rights and labor practices
10. Occupational health and safety
11. Responsible procurement
12. Social impact and community engagement
13. Talent attraction, diversity and inclusion

GOVERNANCE

14. Corporate communication
15. Corporate governance, ethics and compliance
16. Digitalization, AI and cyber security
17. Responsible advocacy and public policy
18. Responsible pricing

MARKET

19. Green CapEx and innovation
20. Product quality
21. Sustainable financial returns

Holcim has aligned its materiality assessment with the European Sustainability Reporting Standards (ESRS).

CLIMATE CHANGE

ESRS E1

Climate change is the most material topic for Holcim. We were among the first companies globally to have our 2030 and 2050 CO_2 reduction targets validated by the Science Based Targets initiative (SBTi), and are committed to reaching net-zero greenhouse gas emissions across our value chain by 2050.

Holcim's Climate Policy applies to Holcim Ltd and its affiliates. The policy lays out the full extent of our commitments to climate change mitigation and adaptation. The document is publicly available and subject to regular review: *holcim.com/climate-policy*

Impacts, risks and opportunities related to climate change mitigation and adaptation are described in "Key operational risks" (page 201) and "Climate and nature risks and opportunities" (page 214). Progress toward targets and other relevant metrics are detailed in the "Performance data tables" (page 378).

WATER RESOURCES

ESRS E3

Water is a material topic for Holcim and we aim to reduce water intensity throughout our business operations, implement freshwater replenishment programs beyond our site boundaries and treat the water we use when returning it to nature. We are prioritizing our actions in high water-risk areas, tailoring solutions to local conditions.

Our operations are becoming more water-efficient through process optimization, reduced leakages and equipping our sites with water recycling systems. Where possible, we shift our water use from freshwater to non-freshwater. In some countries, during heavy rains, we use harvested rainwater, while in others we use sea water or treated municipal wastewater.

Impacts, risks and opportunities related to water resources are described in "Nature risks and opportunities" (page 228), while relevant metrics are detailed in the "Performance data tables" (page 378).

POLLUTION

ESRS E2

Both air and water pollution are material topics for Holcim. We are committed to reducing air emissions within our operations. Holcim's Emission Monitoring and Reporting standards require all sites to measure and manage air any emissions from cement production. Holcim's 2030 targets are aimed at reducing emissions of SO_2, NO_x and dust from kiln stacks. The vast majority of Holcim's plants operate within best-practice emission ranges, with some considered among the best in the sector.

Holcim has pledged to treat the water we use and return it to nature. We require all our sites to implement strict standards to ensure that high-quality water according to in-country regulations and our strict water management standards.

Impacts, risks and opportunities related to pollution are described under "Key operational risks" (page 201) and "Climate and nature risks and opportunities" (page 214). Progress toward targets and other relevant metrics are detailed in the "Performance data tables" (page 378).

BIODIVERSITY AND ECOSYSTEMS

ESRS E4

Holcim's operations are strongly linked to natural resources, and our business plays a key role in tackling biodiversity loss and degradation. Taking a rigorous science-based approach, we work with nature in a progressive transformative way, going beyond traditional rehabilitation.

In 2023, we entered a three-year partnership with the International Union for Conservation of Nature (IUCN) to preserve nature and advance nature-positive development in the built environment. Holcim commits to making a measurable positive impact on biodiversity by 2030. In 2024, IUCN assessed the quality of our Biodiversity Indicator and Reporting System (BIRS) baseline process. As a next step, IUCN will help us identify opportunities to improve our biodiversity index.

Impacts, risks and opportunities related to biodiversity are described in "Nature risks and opportunities' (page 228), whilst relevant metrics are detailed in the 'Performance data tables' (page 378).

RESOURCE USE AND CIRCULAR ECONOMY

ESRS E5

It is essential that we make construction more circular, to stay within our planet's boundaries while improving living standards for all. Holcim is committed to building new from old, reducing use of primary materials and minimizing waste. We are one of the largest recyclers in the world and aim to grow our capacity.

Holcim's Circular Economy Policy applies to Holcim Ltd and its affiliates, and describes our approach to the efficient use of materials and reduction of waste. The document is publicly available and subject to regular review: *holcim.com/circular-economy-policy*

We currently operate over 150 recycling centers worldwide. By 2030, we have a target to recycle 20 million tons of construction demolition materials per annum. Progress toward this target and other relevant metrics is detailed in the "Performance data tables" (page 378).

AFFECTED COMMUNITIES

ESRS S3

Creating a positive impact in affected communities is one of Holcim's goals. Our approach includes building strong, trusting relations with the highly diverse communities and stakeholders where we operate. We acknowledge that Indigenous peoples' rights could potentially be at risk as a result of our business activities. We are committed to addressing these risks by fostering lasting relationships.

Our social initiatives focus on three main areas to benefit communities: affordable housing and infrastructure, education and skills, and health. Holcim has continued to make significant progress toward reducing dust and other emissions across our sites, knowing that these can potentially impact people's health and local communities.

The results of our Human Rights Impact Assessment are disclosed in the "Human rights and our communities" section (page 114). Our "Human rights – salient risks" are disclosed on page 212, while all relevant metrics are detailed in the "Performance data tables" (page 378).

OWN WORKFORCE AND WORKERS IN THE VALUE CHAIN

ESRS S1 and S2

Human and labor rights are material topics for Holcim, along with the health and safety of our workforce and the workers in our supply chain. We are committed to respecting and promoting human and labor rights in our operations, business activities, business relationships and in the communities where we operate.

Holcim has a robust policy framework governing these topics, encompassing our Group Human Resources Policy, Health, Safety and Environmental Policy, Human Rights and Social Policy, and Workers in the Value Chain Directive.

Holcim's most salient human rights risks and our response to them are detailed in "Human rights – salient risks" (page 212). All relevant metrics are provided under the "Social" section of the "Performance data tables" (page 378).

BUSINESS CONDUCT

ESRS G1

Our Code of Business Conduct defines the behaviors Holcim expects of its employees. We expect everyone to have the courage to make the right decisions based on our ethical principles and to uphold these principles even when under pressure.

Corporate culture, corruption and bribery as well as responsible lobbying and advocacy, are some of the material topics that Holcim addresses in its policy framework.

Our compliance practices are fully disclosed in the "Compliance program" section (page 147) and relevant metrics are detailed in the "Performance data tables" (page 378).

STRATEGY DRIVERS

STRATEGIC PRIORITIES

Accelerating Growth

Expanding Solutions & Products

Leading in Sustainability & Innovation

Delivering Superior Performance

OUR SUSTAINABILITY PILLARS

Climate

Circularity

Nature

People

The risks on pages 201 to 209 are considered material to our strategy and our value creation. This list is not exhaustive and represents the principal risks and uncertainties faced by Holcim at the time of preparing the 2024 Integrated Annual Report. Salient human rights risks are detailed on pages 212 and 213. Climate and nature-related risks are presented in detail on pages 214 to 230.

Other risks may emerge in the future and/or the risks stated here may become less relevant. Further information is provided in the 'Corporate governance' section (pages 136 to 155), in the "Management discussion & analysis" section (pages 236 to 261) and in Note 14.6 to the "Consolidated Financial Statements" (page 321).

KEY EXTERNAL RISKS

Risk	Potential impact	Our response
Market changes The risk that the economic environment in a given country can significantly change and have an influence on demand for construction and building materials. Strategic pillars impacted	Demand for building materials is fundamentally driven by economic growth (or contraction) in a given territory. Changes in this underlying demand may impact sales volumes, prices and/or industry structure. Many markets are currently facing persistent inflationary pressures alongside high interest rates, both of which are straining the construction sector. In 2024, global inflation and widespread social unrest (most notably in countries in Latin America as well as Asia, Middle East & Africa), along with threats to market demand in mature countries (especially in Europe), are elevating uncertainty about demand for building materials. Additionally, market dynamics are heavily impacted by extreme weather events and geopolitical instability, which can hinder economic growth and generate uncertainty regarding investments in new construction projects. In this context, the development of new products – including low-carbon products with a higher added value and a higher price – might be impaired or slowed down.	Our growth strategy in mature markets such as Europe and North America, and the sharpening of our footprint with selective divestments in emerging markets, reduces the Group's exposure to markets where economic growth is more volatile. Aligned with our strategy of moving from volume to value, responsible pricing ensures the profitability of our business is maintained. We are also growing in Latin America organically and through value-accretive acquisitions. Additionally, the progressive development of our Solutions & Products business segment strengthens our diversification, providing greater opportunities to benefit from increasing demand in the resilient repair and refurbishment sector, as well as in profitable markets for low-carbon products and building solutions.
Political risks Holcim operates in many countries across the world and is exposed, whether directly or indirectly, to the effects of economic, political and social instability. These include trade protectionism, foreign exchange volatility, geopolitical tensions, terrorism, civil war and unrest. Strategic pillars impacted	Economic, social and/or political instability can impact our people, environment, assets and business as well as our reputation. That impact may be direct (e.g., security-related consequences including kidnapping, assaults on our people or attacks on our assets), or indirect (e.g., economic uncertainty) and might also increase our exposure to a large range of threats, including some related to compliance, tax, access to raw materials and cash repatriation. Our industry is specifically targeted by activists who can perpetrate operations (e.g., protests, blockades, sabotage) in order to sway public opinion on the environmental challenge. Those actions are likely to endanger the safety of our people on site, the integrity of our assets and the continuity of our operations. Exacerbated by the rise of misinformation and disinformation worldwide, societal polarization also has the potential to compound the adverse effects of campaigns against our Group and affect our people, assets and reputation. Also, our broad geographic footprint exposes us to the adverse consequences of shifts in geopolitical dynamics, which can spark social unrest and government interventionism, resulting in reduced access to utilities and raw materials, changes in the sanctions environment and supply chain disruptions.	Countries with the support of relevant Group functions actively monitor the political environment in order to identify and anticipate any adverse events, from activism to civil unrest and interstate conflicts. When necessary, mitigation measures are taken to adapt the Group's activities and protect our people, environment, assets, reputation and legal exposure. Dedicated governance enforced across the Group and country-specific action plans have been implemented to enhance crisis management, the security of people and assets as well as business resilience. The organization in place is fully embedded in our security and resilience program to enable swift and efficient responses in the event of a material risk to our people or assets. Where relevant, the Resilience and Governance (RaG) team initiates dedicated programs such as monitoring of the election supercycle. The RaG team likewise plays a crucial role in managing geopolitical crises, from identifying potential threats to preparing operations in the event of disruptions (e.g.. conflicts in Ukraine or in the Middle East). Preparing for legal and macroeconomic changes driven by political decisions (e.g., government interventionism in Argentina, internal armed conflict in Ecuador) is another of its crucial roles.
Pandemics and epidemics Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns (such as COVID-19, Ebola, avian flu, Mpox, SARS, cholera) can affect the health of our people as well as the communities in which we operate. Strategic pillars impacted	Public health outbreaks – in particular pandemics and epidemics – can affect the health of our people as well as the communities in which we operate. In addition, they may negatively affect our activity due to operational constraints and supply chain disruption. Lastly, the adverse macroeconomic effects of public health outbreaks can affect the value of assets and reduce demand for the Group's products.	The RaG team collaborates with the Health and Safety teams to closely monitor emerging diseases and outbreaks, to identify the characteristics of an epidemic or a pandemic. Leveraging experience gained from the Covid-19 pandemic, measures are proactively put in place to ensure that countries potentially affected are informed, prepared and trained to minimize the impact of wide-scale disease.

KEY OPERATIONAL RISKS

Risk	Potential impact	Our response
Sustainable supply chain Supply chain concerns are becoming increasingly prominent in line with our purpose to build progress for people and the planet. The boundaries of our supply chain-related risks cover a broad range of concerns related to health & safety, compliance, operational, human rights, climate and nature. Strategic pillars impacted 	Holcim is committed to preventing any deviations from its governance principles on the part of its suppliers to protect its reputation, improve its business resilience to supply chain disruptions and contribute to creating positive social impacts. Our most material risk exposure lies in health and safety with additional exposure stemming from our contractors' respect for decent working conditions, protection of the environment, strict observance of human rights standards, the reduction of our CO_2 footprint (Scope 3) and our impact on nature (biodiversity and water). Operating in poorly regulated countries increases our exposure to supply chains and requires us to continuously intensify our monitoring of high-risk suppliers. Yet, in the context of increasingly integrated global supply chains, compliance and reputational challenges top our agenda wherever we operate.	A comprehensive set of policies and actions have been defined in order to strengthen our contractor and supplier management. These follow a systematic risk-based approach. The Supplier Code of Conduct is part of the contractual agreements with our suppliers. It provides a detailed list of and describes expectations with respect to ESG (environmental, social, governance) compliance in alignment with OECD Guidelines as well as laws and regulations that were derived on this basis. All high-ESG-risk suppliers must undergo a supplier qualification process that covers topics related to business integrity, health and safety and ESG, with additional requirements for suppliers of security services as per our Security Directive. Through our Sustainable Procurement Program, 88% of our procurement spend with high-ESG-risk suppliers was transacted with qualified suppliers in 2024. Our procurement decisions also integrate the objective to reduce CO_2 emissions and our dependency on natural resources and negative impacts on biodiversity and water. We implement specific actions on purchased categories identified as having a potential impact on nature, in particular natural sand, and other raw materials extracted from earth through mining, packaging and chemicals. Extractive raw materials suppliers are subject to a site (quarry) assessment coupled with supplier development activities wherever necessary. In high-risk countries (in accordance with the UN "Human Development Index" and "Freedom House Index") or for China-sourced suppliers, a proactive monitoring of ESG controversies (with a dedicated platform), enables us to extend our visibility on potentially high-risk suppliers. We enable a grievance mechanisms platform for suppliers to raise questions and concerns about Holcim's business practices: *holcim.com/integrityline*

KEY OPERATIONAL RISKS CONTINUED

Risk

Legal and compliance risks

The risk that the company might be found to have violated laws and regulations governing business conduct, such as those that combat bribery, corruption, fraud, unfair competition, breach of trade sanctions or export controls, as well as unauthorized use of personal data. In the ordinary course of its business, the Group is involved in lawsuits, claims of various natures, investigations and proceedings, including product liability, commercial, environmental, health and safety matters, etc.

Strategic pillars impacted

Potential impact

Impacts include investigation costs, financial penalties, debarment, profit disgorgement and reputational damage. The impact is compounded by the fact that local violations can have an effect on the entire Group.

Our response

The Group maintains a comprehensive risk-based compliance program.

Please refer to pages 147–148 to learn more about our compliance program

There are several response mechanisms to the risk areas within the scope of the compliance program, including:

- Business Integrity and Compliance: Anti-corruption activities centered on training and awareness, management of third-party risk through targeted due diligence and management of conflicts of interest.
- Pricing Integrity and Antitrust Compliance: This program focuses on training employees with a high and medium risk exposure and on performing fair competition reviews (in-depth assessments of risk, based on interviews, documents and email reviews). In addition, specific actions (training, instructions) have been implemented to address five risk drivers: participation in trade associations, pricing decisions, market intelligence, contacts with competitors and merger control rules.
- Sanctions & Trade Restrictions: The Group trade sanctions compliance program is designed to handle the increasing number of sanctioned parties and growing complexity of sanctions designations across the globe, including but not limited to those administered by the U.S., the European Union and Switzerland. The Group trade sanctions compliance program is implemented through restricted third-party sanctions screening, dedicated training and targeted communications. We regularly conduct in-country assessments on trade sanctions risks and potential touchpoints with sanctioned parties in the Group's operations with a heightened risk exposure. The restricted third-party sanctions screening is performed using state-of-the-art tools for sanctions screening and through continuous monitoring of suppliers and customers against worldwide sanctions lists.
- Data Protection and Privacy: The Group data privacy and protection program is built around key components to ensure the protection of individuals' personal information. These include: clear and comprehensive privacy policies; strong security measures to protect personal information from unauthorized access, use, or disclosure; employee training on data privacy and protection; technical and organizational measures to protect personal data such as encryption and access controls; clear procedures for handling data breaches and incident responses; defined rights for individuals to access, correct, or delete their personal information; as well as regular review and updates of the program to ensure that it continues to meet evolving data privacy and security requirements.

Group Compliance operates the global whistleblowing system and conducts internal investigations. Group Legal manages all competition law-related investigations, information requests and enforcement cases through a central team. Group Legal also tracks all Group-relevant commercial litigation cases and provides support to relevant operating companies in defense and dispute resolution. Root cause analysis of internal investigations, disputes and enforcement cases is taken into account in our continuous improvement cycle.

KEY OPERATIONAL RISKS CONTINUED

Risk	Potential impact	Our response
Energy sourcing (including alternative fuels) The risk that an increase in prices for fuels, electricity or the inability to accomplish planned savings from alternative fuels will impact our production costs. Threats on energy sourcing can have severe consequences on the continuity of our operations and the achievement of our sustainability targets. Strategic pillars impacted	An increase in energy prices has the potential to adversely impact the Group's financial performance, as it might not be possible to pass on the increase in such costs (in part or in full) through sales prices charged to customers. In the longer term, depending on the local context, security of sourcing is influenced – if not threatened – by a large range of external factors (e.g. regulations, transport and grid infrastructures, political uncertainties, shortages of refineries) that might disrupt our operations in locations where we operate. Holcim's commitment to decarbonization as well as constant pressure on energy prices (due to CO_2 pricing or taxes) will require that we reduce the dependency of our operations on highly CO_2-intensive sources of energy.	We are employing a truly global sourcing concept that enables us to access all potential supply sources and optimize sourcing decisions based on commercial, sustainability, governance and lead-time criteria. Optimizing the fuel mix and energy efficiency, as well as the use of alternative fuels, is a key area of focus at all our plants. At country level, we use a mixture of spot price and fixed-price contracts to reduce our exposure to price volatility while still maintaining commercial flexibility. We also continue to enter into long-term power purchase agreements/on-site power generation projects to reduce volatility and increase consumption of renewable energy at competitive prices.
Raw materials (including mineral components) The risk that supply disruptions in raw materials may lead to production bottlenecks and slow down our efforts to decarbonize. Strategic pillars impacted	Much of our business depends on the reliable supply of mineral resources, e.g., aggregates, sand and limestone, as well as mineral components (MIC) such as slag and fly ash. Failure to secure long-term reserves or licenses and permits as well as to obtain raw materials (including mineral components) from third parties at the expected cost and/or quality may adversely impact variable costs and financial performance and impair our long-term growth outlook. In addition, changing market conditions resulting from lower production of fly ash and slag might limit our ability to reach our CO_2 reduction target in a cost-effective manner. Moreover, significant increases in freight costs (difficulties finding available vessels and fuel prices) might lead to uncompetitive landed costs for MIC, clinker as well as cement and other raw materials. In the longer term, this may impact the ability to supply raw materials (including innovative binders such as calcined clay) in an economically viable way. Our Solutions & Products business segment requires a different set of raw materials that is largely dependent on oil-derived polymers. We are consequently exposed to the risk of volatility in commodity markets such as oil and the risk of a market controlled by a limited number of suppliers, thereby leading to volatility in these raw material prices or availability.	In locations where the supply of raw materials is at risk (due to the depletion of own reserves, permitting issues, poor quality, lack of suppliers and scarcity of certain raw materials), we implement a range of measures including monitoring the permitting process, strategic sourcing and diversification, changing input mixtures and maintaining minimum long-term reserve levels. When required, we manage international seaborne sourcing, which is an alternative to offset local risks. Regarding MIC, availability issues are mitigated in the long term by new formulations, innovative mineral components and the upcycling of Construction Demolition Materials (CDM). We are continuously developing chemical treatments (on our own and in cooperation with external suppliers),to enable the use and production of alternative raw materials and new binders such as calcined clay or CDM, which have high availability levels and proven binding capabilities. Encouraged by new regulations, the use of CDM in particular offers promising opportunities for our industry, especially in mature markets where volumes are significant.

KEY OPERATIONAL RISKS CONTINUED

Risk	Potential impact	Our response
New solutions, technologies and open innovation To secure our competitive advantage and achieve our net-zero goal, we must maintain a strong internal innovation pipeline focused on new solutions and technologies. However, relying solely on internal innovation represents a risk, as it may limit our access to cutting-edge expertise and emerging technologies. Accelerating open innovation through external partnerships is thus crucial. This approach, while offering significant potential, also introduces risks associated with managing collaborations and ensuring alignment with our goals. Strategic pillars impacted	Innovation is crucial to our long-term success, ensuring our competitive advantage and enabling us to meet future customer needs, particularly in low-carbon and circular solutions. However, achieving this requires proper innovation pipeline management, robust investment processes and strategic risk mitigation. Moreover, we must be vigilant in monitoring competitive disruptions and other innovation initiatives, and be attentive to external innovation. Rapid growth, especially through acquisitions, requires careful management. Failure to integrate new teams and processes can disrupt workflows and hinder innovation. Furthermore, any product quality or performance issues can erode customer trust. Rigorous quality control and proactive risk mitigation are essential.	Holcim is dedicated to empowering customers across the entire construction value chain. By understanding and anticipating our customers' needs, we develop and deliver innovative solutions and technologies that directly address the industry's most pressing challenges and megatrends, including decarbonization and circularity, urbanization and population growth, rising living standards, innovation-driven building, and repair and refurbishment. Holcim is a leader in innovative and sustainable building solutions, offering a wide range of low-carbon and circular solutions, such as ECOPlanet cement and ECOPact concrete, significantly reducing emissions by at least 30% compared with standard options. Circular construction is at the heart of our strategy with a goal of recycling 10 million tons of construction demolition materials by 2025. Holcim's ECOCycle® circularity technology platform is designed to accelerate circular change, building new from old and closing the loop in construction – it enables our customers to set themselves apart in their markets. Furthermore, we are strengthening customer relationships through our Solutions & Products business segment. This segment provides integrated solutions for a wide range of customer needs, including advanced roofing, insulation, and Specialty Building Solutions such as advanced mortars. These solutions enhance buildings' energy efficiency, resilience and longevity. Our researchers at the Technology Center in Switzerland and the Holcim Innovation Center in Lyon, France develop solutions based on our four pillars: Green operations – decarbonizing our own operations to become a net-zero company; Circular construction – driving circular construction with solutions to reduce, recycle and reuse materials; Building better with less – scaling low-carbon construction with innovative brands, and Making buildings sustainable – improving energy efficiency for buildings in use with our solutions. Furthermore, Holcim MAQER Ventures is our corporate venture capital and open innovation unit comprising three pillars: venture capital, venture clienting and an accelerator program for leading startups within the construction sector. Beyond minority equity investments, Holcim MAQER Ventures gives startups access to Holcim's global operations and technical expertise. Holcim takes a proactive approach to intellectual property management. We ensure the success of our open innovation collaborations through clear legal frameworks and comprehensive project management. Our intellectual property, including patents and trademarks, is carefully secured through robust knowledge management. We also leverage market intelligence to avoid infringing on third-party IP rights.
Health and Safety risk The risk of the company failing to adequately safeguard its employees, contractors and third parties from injury, illness or fatality, during both on-site and off-site activities related to its operations. Strategic pillars impacted	Impacts include injury, illness or fatality, reputational damage and the possibility of business disruption, with consequences for our financial and business performance. The impact is compounded by the fact that local incidents can affect the entire Group.	We conduct our business in a manner that creates a healthy and safe environment for all stakeholders – our employees, contractors, communities and customers – built on a sound health and safety culture. We believe in visible leadership and personal accountability at all levels and throughout our organization. We maintain a global Health, Safety and Environment Management System designed to continuously improve our performance and actively minimize risks in our business. The Group HSE team conducts regular audits to ensure the full deployment of our HSE policy and internal standards in all Holcim countries. Through the Health, Safety & Sustainability Committee, the Board of Directors supports the development of a health and safety culture and oversees the resources and processes to be employed to minimize or eliminate risks related to health and safety. In addition, our Group Security and Resilience teams provide support when a situation requires a cross-functional response. In 2024, we focused our approach on conducting successful HSE projects in every country, aiming at proving through on–the-ground implementation that "zero is possible".
Joint ventures and associates Holcim routinely acquires stakes in other companies or businesses and pursues joint ventures. Since the Group does not control all joint ventures or associates in which it has invested, this may restrict the Group's ability to generate adequate returns and to implement the operating standards and Holcim compliance program. Strategic pillars impacted	These limitations could impair the Group's ability to control joint ventures and influence associates effectively, and/or realize the strategic goals of these businesses. In addition, this might hamper the ability of Holcim to implement organizational efficiencies and its controls framework, including its full compliance program. It can also impede the ability to transfer cash and assets between subsidiaries to allocate assets in the most effective way.	Joint venture partners and associates are within the scope of Holcim's Third Party Due Diligence Directive and Holcim performs risk-based compliance due diligence. In entities where Holcim is not in control, Holcim applies good faith efforts to implement the Holcim compliance program or other risk-proportionate compliance measures.

KEY OPERATIONAL RISKS CONTINUED

Risk	Potential impact	Our response
Information technology and cyber threat risk The risk that arises from the unavailability of critical IT systems and the loss or manipulation of data resulting from cyber attacks, computer malware, infrastructure and network outages, natural disasters or human error. Strategic pillars impacted	An information technology failure or cyber security event could lead to financial losses, reputational damage, safety or environmental impacts. This risk has become a major concern because of the continuous growth of external threat factors such as cyber crime and cyber warfare. The increasing prevalence of artificial intelligence (AI) in business and industry amplifies our cybersecurity vulnerabilities. For Holcim, the most salient IT risk impacts are financial loss through business interruptions due to IT system unavailability, as well as reputational damage caused by data leaks originating from targeted cyber attacks or operational errors. Furthermore, geopolitical instability and the weaponization of cyberspace in hybrid conflicts have amplified security concerns. The expansion of our digital footprint heightens our exposure to IT-related risks.	To prevent major risks related to critical IT infrastructure operated either by the Group or its service providers, Holcim has established policies and procedures for IT security and governance, as well as internal control standards that are followed Group-wide for all applicable systems. These include alternative/redundant data centers for each region, resilient critical IT system architecture, backup recovery procedures and cybersecurity measures to detect unusual activity in our networks. As constant vigilance and awareness throughout the organization is essential, our personnel receive ongoing training on how to detect and mitigate cyber risks, especially given the growing prevalence of remote working. Because the risk landscape is constantly evolving, the Group's IT risk register is regularly assessed and updated. Additionally, measures to prevent new risks from occurring are continuously improved and enhanced, and are regularly audited and monitored by different independent internal departments and external partners. Global conflicts are monitored by the Security & Resilience team in cooperation with the IT Security team, to identify potential risks and improve the Group's preparedness to respond to unusual cyber activity potentially targeting Holcim Group.
Employee-related issues The risk of the company not attracting, motivating and retaining skilled people in the right places and at the right time to reach its targets. Attraction and retention of talent has become a key issue across the entire construction and building materials industry, which is suffering due to competition from more appealing industries. Strategic pillars impacted	Some countries are facing long-lasting labor shortages across a wide range of positions, especially drivers, technical employees and middle management (mainly in the U.S. and Europe). In the longer term, it is likely that the shift in employee preferences will become more pronounced, forcing companies to adapt to the new paradigm (adjusted work/life balance, workplace satisfaction, employees seeking value and purpose at work, etc.). In some regions (especially in the Middle East, Africa and Eastern Europe), the risk is aggravated by the fact that skilled workers are increasingly searching for opportunities to relocate to mature markets. In addition, new skills and more extensive training programs are needed to support our transition to a low-carbon business model, together with the digitalization of our operations and the integration of artificial intelligence.	Holcim ensures that all our employees are provided with the right growth opportunities in order to thrive and develop themselves. This starts with empowering our young talent to make a difference with initiatives such as One Young World or the Early Career Leadership Program. This continues with various Functional Academies for team leaders, individual contributors, middle managers as well as Business Schools for senior leaders. Our Holcim Spirit contains 3Ps: Purpose, People and Performance. This Holcim DNA is integrated into all our training modules from onboarding and Business Schools to online training, and all our leaders are expected to always demonstrate leadership in all these areas. Our purpose is to build sustainably with an innovation mindset, equipping all our leaders to achieve our green growth ambition. At Holcim, we believe in the power of an environment where everyone can thrive, making inclusive diversity a key focus of our organization. From gender balance initiatives to dedicated employee resource groups and networks, to zero tolerance and clearly stated policies and directives, the topic of Diversity, Equity and Inclusion is present in every stage of our employee lifecycle. Engagement is what sparks best-in-class performance and creates well-being for our people. Our second Global Employee Engagement Survey (performed in 2023) demonstrated an increased engagement level versus previous years and helped us identify further areas of focus to continue this trend going forward. As the labor risk mostly presents itself in specific local contexts, all countries deploy talent reviews and succession planning processes to evaluate current and future talents across the year. The outcomes are taken into consideration in the Group talent and succession reviews. Core people processes, such as a broad learning portfolio with new programs for young and experienced professionals, online learning, performance management and reviews, leadership development, reward and recognition and talent management are implemented in all Holcim countries as well as corporate functions. The Group People department oversees the quality of deployment of these processes to keep improving the robustness of our talent pipeline.
Acquisitions and divestments The risk that the company does not identify opportunities in the market at a profitable cost, or fails to successfully carry out acquisitions, mergers, divestments resulting in financial losses. Inability to achieve strategic objectives and inefficient capital allocation that may harm long-term profitability and growth. Strategic pillars impacted	The capital allocated to mergers or acquisitions may not yield the expected returns and synergies may not be achieved. This inefficiency can result in the misallocation of resources that could have been directed toward more strategic investments, organic growth initiatives or value-creating investments that align better with Holcim's business. There is also uncertainty regarding the integration of new entities into our operating model, organizational structure and governance (including our internal control framework and compliance program). In connection with disposals made in recent years, the Group provided the customary warranties. Holcim and its subsidiaries may receive claims arising from these warranties.	Our M&A process is structured around a robust due diligence process (including, but not limited to, strategic, compliance, financial, environmental, legal, tax, commercial, human resources and pension plans streams). Key internal stakeholders are involved, with the support of external experts. Our large geographical footprint, combined with the Group's strong cash position, enable us to swiftly respond to identified targets as well to leverage opportunities to generate synergies at local level. Our Minimum Control Standards are fully applicable to the newly acquired entities. These are implemented following a thorough gap analysis and integration plan, which analyzes and considers the specific details and risks of the new business to design an effective internal control framework. Our due diligence process also applies to disposals, which are closely analyzed by our teams at Group level before the divestment transactions take place. While our company is liable for events that are no longer under our direct control, the Group carefully monitors our exposure and assesses any indication of potential liability.

KEY FINANCIAL RISKS CONTINUED

Risk	Potential impact	Our response
Risk involving credit ratings In the course of our business we use external sources to finance a portion of our capital requirements. Consequently, our access to global sources of financing is important. The cost and availability of financing are generally dependent on our short-term and long-term credit ratings. Strategic pillars impacted	Factors that are significant in the determination of our credit ratings, or which could otherwise affect our ability to raise short-term and long-term financing include: the level and volatility of our earnings, our relative positioning in the markets in which we operate, our global and product diversification, our risk management policies, and our financial ratios, such as net debt to Recurring EBITDA and cash flow from operations to net debt. We expect credit rating agencies to particularly focus on our ability to generate sufficient operating cash flows to service our debt. Deterioration in any of the above-mentioned factors individually or in combination may lead rating agencies to downgrade our credit ratings, thereby increasing our financing costs. Conversely, an improvement in these factors may prompt rating agencies to upgrade our credit ratings. With the development of green finance and growing investor expectations regarding the sustainability of our business model, we anticipate that ESG performance will increasingly influence investors' decision making in the near future.	Our Executive Committee establishes our overall funding policies. The aim of these policies is to safeguard our ability to meet our obligations by maintaining a strong balance sheet. This policy takes into account our expectations concerning the required leverage level, average debt maturity, interest rate exposure and the level of committed credit lines. These targets are monitored on a regular basis. As a result, a significant portion of our debt has a long-term maturity. We maintain unused, committed credit lines covering at least the next 12 months of debt maturities at all times.
Liquidity risk The risk of the company not generating sufficient cash and/or not having access to external funding to meet its obligations. Strategic pillars impacted	Lack of liquidity could impact our ability to meet our operational and/or financial obligations.	Subsidiaries are responsible for their own cash balances and the raising of internal and external funding to cover the liquidity needs, subject to guidance by the Group. The Group monitors its liquidity risk by using a recurring liquidity planning tool and maintains cash, readily realizable marketable securities and unused committed credit lines to meet its liquidity requirements. The Group also adjusts liquidity levels to changing market conditions by organizing additional bank loans or issuing bonds. In addition, the strong credit worthiness of the Group allows it to access international financial markets. Please refer to Note 14.6 of the Consolidated Financial Statements page 321 for details on Holcim debt maturity profile.
Interest rate risk The risk that an investment's value will change due to a change in the absolute level of interest rates, in the shape of the yield curve or in any other interest rate relationship. Strategic pillars impacted	Movements in interest rates could affect the Group's financial results and market values of its financial instruments. The Group is primarily exposed to fluctuations in interest rates on its financial liabilities and cash. The Group is also exposed to the evolution of interest rates and credit markets for its future refinancing, which may result in a lower or higher cost of financing.	The exposure is mainly addressed through the management of the fixed/floating ratio of financial liabilities. To manage this mix, the Group may enter into interest rate swap or option agreements in which it exchanges periodic payments based on notional amounts and agreed-upon fixed and floating interest rates. The Group constantly monitors credit markets. The aim of its financing strategy is to achieve a well-balanced debt maturity profile to reduce both the risk of refinancing and large fluctuations of its financing cost. Please refer to Note 14.6 of the Consolidated Financial Statements on page 321 for additional details.
Foreign exchange risk The Group's global footprint exposes it to foreign exchange risks. Strategic pillars impacted	Movements in foreign exchange rates could have an influence on the Group's business, results of operations and financial condition. Such translation into the Group's reporting currency leads to currency translation effects, which the Group does not actively hedge in the financial markets. In addition, the statement of financial position is only partially hedged by debt in foreign currencies and therefore a significant change in the aggregate value of such local currencies against the reporting currency may have a material effect on the Group's shareholders' equity. Currency fluctuations can also result in the recognition of foreign exchange losses on transactions, which are reflected in the Group's consolidated statement of income and statement of cash flows. The impact on the expected future economic growth and capital flows in some of these markets may lead to devaluations of the local currencies against the Group reporting currency.	With regard to transaction-based foreign currency exposures, the Group's policy is to hedge material foreign currency exposures through derivative instruments. These derivative instruments are generally limited to forward contracts, swaps and options and the Group does not enter into foreign currency exchange contracts other than for hedging purposes. Each subsidiary is responsible for managing the foreign exchange positions arising as a result of commercial and financial transactions performed in currencies other than its functional currency with the support of the treasury department. The Group's activities expose it to foreign exchange risk notably in countries with inflation indices reflecting a three-year cumulative inflation rate exceeding 100%. In these countries, qualified as hyperinflationary countries, the Group applies a financing strategy that reduces the Group's exposure to a minimum by having the country manage its funding needs in an autonomous way. As of 31 December 2024, Argentina and Lebanon are considered as hyperinflationary countries. The Group is also exposed to countries with limited availability of hard currency, such as Egypt, Nigeria and Bangladesh, where hedging and repatriation of cash is difficult or not possible.

KEY FINANCIAL RISKS CONTINUED

Risk	Potential impact	Our response
Credit risk The risk of our customers defaulting on payment, resulting in collection costs and write-offs. Strategic pillars impacted	The failure of counterparties to comply with their commitments could adversely impact the Group's financial performance.	The Group regularly assesses customers' financial reliability. Credit risk, or the risk of counterparty default, are constantly monitored. Counterparties to financial instruments comprise a large number of established financial institutions. The Group does not expect any counterparty to be unable to fulfill its obligations under its respective financing agreements. The maximum credit risk exposure is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated statement of financial position. Please refer to Note 14.6 of the Consolidated Financial Statements (Financial risks associated with operating activities, page 321) for additional details. In light of the current macroeconomic context and the risk of a slowdown in activity in the Group's operating regions, the Group closely monitors the risk of an increase in bad debt.
Insurance Our industry is subject to a wide range of risks, not all of which can be transferred or adequately insured.The Group purchases insurance cover for a broad range of operational risks to protect its assets and itself against third-party liabilities, commensurate with the risk exposure. Strategic pillars impacted	The Group could be impacted by losses where recovery from insurance is either unavailable or insufficient to cover of the incurred loss.	We transfer our insurable risks with international insurers or reinsurers of high repute, including our internal captive reinsurance companies. We continuously monitor the evolving risk environment to determine whether additional insurances need to be considered.
Group's pension commitments The Group operates a range of defined benefit pension schemes and similar contingent liability schemes in various countries. The assets and liabilities of these schemes may be subject to significant volatility based on prevailing market conditions. Strategic pillars impacted	Unforeseen deficits may require cash contributions to fund unrecoverable amounts, which could vary significantly from year to year due to external factors. These contributions may in turn impact the Group's financial results.	To mitigate these risks, where possible, the Group has taken measures to close, freeze, and terminate these defined benefit pension schemes and has deployed scheme-appropriate asset allocations in order to mitigate volatility and optimize investment returns. Please refer to Note 15.2 of the Consolidated Financial Statements (Employee benefit and share compensation plans page 330) for additional details.
Multi-employer pension plans (MEPP) The Group participates in several union sponsored multi-employer pension plans in the U.S. These plans are susceptible to substantial deficits arising from market conditions, business decisions, trustee decisions, plan failures, and the actions and decisions of other contributing employers. The Group, however, has minimal control over the management of these plans. Strategic pillars impacted	There is a material risk that substantial cash contributions could be required in the future to meet outstanding obligations under these plans. Fulfilling the Group's obligations may have a material impact on the Group's reported financial results. Currently, the financial condition of these plans is not disclosed in the Group's financial reports.	The Group continuously reviews these plans with the primary objective of gaining a thorough understanding of the relevant financial circumstances. The aim is to explore all available options to mitigate risks and reduce the Group's actual and potential financial obligations. It is important to note that the Group's ability to take action is constrained, as participation in these plans is contingent upon negotiations with bargaining unions.

KEY FINANCIAL RISKS CONTINUED

Risk	Potential impact	Our response
Goodwill and asset impairment Significant underperformance in any of the Group's major cash-generating units or the divestment of businesses in the future may give rise to a material write-down of goodwill or assets. Strategic pillars impacted	A write-down of goodwill or assets could have a substantial impact on the Group's net income and equity.	Indicators of goodwill or asset impairment are monitored closely through our reporting process to ensure that potential impairment issues are addressed promptly. Detailed impairment testing for each of the Group's cash-generating units is performed prior to year-end or at an earlier stage if a triggering event occurs. The Audit Committee reviews the goodwill and asset impairment process once a year. In the context of growing challenges posed by the transition to a low-carbon economy, the Group makes estimates and assumptions regarding climate change and how it might impact our operations and cash-flow projections. We continuously reevaluate those assumptions in a way that is consistent with our assessment of climate-related risks, our commitments to investors and other stakeholders, and the climate-related regulations in place. Our cash flow projections are aligned with the commitment to reach our 2030 sustainability targets, as well as the climate-related regulations currently in force, notably in Europe.
Tax Our business operations are subject to numerous income taxes as well as duties and other taxes that are not based on income such as sales or value-added taxes, payroll taxes, etc. imposed by state and local governments. Significant judgment is often required in determining our annual tax charges and in evaluating our tax positions. Although we believe our tax estimates are reasonable, the final determination of tax audits and any related disputes could be materially different from our historical tax provisions and accruals. Strategic pillars impacted	Due to the uncertainty associated with tax matters, it is possible that, at some future date, liabilities resulting from changes in legislation, interpretation of existing tax rules and regulations, and /or audits or litigation could have a material adverse impact on our financial results and cash flow. Governmental authorities in the countries where the Group operates may increase or impose new income taxes or indirect taxes, or revised interpretations of existing tax rules and regulations, including as a means of financing the response to economic shocks or the threats of recession. This may include global initiatives such as the OECD minimum tax rules (pillar 2) that ensure that multinational enterprises pay a minimum tax of 15% in a given country of operation.	Risks are reviewed and assessed on a regular basis in light of ongoing developments with respect to tax audits and tax cases, as well as ongoing changes in legislation and tax laws. The Holcim Tax Directives provide binding rules for all countries where we operate, and the Group Tax team continuously works with Group Internal Control on aligning, improving and implementing processes and controls within Group Tax and countries. It is also continuously developing and acquiring the right in-house skills.
North American business separation The risk of Holcim failing to achieve its intended goals in the planned separation and spin-off of Holcim's North America Business. Strategic pillars impacted	Failure to effectively implement the separation and spin-off could negatively impact the company's business, operational performance and financial stability. The anticipated benefits from the transaction may not be realized or may take longer than expected to realize. Following the transaction, Holcim could experience negative impacts due to the reduced geographic diversification of its business, lost synergies and fewer economies of scale, as well as its smaller overall size.	Holcim acknowledges the potential risks associated with the separation and spin-off of its North America business. However, the company is carefully planning the transaction with the assistance of leading advisors and drawing on its own significant experience. Moreover, Holcim is confident in its ability to achieve the anticipated benefits of the separation, which will not only position both the newly formed entity and Holcim for accelerated growth, but also unlock substantial value for our shareholders by creating two distinct and compelling investment profiles with attractive shareholder returns. The new standalone company is set to emerge as North America's leading pure-play solutions provider, delivering cutting-edge building innovations from foundation to rooftop while leveraging its strong market positions and track record of profitable growth in this dynamic region. The separation will allow Holcim to sharpen its focus on its core markets and continue to deliver industry-leading margins, strong cash generation and attractive shareholder returns, with decarbonization, circularity, and value-accretive M&A as drivers of profitable growth. For further details on the separation, please see page 8.

Internal control

Holcim's internal control framework defines Minimum Control Standards to clarify and reinforce the responsibilities of the businesses in the different countries. Every operating business within our organization must adhere to these standards, which are equally applicable at Group level. There is clear guidance and consequence management in case of failure to fully meet the requirements. Minimum Control Standards are managed and verified independently by our Internal Control team, together with business process owners and control owners in all our businesses across the globe. Our internal control process is in accordance with the Swiss Code of Obligations and Swiss Code of Best Practices for Corporate Governance. Holcim's Internal Control System (ICS) aims to give the Board of Directors and management reasonable assurance concerning the reliability of financial reporting, compliance with laws and internal regulations, and the effectiveness and efficiency of major company processes and controls. Each Holcim employee plays an important role in running the ICS to ensure the implementation and the effectiveness of internal controls.

Group internal control environment

Holcim aims to have an effective ICS at each level of responsibility and promotes a culture of robust internal control, supported by the commitment of the Board of Directors and management. Continuous training efforts are carried out throughout the company, with a particular focus on exposed persons when necessary. The Minimum Control Standards are used as a baseline for mandatory compliance within the Group, and are the main reference for the Holcim Corporate Governance Framework. The following key documents form part of the Minimum Control Standards and support the internal control environment:

- The Group Delegated Authorities, which define approving authorities and thresholds within the Group.
- The Code of Business Conduct which covers guidance and provides examples to help employees when confronted with challenging situations.
- The Supplier Code of Conduct.

Risk identification and analysis

The Group's approach to identifying and analyzing risks is described on pages 194–195.

Minimum Control Standards

The Minimum Control Standards cover the following core business processes, going beyond accounting and finance:

- Governance and compliance: Compliance with laws, regulations and the Code of Business Conduct, Board of Directors secretarial standards, Health, Safety & Environment policies as well as requirements on risk assessment and mitigation, segregation of duties, delegation of authorities, review of litigation, disputes, and personal data protection.
- Accounting and consolidation: Compliance with accounting principles including best practices from the reconciliation of accounts to consolidation of financial statements,and submission of Group reporting requirements and statutory financial statements.
- Tax: Tax risk assessment and reporting, tax filings and payments, deferred and income tax calculations, transfer pricing and non-income (indirect) taxes.
- Treasury: Bank relations, secure payment handling, financial instruments, borrowings and commitments and foreign exchange, interest rate, commodities risks monitoring and hedging.
- Fixed assets: Management of titles, licenses and permits, rehabilitation and restoration provisions, classification and depreciation of property, plant and equipment and physical verification.
- Inventory: Physical stock take (spare parts and materials), and inventory provisions and write-offs.
- Revenue: Master data, price management, customer credit limits, accounts receivable.
- Expenditure: Master data, supplier qualification, three-way match and direct vendor invoices, supplier payments and accruals for expenditures.
- HR: Employee management (onboarding, transfers, offboarding), payroll, compliance with local labor laws, and employee pension and benefit plans.
- IT: Information security management and IT service management.
- Sustainability: Environmental impact and social impact.
- Operational technology: Operational technology (OT) security baseline controls for OT systems and industrial applications, and OT infrastructure (hardware, operating system, database, network, interfaces) in all operating plants and sites.

Internal control monitoring throughout the Group

The Group is committed to maintaining high standards of internal control. It tests and documents adherence to Minimum Control Standards. These activities are implemented at country and at all Group levels and encompass:

- A description of key processes affecting the reliability of the Group's financial reporting, and that of the parent company.
- A detailed description of mandatory controls defined in the Group's Minimum Control Standards.
- Tests of controls to check the operational effectiveness. Group Internal Control provides each entity with clear guidance and testing methodology.
- A twice-yearly internal certification process twice a year to review the main action plans in progress and confirm management responsibility at country and Group levels for quality of both internal control and financial reporting.
- A formal reporting, analysis and control process for the information included in the Group's Integrated Annual Report.

The implementation of action plans identified through the activities described above, as well as through internal and external audits, are followed up by relevant Senior Management. The outcome of such procedures is presented to the Audit Committee. Internal control is monitored at all levels of the Group. The roles of key stakeholders are described below:

Board of Directors and Board Committees

The Board of Directors, through the Audit Committee, reviews the management and internal auditor's reports on the effectiveness of internal control systems. The Audit Committee forms its own opinion on the Internal Control System (ICS), risk management and state of compliance within the company.

Executive Committee

The Executive Committee steers the effective implementation of the Group's ICS through:

- The monitoring and follow-up of internal control procedures performed throughout the Group, and in particular those related to identified action plans. Periodic presentations on internal control are submitted to the Executive Committee.
- Twice yearly review and certification of the respective country's Minimum Control Standards.

Group functions

Group functions leaders, including in particular managers of the Group Finance function, have been designated at Group level as business process owners, with responsibility for:

- Documenting their processes at Group level, including product line specifics and verifying that the Internal Control Standards for such processes are effectively implemented
- Defining and updating the standards of internal control applicable to countries.

Countries

Internal control falls under the direct responsibility of the Executive Committee for each country.

Internal control managers are appointed in each country to support the identification of risks, the implementation of the Minimum Control Standards and to ensure procedures related to internal control over financial reporting are implemented. Their activities are coordinated by the Group Internal Control department. Countries report their internal control assessments to the Group twice a year through the ICS and sign certification letters. Any exception to the Minimum Control Standards needs to be documented, mitigated and approved by the relevant Group function and Group Internal Control.

Group Internal Control department

The Group Internal Control department is in charge of overseeing internal control and monitoring all procedures related to internal control over financial reporting. This department manages the Minimum Control Standards and coordinates the network of internal control managers within countries. It supports countries and the Group functions in the implementation of these standards as well as the documentation and tests of Minimum Control Standards. Group Internal Control designs and coordinates the annual certification process to confirm management responsibility at each relevant level of the Group organization on the quality of both internal control and financial reporting. The outcome of this certification process is presented to the Group Chief Financial Officer for validation prior to presenting it to the Audit Committee.

Group Internal Audit

The Group Internal Audit department is responsible for performing an independent assessment of the quality of internal control at all levels of the organization following the annual audit plan approved by the Audit Committee. The main observations and findings observed during the audit assignments are reported periodically to the Audit Committee. For more information, please refer to Corporate Governance on page 146.

HUMAN RIGHTS SALIENT RISKS

We have identified seven salient human rights risks from our business activities, which we seek to proactively identify, cease, prevent or mitigate.

Holcim's human rights guidelines and salient risks were defined after extensive consultation with our global senior executives, global managers, staff, external human rights experts, civil society and community representatives.

HUMAN RIGHTS – SALIENT RISKS

Risk	What it means for Holcim	Example
Health and safety	Being a leader in the building materials industry means setting new health, safety and environmental standards. Our aspiration is to conduct a business with zero harm to people and to create a healthy and safe environment for our employees, contractors, communities and customers, while minimizing our environmental footprint.	Building on Holcim's workforce engagement program, Boots on the Ground (BoG), launched in 2021, we have enhanced our Treasure Hunt program by integrating it in the BoG application to amplify its impact on HSE priorities. The BoG roadmap for 2025 features AI-powered advancements, including technical inspection modules, digital work permits and positive recognition. More information is available on page 112
Working conditions in our operations and, in particular, our supply chain	We respect workers' rights. This applies to direct employees as well as contractors.	In 2024, Holcim launched a new directive to enhance Holcim's procurement practices, ensuring high standards for workers in the value chain while complying with the latest regulations. The directive includes a general framework outlining Holcim's approach to identifying and managing impacts related to the value chain workers, as well as a formal process for analyzing business impacts and dependencies on value chain workers. This includes guidelines to: (1) Inform outsourcing decisions. (2) Enforce supplier qualification. (3) Validate workers credentials through access control systems to Holcim sites. (4) Enhance training and (5) Strengthen compliance verification and performance monitoring. More information is available on page 120
Discrimination and harassment	We promote an inclusive and fair workplace, where discrimination and harassment are not tolerated. As an equal opportunities employer, Holcim actively promotes diversity, making no distinction based on ethnic background, culture, religion, age, disability, medical conditions, race, sexual identity, gender, world view, affiliation to political organizations or unions, membership of minority groups, or sexual orientation. Harassment is an unwelcome, disrespectful or unacceptable behavior that has the purpose or effect of creating an intimidating, hostile or offensive work environment.	Holcim Trading & Shipping, part of the Holcim Group, has conducted a dedicated training Go Beyond Difficult Conversations for all its employees in 2024. The program aims to foster Nonviolent Communication (NVC) in the workplace, helping to sustain a culture without discrimination and harassment. The program includes theoretical and practical training in Nonviolent Communication teaching as well as various tools that can be applied in day to day workplace settings.
Security-related abuses and violations	We use security services to protect our people and assets from intentional criminal activity and malicious acts on an as-needed basis and follow a strict risk-based methodology and stringent rules of professionalism and integrity. Holcim has made its adherence to human rights very clear in its Security and Resilience Policy and governance. Holcim holds its private security service providers and public forces accountable for meeting the highest compliance standards, with international best practices for security and human rights.	In 2024, in collaboration with the Geneva Center for Business and Human Rights, Holcim developed a series of e-learning modules on "How can security and respect for human rights work hand in hand?" These modules will be used on top of existing training material to raise awareness and train supervisors and managers across our operations on how to integrate human rights at work, cross-functionally partnering with security services.

HUMAN RIGHTS – SALIENT RISKS

Risk	What it means for Holcim	Example
Child labor in high-risk supply chains	We respect and support children's rights in our operations and supply chain. Holcim is at the beginning of the supply chain, therefore our Human Rights Impact Assessment and actions with communities are key levers to identify and act to eliminate child labor, for example by implementing social initiatives addressing communities' socio-economic challenges.	We are committed to continuously strengthening children's rights across our supply chain as recognized by the Global Child Forum. Holcim enables access to education by running 18 schools in seven countries. These schools are often located in impoverished and remote areas with a higher risk of child labor. In 2024, Holcim completed the construction of a primary school in the Ivory Coast. Community members were empowered to produce bricks, helping them to generate an income while building a local school for 300 schoolchildren. This new school will help improve literacy in the region in collaboration with the Ministry of Education.
Dust and other emissions	We require all our sites to measure and manage air and other emissions. Our plants must operate within emission ranges to comply with environmental laws, regulations and standards applicable to our products and operations, and subscribe to leading industry initiatives and internal requirements. We continue to make improvements across all sites to address other sources of dust, such as surrounding roads. We have a program in place to consistently reduce fugitive emissions in all our plants, to preserve the local environment and minimize impacts on neighboring communities.	As part of our stakeholder engagement approach, cement sites hold regular Community Advisory Panels (CAP). At one such CAP meeting in Croatia, the local community had many questions about emissions. As a result, Holcim decided to make access to emissions data much easier. To meet the community's needs, a dedicated website was launched, providing public access to live emission data. This ensures the transparent disclosure of emission levels to all stakeholders. The website is updated daily and includes links to the state database of all continuous emission measurement stations.
Climate change and its impacts	We are decarbonizing our operations, scaling up low-carbon and circular construction, and growing Solutions & Products to make buildings sustainable in use. Holcim's strategy includes 2030 and 2050 targets aligned with a 1.5°C scenario validated by the Science Based Targets initiative. We engage transparently and responsibly with public authorities, industry partners, customers and communities to create a political, economic and social ecosystem that encourages decarbonization, and fosters an environment that works for people and the planet.	We take a whole-society approach to reaching net zero, respecting human rights while creating decent work to ensure a Just Transition: *holcim.com/just-transition* In 2024, we launched our first Just Transition Brochure. This illustrates our whole-society approach to reaching net zero, respecting human rights while creating decent jobs.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES

With sustainability at the core of our strategy, we have implemented a comprehensive approach to anticipating climate and nature-related challenges as well as enhancing our ability to accelerate green growth.

Identifying climate and nature risks and opportunities

As the global political and industrial agenda is firmly moving toward green growth, we see ambitious initiatives such as EU Green Deal and the U.S. Inflation Reduction Act, which aim to decouple economic growth from carbon emissions and resource use. Due to this shift in the political agenda, the risks and opportunities in relation to the emerging climate and resource-related policies are a key element of our Group Risk Management Process.

We have tailored our Group Risk Management approach to align with best practices and recommendations, creating specific bottom-up assessments done by each country dedicated specifically to climate and nature topics. Adopting an integrated risk and opportunity approach allows Holcim to balance climate and nature risks against other material risks and opportunities, such as those related to strategic, operational or external topics and to facilitate the prioritization of the main threats. Our comprehensive climate and nature risk and opportunity assessment includes, but is not limited to, regulation and public policy scenarios, economic assumptions and project contingencies for significant CapEx projects such as those related to carbon capture utilization and storage as well as new production processes and technologies aimed at resource saving and efficiency.

Short- and medium-term assessments

Climate and nature risks are assessed over both the short (< 3 years) and medium term (< 10 years) in line with our 2030 sustainability targets. This enables operational teams to anticipate and adapt their business strategy, engage with key local stakeholders and prepare for potentially more stringent climate and nature regulations as well as new market conditions. Long-term risks and opportunities (up to 2050) have been assessed as part of our scenario planning (pages 232–235), whereby we tested the resilience of our strategy and the opportunities offered by innovative technologies.

Aligned with our Enterprise Risk Management (ERM) methodologies, the risks include the inherent risk level (without consideration of the mitigations in place) and the residual risk level (after consideration of the mitigations in place). Any residual risk that remains uncovered must be reduced through action plans documented in our risk Management system. These are subject to a follow-up by the country Risk Leads.

CLIMATE & NATURE RESILIENCE AND ADAPTATION PROGRAM

The Group has implemented a climate and nature resilience and adaptation program to identify and mitigate the potential impacts of current and future climate and nature physical risks on our people, economic activities and assets. Our technology identifies projected site-level risks over a range of climate pathways and time periods, using the climate scenarios of the Intergovernmental Panel on Climate Change (IPCC). This year, we increased the coverage of our assessment to include 322 cement plants as well as Solutions & Products sites.

Read more about the program on page 223

Monitoring and reporting
At country level, the risk assessment involves all business areas. Involvement of the country Executive Committee and country Chief Executive Officer (CEO) is required before submission to the Group. The objective is to make sure that all potential areas of concern are included in the risk map, and to ensure that the risk assessment follows a forward-looking approach integrating potential risks arising from the strategic initiatives or projects that might occur in the next three to ten years. At Group level, country risk assessments are consolidated and adjusted, accounting for insights from Group level stakeholders, to consider local and global impacts.

We consider that any risk that impairs the achievement of our long-term target is substantive. We also consider the impact on the Group's or local operation's reputation with investors, rating agencies, regulators and other external stakeholders such as NGOs or media.

Once consolidated, all assessments are summarized in our Group Risk Report which is presented to the Audit Committee together with the Internal Audit Plan. Adopting an integrated risk and opportunity approach allows us to balance climate and nature risks against other material risks and opportunities, such as ones related to strategic, operational or external topics and facilitate the prioritization of the main threats.

TCFD/TNFD ADOPTION TIMELINE

Holcim's journey toward implementing and promoting Task Force on Climate-Related Financial Disclosures (TCFD), and Taskforce on Nature-related Financial Disclosures (TNFD) recommendations.

2018
Implementation of TCFD framework
Dedicated governance, strategy, risk management and metrics are specifically designed to address the climate challenges.

2020
Participation in the TCFD Preparer Forum for the construction sector
Recognized as a reference in providing climate-related disclosures, our company committed to the promotion of TCFD recommendations.

2021
TNFD launch
Holcim selected to be an official task force member of the TNFD (one of 17 corporate companies selected).

2022
Industry's first Climate Report
With our Climate Report, a first in our sector, we further strengthened our climate-related disclosures and transparency by setting out our decarbonization roadmap in detail. In 2023, our second Climate Report received a 95.75% advisory vote in favor from our shareholders.

2023
Early adopter of the TNFD framework
Leveraging the integration of the TCFD into the ERM process, the company performed a gap analysis and started to incorporate nature elements into the ERM process to ensure full compliance with TNFD in 2024.

2024 and beyond
Implementation of TNFD framework
Holcim has fully implemented a dedicated process to identify, assess, prioritize and monitor nature-related dependencies, impacts, risks and opportunities.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) ALIGNMENT

GOVERNANCE	**Board oversight** • Refer to "Holcim governance approach climate and nature-related risks and opportunities," page 143, "Information and control instruments of the Board of Directors," page 145, and "Risk and control" section > "Roles and responsibilities," page 194	**Management's role** • Refer to "Risk and control" section > "Roles and responsibilities," page 194	
STRATEGY	**Risks and opportunities over the short, medium and long term** • Refer to "Climate and nature risks and opportunities" section, pages 214–230, and "Climate and nature physical risks" section, pages 223–225	**Impact on the organization's business, strategy and financial planning** • Refer to "Risk and control" section, pages 194–235, "Climate and nature risks and opportunities" section, pages 214–230, and "Climate and nature physical risks" section, pages 223–225	**Scenario planning** • Refer to "Climate and nature risks and opportunities" section > "Scenario planning", pages 232–235
RISK MANAGEMENT	**Climate change-related risks identification and assessment** • Refer to "Risk and control" section, pages 194–235, "Climate and nature risks and opportunities" section, pages 214–230, "Climate and nature physical risks" section, pages 223–225	**Climate change-related risks management** • Refer to "Risk and control" section, pages 194–235, and "Climate and nature risks and opportunities" section, pages 214–230, "Climate and nature physical risks" section, pages 223–225	**Integration into overall risk management** • Refer to "Risk and control" section, pages 194–235, and "Information and control instruments of the Board of Directors", page 145
METRICS AND TARGETS	**Reporting CO_2 metrics** • Refer to sustainability performance data tables on pages 379–381	**Details Scope 1, 2 and 3** • Refer to sustainability performance data tables on page 381	**CO_2 targets** • Refer to sustainability performance data tables on page 379

TASK FORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD) ALIGNMENT

GOVERNANCE	**Board oversight** • Refer to "Holcim governance approach climate and nature-related risks and opportunities", page 143, "Information and control instruments of the Board of Directors", page 145, "Long-term incentives", page 175, and "Risk and control" > "Roles and responsibilities", page 195	**Management's role** • Refer to "Risk and control" > "Roles and responsibilities", page 195 **Organization's engagement with local stakeholders** • Refer to "Human rights – salient risks", pages 212-213
STRATEGY	**Identification of nature-related dependencies, impacts, risks and opportunities over the short, medium and long term** • Refer to "Material priorities", pages 196–197, "Climate and nature risks and opportunities", pages 214–230 **Effects of nature-related dependencies, impacts, risks and opportunities on the organization** • Refer to "Our approach", pages 56–57, "Climate and nature risks and opportunities", pages 214–230	**Resilience taking into account different scenarios** • Refer to "Climate and nature risks and opportunities," pages 214–230, "Scenario analysis," pages 232–235 **Location of assets and activities in direct operations, upstream and downstream that are in priority locations** • Refer to sustainability performance data tables on pages 384–385
RISK AND IMPACT MANAGEMENT	**Identification and prioritization of impacts, dependencies, risks and opportunities in direct operations** • Refer to "Our approach," pages 56–57, "Material priorities", pages 196–197, "Climate and nature risks and opportunities", pages 214–230 **Identification and prioritization of impacts, dependencies, risks and opportunities in upstream and downstream value chain** • Refer to "Climate and nature risks and opportunities", pages 214–230	**Managing impacts, dependencies, risks and opportunities** • Refer to "Climate and nature risks and opportunities", pages 214–230 **Integration with overall risk management processes** • Refer to "Risk and control", pages 194–235, "Information and control instruments of the Board of Directors", page 145
METRICS AND TARGETS	**Metrics to manage risks and opportunities** • Refer to "Climate and nature risks and opportunities", pages 214–230, sustainability performance data tables on pages 379–385 **Metrics dependencies and impacts on nature** • Refer to "Our approach", pages 56–57, sustainability performance data tables on pages 379–385	**Targets and goals** • Refer to "Our approach", pages 56–57, sustainability performance data tables on pages 379–385

CLIMATE AND NATURE RISKS AND OPPORTUNITIES DESCRIPTIONS

Our climate and nature risks and opportunities assessment is fully aligned with TCFD and TNFD frameworks.

Climate risks and opportunities have been fully accounted for in our transformational business model, which has four strategic decarbonization pillars: decarbonizing operations, decarbonizing construction, decarbonizing cities and circular construction.

Nature risks and opportunities have been integrated into the company strategy in order to reduce our most material nature-related impacts and dependencies, preserve biodiversity and ecosystems and prepare for potentially more stringent nature-related regulations.

We believe that the risks and opportunities presented here represent the most material risks and opportunities for our company, although other risks or opportunities might materialize, especially as policy, economic or technological landscapes evolve.

CLIMATE RISKS	
Policy and Legal	**Carbon pricing mechanisms (and other climate policies)**
Market	**Slow market acceptance for low-carbon products and solutions**
Technology	**Feasibility of new technologies (including CCUS) across all relevant geographies**
Reputation	**Damaged reputation due to undocumented or unsubstantiated green claims**
Physical risk	**Damaged assets and operations**

CLIMATE OPPORTUNITIES	
Resource efficiency	**Accelerating circularity in construction**
Energy source	**Access to competitive decarbonized energy**
Products / services	**Decarbonizing the built environment**
Markets	**Growing demand for low-carbon and climate-resilient solutions and products**

NATURE RISKS	
Policy and Legal	**Nature-related policies**
Market	**Price of raw materials and natural inputs**
Technology	**New production processes and technologies for resource saving and efficiency**
Reputation	**Reputational damage**
Liability	**Liability arising from legal claims**

NATURE OPPORTUNITIES	
Resource efficiency	**Operational efficiency and reduced dependence on natural resources**
Market	**Growing demand for biodiversity and nature-driven products and solutions**
Reputation	**Reputational capital**

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

CLIMATE RISK CARBON PRICING MECHANISMS (AND OTHER CLIMATE POLICIES)

Description

Transitioning to a decarbonized business model depends on effective climate policies with robust carbon pricing mechanisms such as the EU ETS, which requires stable, transparent, and equitable CO_2 pricing. Volatility or misalignment in carbon pricing schemes, particularly outside the EU (e.g., in the U.S.), could significantly impact the achievement of our net-zero targets and hinder long-term planning.

Potential impact

Even though the political and industrial agenda is firmly moving toward green growth, ineffective climate policies and carbon pricing mechanisms could lead to a misalignment between our efforts to reach net-zero emissions and the regulatory framework. On the contrary, more stringent and well-designed CO_2 regulations, and the associated set of environmental measures, would reinforce our competitive advantage as we decarbonize following our ambitious emissions targets. In Europe, the Emissions Trading System (ETS), as well as Swiss and UK schemes associated with the Carbon Border Adjustment Mechanism (CBAM), strongly encourage industries to decarbonize and tackle climate change. However, CBAM's effective and fair implementation, including strict measures to prevent circumvention, will be critical to maintaining a level playing field between domestic manufacturers and importers. In the U.S., while there is no national carbon pricing framework comparable to the EU ETS, recent initiatives have moved the agenda towards green growth, such as the Inflation Reduction Act in 2022, which created incentives to deploy low-carbon and resource efficient technologies at scale. Additionally, Article 6 of the Paris Agreement opens up new avenues for international cooperation on climate action by allowing countries to voluntarily collaborate. Alongside this voluntary collaboration principle, the Voluntary Carbon Market (VMC) and the Book & Claim mechanism – although operating outside of state or intergovernmental frameworks – also offer promising opportunities to achieve sustainability targets where it proves challenging. While they offer promising pathways to net-zero targets, robust regulation, including stricter verification and tracking of emissions reductions, is crucial to ensure their integrity and effectiveness. In the long term, we anticipate additional sets of measures in the journey to a low-carbon economy, such as the ones that set rules for explicit green claims or for communications to the financial markets. New carbon markets and pricing mechanisms that create a robust environment that encourages direct investments towards sustainable projects and helps scale up sustainable development towards the objectives of the European Green Deal, represent an opportunity for our Group.

Impacts on financial reporting
Useful lives of assets may be affected by climate-related matters because of transitional risks such as obsolescence and legal restrictions. The change in useful lives has a direct impact on the amount of depreciation or amortization recognized each year. Management's review of useful lives has taken into consideration the impacts of the Group's 2030 targets. It can also lead to the impairment of operating assets that no longer comply with more stringent environmental measures. Climate-related matters may affect the level of provisions recognized, such as site restoration provision and litigation provision as a result of the levies imposed by governments for failure to meet climate-related targets or new regulations, requirements to remediate environmental damages on Holcim's sites or due to existing obligations now being considered more likely. Some contracts may become onerous as a result of climate-related changes, which would potentially decrease the Group's revenue or increase its operating costs.

Our response

Our CO_2 reduction roadmap follows a best-in-class approach with both our 2030 and 2050 targets (net-zero pledge) validated by the SBTi as aligned with 1.5°C.

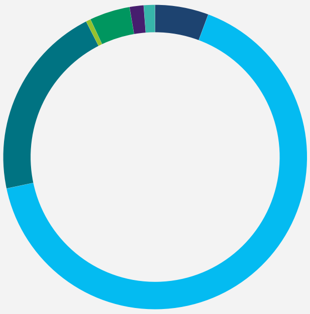
To accelerate green growth, Holcim is deeply transforming its business model in order to be a major player in decarbonizing building across the value chain, to reduce emissions and build smarter and better with less. Changes in regulatory frameworks worldwide are regularly monitored centrally to assess our exposure to new CO_2 pricing schemes, but also to identify opportunities and market incentives for low-carbon products, or any developments that require us to accelerate or adapt the deployment of our decarbonization roadmap. Aligned with the most recent regulatory moves towards sustainable green growth such as Europe's Green Deal and the US Inflation Reduction Act, our "Strategy 2025 – Accelerating Green Growth" has put decarbonization at the heart of our industrial and commercial strategy, driving circular construction to build better with less and developing solutions to make cities greener from foundation to rooftop.

Holcim continues to proactively and transparently engage with external stakeholders and advocate for climate policies that are aligned to the Paris Agreement 1.5°C, which enables us to accelerate the deployment of low-carbon solutions to execute and meet the objectives of our decarbonization roadmap. With that perspective, we support enhancements of the regulatory environment globally that aim to:

- Support the business case to invest at scale in decarbonized technologies (including CCUS).
- Incentivize market demand for decarbonized and circular solutions.
- Facilitate access to competitive decarbonized energy.
- Implement effective carbon pricing mechanisms and enable industry to remain competitive on the global stage.

CLIMATE RISK CARBON PRICING MECHANISMS (AND OTHER CLIMATE POLICIES CONTINUED

OVERVIEW OF OUR EXPOSURE TO CO_2 REGULATIONS



- Currently, 28% of our emissions are exposed to CO_2 regulations.
- Besides carbon pricing and taxes, other climate policies might have an influence on our decarbonization roadmap, especially those policies that allow us to maintain the competitiveness of low-carbon technology investments in the cement industry, and that set rules for the re-use of captured CO_2, as well as waste management regulations.
- Europe is the most advanced region, with a mature Emissions Trading Ssystem (ETS) which incentivizes carbon reduction initiatives. Coupled with other climate policies (revised building codes, EU Taxonomy), Europe offers huge opportunities for the successful implementation of our net-zero roadmap.
- The U.S. stands apart, as the country is a patchwork of federal and state regulations mostly not covered by an ETS, despite certain states having one or planning to implement one. However, the current approach is based on mostly voluntary initiatives, with few federal regulations being implemented, while certain states are setting regulations and standards (building codes, public procurement, transparent communication), which might not be enough to support decarbonization efforts and investments in breakthrough technologies. However, the recent Inflation Reduction Act (2022), promoting investments in decarbonization projects and securing long term strategies, is likely to offer a specific path to a decarbonization model.
- Latin America is moving toward carbon regulation similar to the EU ETS, with pilots in certain countries, notably Mexico. We anticipate that the implementation of carbon pricing in Latin America will support our efforts to decarbonize.
- In the long term, the absence of more stringent and ambitious CO_2 regulation in Middle East, Africa or Asia may lead to future conflicts between financial performance and emission reductions, should market dynamics be insufficient to support decarbonization efforts.

CLIMATE RISK SLOW MARKET ACCEPTANCE FOR LOW-CARBON PRODUCTS AND SOLUTIONS

Description	Potential impact	Our response
Holcim's decarbonization journey entails the capacity to meet customers' product quality and decarbonization expectations. Indeed, the successful launch of our global low-carbon brands ECOPact and ECOPlanet exposes the Group to new threats should the Group be unable to build strong credibility with its customers, document and back up environmental claims, develop strategic partnerships, leverage differentiating capabilities or promote a marketing and product-led approach within the Group.	Slow market acceptance for low-carbon products and solutions could lead to revenue losses due to reduced demand and limit margin improvements. While there is no viable, affordable and local substitute for cement on a global scale, increased pressure to decarbonize the built environment may support growing demand for low-carbon products and solutions, thus potentially increasing our market share in the range of low-carbon cement and sustainable solutions. **Impacts on financial reporting** Impairment testing is performed at cash generating unit (CGU) level. In assessing the valuation of a CGU, future cash flows are estimated. This includes making assumptions in relation to the impact of climate-related matters on future profitability. The impact of climate-related matters could result in higher costs and reduced revenues affecting the future taxable profits on which the recognition of deferred tax assets is based. Business plans used for the recognition of deferred tax assets are aligned with those used in the impairment process, taking into account climate-related impacts.	Our approach is to meet customer needs along the entire construction value chain by developing and delivering solutions that address both customer expectations regarding product quality and safety as well as today's major construction challenges (scarcity of resources, sustainable and resilient infrastructure, urbanization), turning sustainable growth into profitable growth. We offer our customers advanced sustainable solutions to best meet their needs and have already expanded our multi-billion brands delivering value-added margins. We have built billion-dollar low-carbon brands from ECOPact concrete to ECOPlanet cement. By 2030, Holcim will grow both brands, which offer customers at least 30% less CO_2 compared with local standard (CEM I/OPC) concrete and cement. With the help of carbon capture, we are aiming to produce eight million tons of fully decarbonized ECOPlanet cement per annum by 2030. Where possible, our solutions are independently verified through Environmental Product Declarations (EPDs), which validate the environmental profile of our products and ensure transparency.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

CLIMATE RISK FEASIBILITY OF NEW TECHNOLOGIES (INCLUDING CCUS) ACROSS ALL RELEVANT GEOGRAPHIES

Description	Potential impact	Our response
The inability to deliver Carbon Capture Utilization and Storage (CCUS) projects or develop necessary technologies that meet both technical and financial expectations could inhibit Holcim from achieving its decarbonization targets.	The successful scaling up of CCUS relies on accurate projections of external factors such as compatibility with CO_2 usage opportunities, climate regulations, market acceptance of low-carbon products, the existence of large transportation infrastructure as well as other aspects of viability and scalability. In addition, there are contingencies related to the management of the projects especially in regard to the management of technical interfaces and the relationships with stakeholders (public administrations, partners, suppliers, communities). In the long term, should CCUS be confirmed as the main technology to remove CO_2, there is a risk of stranded assets where CCUS is not feasible (absence of transport infrastructure, insufficient storage capacities, insufficient renewable power or water supply, etc.), and may subsequently risk the loss of leadership in the decarbonization journey. The pathway from 2030 to 2050 also integrates a large range of both new and established decarbonization technologies including novel binders (calcined clay), zero-emission vehicles and low-clinker cements. For the latter, higher prices for mineral components (MIC) such as slag and fly ash challenge our CO_2 reduction roadmap, as the integration of MIC in our cement production process is a key lever for the reduction of clinker factor and thus reduction of our CO_2 footprint. **Impacts on financial reporting** Useful lives of assets may be affected by climate-related matters because of transitional risks such as technological obsolescence. It can also lead to the impairment of operating assets. Sustainability is now a key factor considered by the Group in any investment decision. The transition to lower-emission technologies will impact the allocation of future CapEx. The Group's R&D expenditures are aligned with the strategy to focus on new and alternative technologies that, as a result of diverse research initiatives, may either impact CapEx or R&D costs in the statement of income, depending on the success of the initiatives.	We investigate every opportunity, at every stage of a building's life cycle, to eliminate emissions and build smarter and better. Leveraging proven processes and existing technologies, we are optimizing our own consumption of resources, using low-carbon energy and fuel, and reducing our water use. In line with our "Strategy 2025 - Accelerating Green Growth", we are accelerating the decarbonization of our own operations to become a net-zero company by switching to renewable energy, developing new formulations, adopting decarbonized mobility and harnessing advanced technologies such as carbon capture, utilization and storage (CCUS). Furthermore, in 2024 the Group continued to successfully demonstrate its ability to bolster its net-zero future through CCUS with an additional project selected by the European Union (EU) Innovation Fund to capture a total of 5 million tons of CO_2 from 2030. With seven projects now selected for EU Innovation Fund grants and additional projects at an advanced stage of planning, we are further reinforcing our solid portfolio of CCUS projects globally. Based on various technologies, robust partnerships and value chains, these sites are well positioned to become net-zero cement plants and drive our Group to net zero. Holcim is a partner of choice in the CCUS ecosystem in Europe and continues to actively engage with public authorities, industry partners, customers and communities. In addition, new economic conditions could emerge in the long term (steady development of e-fuels, growing usage of captured CO_2 by the chemical industry) and drive a significant shift from CO_2 storage to CO_2 utilization, improving the profitability of CCUS and offering new prospects for this business model. Holcim also continues to explore promising opportunities such as smart design, novel binders, kiln electrification and the use of hydrogen.

HARNESSING PROMISING CCUS PROJECTS TO REACH NET ZERO

It is clear that no single solution will be scalable at every location, since different environments present different conditions. Consequently, there is a risk of us not capitalizing on every promising opportunity offered by CCUS, thus compromising our decarbonization agenda. For this reason, we have ensured that our portfolio of projects is based on the broadest selection of mature technologies and applications (including those with proven results in other industries), offering the largest range of possible solutions to implement CCUS in locations based on the local context (existence and reliability of local infrastructure for CO_2 transportation or storage, industry partners, economic environment, regulatory frameworks).

The successful deployment of CCUS technology is underpinned by effective project management in order to build strong credibility with our partners and secure public funding. Holcim is thoroughly assessing the potential impacts on the environment and the communities where we operate throughout the full value chain:

- Energy consumption: Capturing CO_2 is an energy-intensive process. Our projects are assessed according to availability of renewable energy sources.
- Water withdrawals/consumption: CCUS typically requires water for the capture process, with a large portion of the water needed for cooling purposes, and may generate wastewater. Through the implementation of efficient closed-loop recycling systems and the shift to non-freshwater sources, the use and disposal of water will be managed carefully to minimize environmental impacts.
- Communities: We are looking at both onshore and offshore CO_2 storage facilities. Concerns around the safety of storing CO_2 underground and potential leaks that could impact nearby communities are thoroughly assessed.
- Scope 3 emissions: Depending on the application (storage or utilization), carbon capture technologies will have an impact on our Scope 3 emissions. These are evaluated project by project and accounted for in our Scope 3 modeling. The configuration and ownership of the carbon capture facility down the value chain will shape the accounting of Scope 1, 2 and 3 emissions. Holcim is monitoring the evolution of these standards and advocating for a fair and balanced approach.

The Group's long-term CCUS strategy is based on both planned and opportunistic timing of numerous CCUS projects, starting in locations where the context is the most relevant, especially in jurisdictions that are already proactively supporting CCUS technology or where transportation and storage infrastructure and geographies already exist. Accelerating the transition to a decarbonized economy, Holcim responsibly advocates for both onshore storage and the re-use of CO_2. We are actively partnering with stakeholders who support the transition to a decarbonized economy, including governments, industry bodies and equipment suppliers, to enable the development of the conditions required for success. Understanding the key success factors from the initial projects in Europe and North America, we will create an environment that will facilitate the implementation of CCUS in plants where opportunities for it are currently under development.

CLIMATE RISK GREEN CAPEX AT HOLCIM

Holcim puts sustainability at the core of our strategy to build a net-zero future. Our focus on green investments is a fundamental aspect of this strategy.

In 2024, our Green CapEx reached CHF 534 million, including investments of CHF 433 million in projects to accelerate our CO_2 reduction and circular economy, and CHF 101 million in environment and people-related projects. We will sustain our annual green CapEx at CHF 500 million by 2025. These investments will impact all our operations and geographies and will encompass existing technologies with proven returns.

We are committed to aligning capital expenditure plans with our long-term net-zero reduction target, which has been validated by SBTi and is aligned with the Paris Agreement's objective of limiting global warming to 1.5°.

Holcim Green CapEx classifications encompass a broad range of activities, including those not eligible under the EU Taxonomy, and consider a wider scope of environmental benefits. As a result, there are overlaps and differences between Holcim Green CapEx and the EU Taxonomy-aligned CapEx disclosed.

GREEN CAPEX CATEGORIES

PROCESS DECARBONIZATION	Reduce direct CO_2 emissions
CLEAN ENERGY	Waste heat recovery, renewable energy, electrical/efficient fleet
CARBON-EFFICIENT CONSTRUCTION	ECOPact, ECOPlanet, 3D printing
CIRCULAR ECONOMY	Alternative fuels, reuse of demolition materials, ECOCycle®
BIODIVERSITY, AIR AND WATER[1]	Preserve air, water and green roofs
PEOPLE AND COMMUNITIES	Affordable housing, health and safety

2024

CO_2-RELATED CAPEX CHF 433M

ENVIRONMENT AND PEOPLE-RELATED CAPEX CHF 101M

2025

GREEN CAPEX INCREASED TO >CHF 0.5BN IN 2025

BY ALLOCATING MORE CAPEX TO GREEN PROJECTS WE WILL FURTHER BOOST RETURNS

[1] CHF 0.4 million for biodiversity-related CapEx, CHF 9.4 million for water-related CapEx.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

CLIMATE RISK DAMAGED REPUTATION DUE TO UNDOCUMENTED OR UNSUBSTANTIATED GREEN CLAIMS

Description	Potential impact	Our response
The Group's inability to meet its decarbonization commitments , if materialized, is likely to damage the Group's reputation and reduce our attractiveness to stakeholders such as customers, investors, and potential employees.	In light of increased public scrutiny on green claims, there is a growing reputational risk in case the Group does not achieve its climate targets, is found to have misreported its emissions, if its targets and claims are not ambitious enough, or if they are deemed incomplete, vague, ambiguous or insufficiently documented on a scientific basis. In addition, litigation on the basis of climate action failure (including misreporting of emissions) is emerging and could also exacerbate reputational damages. **Impacts on financial reporting** Holcim has increased diversification of financing instruments with, for example, sustainability linked bonds, which are linking our funding with our sustainability objectives. This could have an impact on the Group's financial expenses in the event the Group does not reach the targets that have been set.	The Group's first priority and strategy is Accelerating Green Growth as a global leader in innovative and sustainable building solutions. We continuously ensure our targets stay abreast with the latest scientific developments and the highest level of scientific rigor. For this reason, Holcim was the first company in its sector to have 2030 and 2050 net-zero targets validated by the Science Based Targets initiative (SBTi), as aligned with a 1.5°C pathway. To ensure emissions reductions are in line with our corporate targets and decarbonization roadmap, we establish plant-level climate mitigation. Furthermore, we ensure rigorous emissions accounting for both our direct and indirect CO_2 emissions, based on the latest emissions accounting protocols. Holcim notably engages with key suppliers and business partners to respond to climate risks, encouraging them to measure and manage their CO_2 impact in their operation and their supply chain. To reflect the credibility of our sustainability commitments to investors, Holcim ahead of a bond issuance always assesses the feasibility to offer sustainability linked bonds to its investors. More recently Holcim updated its financing framework and added the option to issue green bonds which will be associated to the bond offering. While our brands ECOPact and ECOPlanet are becoming multi-billion CHF brands, we ensure that each of those products follow strict clear global brand qualification criteria and adhere to international standards and consider both present and future frameworks.

CLEAR, TRANSPARENT CRITERIA FOR LOW-CARBON PRODUCT CLAIMS

ECOPact ECOPlanet

In 2021 and 2022, Holcim voluntarily and proactively launched brands with low-carbon criteria supported by clear, documented and publicly available credentials. In the absence of recognized external standards at the time, Holcim initiated its own definition of low-carbon products.

In recognition of the rapid increase in regulatory regulations and in accordance with our objective of fostering the emergence of internationally recognized standards for low-carbon products, Holcim is continuously updating and reinforcing the alignment of low-carbon brand definitions with external global frameworks such as the Industrial Deep Decarbonisation Initiative (IDDI) from United Nations Industrial Development Organization (UNIDO).

Transparency is key on Holcim's net-zero journey, and we are committed to providing reliable environmental information so that our customers can build with low-carbon materials in a transparent, verified way. We have partnered with Climate Earth to expand Environmental Product Declarations (EPDs) worldwide, utilizing Climate Earth's EPD Generator™ digital platform. As an independent verification system that validates the environmental profile of products including ECOPact and ECOPlanet, EPDs are vital to accelerating low-carbon demand and decarbonizing building at scale.

CLIMATE RISK DAMAGED ASSETS AND OPERATIONS

Description	Potential impact	Our response
The physical consequences of climate change (such as increased frequency and intensity of extreme weather events), have the potential to disrupt our operations on both on-site and value chain transportation activities, leading to higher costs and reduced production capacity (e.g. delayed planning approval, supply chain interruptions), business interruptions and even reputational damages.	For Holcim, water-related physical risks are particularly critical. Floods, often triggered by storms can severely disrupt our on-site operations and affect our river-based supply chains (shipping) and product delivery. In the meantime, climate change is affecting the on-site conditions of natural resources essential to Holcim's operations leading to nature-related risks that could severely threaten our business activities. For example, droughts can increase water scarcity which may lead to production disruptions, as water is a vital resource for our traditional businesses. As the climate changes, extreme weather events are likely to increase and intensify with potentially higher associated insurance costs. **Impacts on financial reporting** Physical deterioration of our production assets would result in potential impairment. Climate-related matters may affect the value of inventories as they may become obsolete as a result of a decline in selling prices or an increase in costs. The cost of inventories that are not recoverable must be written down to their net realizable value. Climate change may imply more frequent and intense climate events such as flooding or drought, which can have a significant impact on our production with business interruption, increased risk of accident or damages. This may increase our insurance costs due to the higher amounts at stake or more frequent insured cases.	Holcim sites need to be prepared to manage current and future physical climate-related risks that could disrupt our operations and production capacities. In 2024, our assessment of physical risks associated with climate change has been fully implemented, on a per site view and across the Holcim portfolio identifying the most material risks. At a Group level, the climate resilience and adaptation program works towards the protection of our people and the environments. Furthermore, a Group-wide climate risk assessment strengthens the decision-making process, mitigates financial losses due to asset damage and business interruption, and ensures adaptation to climate change based on scientific data.

FOCUS ON CLIMATE AND NATURE PHYSICAL RISKS

Identifying climate and nature risks
Our climate and nature resilience and adaptation program is embedded in our Enterprise Risk Management (ERM) process. It is designed to assess current and future exposure as well as capture site resilience and preparedness for these risks. This program ensures the protection of our people and assets, and compliance with the climate change adaptation (CCA) objective (EU Taxonomy).

We are integrating the results into a questionnaire for sites to assess the impacts of the risks, identify the adaptation solutions in place and define action plans to reduce exposure. Our 2024 assessment covered 320 sites, including integrated cement sites and associated quarries, grinding and blending stations, Geocycle sites, and selected insulation production sites. The impact level is defined as the impact to the entire Group and not the individual asset at risk.

Short-, medium- and long-term time horizons
For each location, changes to climate and nature physical risks are assessed based on the years 2025, 2030 and 2050 and under three future scenarios (SSP1-2.6, SSP2-4.5, and SSP5-8.5) from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report. The scenarios consider greenhouse gas concentration trajectories in the atmosphere that relate to a 1.5°C–2°C, 2°C–3°C and >4°C increase in the global average surface temperature by 2100 respectively.

Adaptation and resilience strategy
Following our risk assessment, we have a clearer understanding of our exposure to risks and the actions needed to adapt to climate change and nature dependencies. Our sites continuously adapt and enhance their resilience capabilities in line with the Group's Crisis Management System, which sets out the requirements for each operation to respond to physical risks, including an Emergency Response Plan, Crisis Management Plan, Business Continuity Plan and Evacuation Plan. The exercise also documents future CapEx needs and substantiates the economic rationale for the investment to respond to climate and nature physical risks and reduce our impacts and dependencies on nature and global raw resources.

Climate or Nature Physical Risk	Current Impact Level	Number of Sites Exposed (% out of total scope)[1]	Future Exposure (by 2050)[2]
Flood		13.8%	=
Storm/precipitation		15.9%	↑
Wildfire		8.1%	=
Landslide		7.5%	=
Drought		34.4%	↑
Extreme temperature		40.3%	↑
Water security		55.0%	↑

[1] Corresponds to short-term (2025) exposure to climate and nature physical risks.
[2] Corresponds to mid-term and long-term (from 2030 to 2050) exposure trend to climate and nature physical risks under Shared Socioeconomic Pathway 5-8.5.

Low negative impact on personnel, operations and assets.
Medium negative impact on personnel, operations and assets.
High negative impact on personnel, operations and assets.

↑ Climate projections indicate a long-term increase in the number of sites (% of total scope) with high or very high exposure to the climate or nature physical risk.

The number of assessed sites (% of total scope) with high or very high current exposure to the climate or nature physical risk.

= Climate projections suggest long-term stability in the number of sites (% of total scope) with high or very high exposure to the climate or nature physical risk.

Acute | Chronic | Nature

FOCUS ON CLIMATE AND NATURE PHYSICAL RISKS CONTINUED

CLIMATE AND NATURE PHYSICAL RISKS ACUTE RISKS

Risk Description	Potential impact	Adaptation and resilience strategy
Flood Includes fluvial, riverine, pluvial floods and storm surges. The risk score is based on changes in precipitation patterns as well as other components such as topography, catchment area and runoff. Key Risk Indicators	As a building materials company, Holcim is exposed to high and low water levels and flooding events. These conditions can directly impede planned transportation schedules, as transportation routes may be blocked or submerged. In addition, operations may be slowed down or halted due to employees being unable to work as they cope with the flood. Critical equipment or infrastructure may also be damaged.	We have taken proactive steps to respond to flood risks by implementing climate adaptation measures, particularly in our businesses that are the most vulnerable to fluctuating water levels and flooding events. For example, in the U.S., we have implemented a response plan that involves altering transportation methods and production sourcing, making use of temporary seasonal floating storage and short-term rail track. Moreover, a comprehensive array of flood protection equipment (e.g. flood barriers, sandbags, drains on roofs), is proactively implemented and emergency reserves (e.g. backup power, fuel reserves, water bottles) are in place on sites. Additionally, dewatering systems are strategically deployed in relevant quarries to effectively handle higher rates of water infiltration. Beyond these preventative measures, Holcim is actively supporting communities affected by floods, as during the recent flooding event in eastern Spain (2024). We are committed to providing robust recovery effort support and sharing essential documents that outline effective individual strategies and valuable information for managers and leaders.
Storm/Precipitation Maximum daily precipitation (in mm) for a predefined event. Also includes windstorms and lightning storms. Key Risk Indicators	Storms associated with strong winds can damage buildings, trees, and infrastructure which may generate debris on roads and disrupt transportation. Power lines can also be disrupted which may lead to limited operations. Water storms may also lead to flooding events while runoffs may carry pollutants into waterways, contaminating water sources.	Holcim prioritizes safety during heavy storms, adjusting or temporarily halting production as necessary. Storm shelters are available for both personnel and critical equipment. Our proactive monitoring of cyclone alerts and river levels in Bangladesh notably enabled the company to suspend operations at its Mongla grinding station before Cyclone Remal made landfall, minimizing damage and ensuring employee safety in cyclone shelters. In addition, dedicated stormwater management and spill containment teams are in place to address stormwater runoff and prevent contamination. In the event of of lightning storms, a lightning arrester system and grounding system are used to reduce the impact of electrical discharges caused by lightning strikes.
Wildfire Likelihood of wildfire based on current land susceptibility to fire and projected hot and dry weather. Key Risk Indicators	Wildfires present a significant threat to quarries and cement facilities, particularly those situated near forested areas. Wildfires release smoke and particulate matter into the air, which can cause respiratory problems and other health issues. They can also lead to temporary shutdowns, damage essential infrastructure and disrupt transportation networks which may result in delays and increased costs.	Holcim has implemented a set of measures to prevent the spread of wildfires and protect its employees. This includes a fire emergency response plan (e.g., evacuation plan, fire drills) as well as proactive action plans such as managing areas around the plant to reduce wildfire proliferation (e.g., vegetation clearing). In addition, Holcim maintains installations and regularly checks fire-fighting infrastructure and equipment (e.g., water cisterns, fire walls, fire alarms, fire hydrant systems, fire extinguishers). We also conduct appropriate training of personnel on site. For instance in 2024, our preventive measures enabled us to safely evacuate our employees at the Rifle Port Terminal in Colorado during a wildfire in the vicinity.
Landslide Mass movement processes including rockfall, debris flows and mudslides. Key Risk Indicators	Extreme downpours increase the risk of landslides. Apart from the potential impact on people, a landslide may also damage building structures, entrap equipment, contaminate underground water systems and destabilize building foundations. Severe landslide damage to transport infrastructure can disrupt local supply chains.	Holcim has implemented a comprehensive plan that includes geological and landslide risk studies and the installation of slope stability monitoring equipment. Containment systems on access roads to quarries (e.g. berms, barriers, and mesh systems) and backup generators in case of damage to electrical infrastructures, are available to reduce the risk of business interruption. For instance, even though no recent landslide events, such as those in Ecuador (2022) or in Colombia (2024), had a direct impact on our people and operations, our sites were proactively prepared to ensure the safety of our employees.

CLIMATE AND NATURE PHYSICAL RISKS CHRONIC RISKS

Risk Description	Potential impact	Adaptation and resilience strategy
Drought Water stress locations based on the Standardized Precipitation Index (SPI) in combination with the number of heat wave days. Key Risk Indicators	Acute drought periods may lead to business interruptions due to water scarcity. Droughts significantly reduce water levels which may impact waterborne transport, restrict shipping capacity and disrupt production processes. In addition, the potential implementation of water usage quotas due to water shortages for drinking and other industries may further limit production capacity.	By leveraging WRI Aqueduct data on water stress and scarcity combined with SBTN's framework for setting science-based targets, Holcim continuously develops tailored strategies to enhance our resilience in each of our sites. We notably introduced mature water management systems focused on optimizing consumption through improved rainwater capture, water recycling, and retention basins, and aim to equip 100% of our sites with water recycling systems. For example, in Egypt, we have responded to risks associated with water scarcity by commissioning a desalination facility, enhancing our resilience and ensuring our commitment to sustainable water management.
Extreme temperatures Combination of atmospheric water capacity, change in extreme temperatures, and increase in the number of dry days. Key Risk Indicators	Extreme heat can impact our people’s health (e.g. dehydration, heatstroke, etc.). In turn, it may decrease labor productivity both at our plants and construction sites, which could slow down production and delay transportation. Over time, extreme temperatures can weaken infrastructure and negatively impact the efficiency of our assets causing further operational disruptions and increased costs.	Holcim engages in adaptation solutions that we implemented in our businesses located in South Europe, US and Canada during the record-breaking temperatures in summer 2024. For example, we reorganized shifts to minimize heat stress, ensured sufficient water bottles reserves and provided employees with trainings and coping strategies for extreme heat. Although the risk of heatwaves is expected to increase in the future, Holcim has equipped its buildings and assets with cooling systems, which may reduce the risk.

CLIMATE AND NATURE PHYSICAL RISKS NATURE RISKS

Risk Description	Potential impact	Adaptation and resilience strategy
Water security The indicator used is Water Availability and is based on the "Baseline Water Stress" of WRI that measures the ratio of water withdrawals to available renewable surface and groundwater at the catchment scale. Key Risk Indicators	According to the ENCORE database, water security is a critical nature-related risk for the cement industry, as operations are highly dependent on sufficient water and freshwater supply and availability. Acute droughts can notably increase water scarcity, which may lead to business interruptions and financial losses. In addition, new regulations could lead to higher prices, restrictions or quotas on water which may limit production capacities and increase operational costs. Furthermore, the use of water in our operations in water-stress locations can strain relationships with local communities, potentially impacting Holcim's reputation.	Leveraging our annual risk assessment exercise, water security risk is regularly assessed at each manufacturing site using WRI Aqueduct and risk data from Swiss RE’s RDS platform. The data and platform helps us identify high-risk locations, prioritize risk mitigations actions and design data-driven solutions. Water management plans have been implemented for locations at above medium-high water risk. This enables the operations to anticipate and adapt their business strategy to reduce freshwater withdrawal, engage with key local stakeholders, prepare for potentially more stringent regulations and new market conditions. Committed to a nature-positive future, Holcim aims to achieve a 33% reduction in freshwater withdrawal while making 75% of sites in water-risk areas water-positive by 2030. To achieve these goals, we are investing in projects aiming at reducing our dependence on freshwater through stewardship actions.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

CLIMATE OPPORTUNITY ACCELERATING CIRCULARITY IN CONSTRUCTION

Description	Our response
Alongside reducing our CO_2 footprint, the circular economy represents an important lever to designing a business model that offers sustainable financial returns with reduced costs. In addition, preserving natural resources by reducing the extraction of new materials considerably decreases our dependence on mineral resources and preserves our long-term growth.	Holcim's commitment to circular economy is deeply embedded in our sustainability strategy, making circularity a driver of profitable growth. We leverage our robust analytical frameworks, including the Double Materiality Assessment and the Climate and Nature Risks and Opportunities Assessment, to identify circular economy impacts, risks and opportunities. This data-driven approach informs our action plan, which includes specific initiatives and investments to promote circularity across our operations and value chain. Circular construction to build new from old is made possible at scale through recycling construction demolition materials (CDM) into new building solutions. We are driving circular construction with solutions to reduce, reuse and recycle materials and continuously monitor our progress and report transparently to stakeholders. We are scaling up Holcim's proprietary ECOCycle® technology platform to produce recycled construction aggregates and cement paste to be used to replace limestone in cement manufacturing, therefore helping to decarbonize. This commitment to circularity extends to our portfolio of roofing solutions. As an example, a standard Malarkey residential roof upcycles at least 3,000 plastic bags into new shingles. Duro-Last roofing solutions also recycle manufacturing waste and roofs at the end of their life through the Recycle Your Roof program. In addition, we are continuously tracking the amount of our products that contain recycled materials and ensure that the majority of products are bulk shipped with no packaging.

CLIMATE OPPORTUNITY ACCESS TO COMPETITIVE DECARBONIZED ENERGY

Description	Our response
Shifting to decarbonized sources of energy is at the core of the Group's transformation towards a resilient, circular and sustainable business. In the medium to long term, our operations decarbonize their energy usage while mitigating continuous pressure on prices and risks to energy security and supply. Access to competitive decarbonized energy will benefit our business encompassing resilience, self-sufficiency, stable energy prices and a contribution to our net-zero roadmap. In the longer term, it is likely that the consumption of electricity will increase with the deployment of new technology for carbon capture and the electrification of industrial processes (e.g. kiln electrification), which makes the development of low-carbon energy sourcing all the more strategic and beneficial for the Group.	We work continuously to increase the portion of decarbonized energy in our operations with reliable, competitive and decarbonized power. All opportunities are investigated and addressed in order to achieve cost competitiveness as well as sustainable performance. Our Group is applying a wide range of strategies which differ depending on the local context: • Increase consumption of decarbonized power from long-term power purchase agreements (PPA) produced by either on-site or off-site assets. • Bilateral clean power contracts directly with producers of decarbonized power to reduce dependency on market movements and have a more decarbonized footprint. • Investment in renewable power projects and waste heat recovery systems using available space in our plants and quarries.

CLIMATE OPPORTUNITY DECARBONIZING THE BUILT ENVIRONMENT

Description	Our response
Climate change will create new challenges and opportunities for the construction sector. We will need more resilient infrastructures, rapid transformation into a circular economy due to scarcity of resources, and accelerated sustainable solutions such as energy efficiency for growing cities. Addressing these challenges requires activating several levers, for which the construction and building material industry is a partner of choice. For Holcim, building represents a unique opportunity to contribute to the transition to a low-carbon and circular global economy, while accelerating the transition to highly energy-efficient cities.	We are decarbonizing buildings across their lifecycle to build a net-zero future that works for people and the planet. To do so, our large range of building solutions help cities curb greenhouse gas emissions by enabling a lower carbon footprint, higher energy efficiency and reduced material use. Our Solutions & Products segment offers solutions that help decarbonize cities with a range of roofing, insulation and retrofitting solutions both for new builds and existing building stock. As an example, our insulation systems offer advanced energy-efficiency benefits enabling Passive House buildings, such as the Winthrop Center in Boston, U.S. This includes Holcim's Elevate ISOGARD™ boards that provide thermal insulation, making buildings more energy-efficient and cost-effective in use. Holcim is raising awareness among mayors and urban planners to evolve building norms and standards and specify smart and sustainable building solutions in public procurement. Our solution DYNAMax high-performance concrete is an example of how we seize those kinds of opportunities by deploying new building technologies to use minimum material for maximum strength. Usable space is optimized while superior rigidity enables the construction of longer-lasting buildings. Developers and end users are increasingly setting their own rigorous net-zero targets. Holcim supports them by raising awareness of the role that construction materials can play in decarbonizing buildings, and the need to specify sustainable solutions in procurement, as well as evolving building norms and standards.

CLIMATE OPPORTUNITY INCREASING DEMAND FOR LOW-CARBON, CLIMATE-RESILIENT PRODUCTS & SOLUTIONS

Description	Our response
As the economy shifts to a decarbonized paradigm, endorsed by norms and regulations, and supported by a large number of stakeholders and customers, the market demand for low-carbon products will increase. Should Holcim's decarbonization keep pace with the market, it will offer a unique opportunity to deliver profitable growth and the business case for further decarbonization.	We accelerate the decarbonization of our operations together with the development of a complete offer aimed at meeting customers' product quality and decarbonization expectations. With the strength of global brands such as ECOPact and ECOPlanet, our Group is prepared to capitalize on the evolution of the market and increased demand for low-carbon products. As a global leader in innovative and sustainable building solutions, we engage with a wide range of stakeholders and partners to influence norms and regulations and contribute to decarbonize construction, fostering green demand and preparing our Group to capture over-proportional green growth. We closely monitor climate policies and incentives (such as the Buy Clean Initiative in the U.S.) and take advantage of our broad global customer base to target decarbonization first movers and those likely to move in the medium/long term.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

NATURE RISK NATURE-RELATED POLICIES

Description	Potential impact	Our response
Any changes in government regulations, policies, or legal frameworks aimed at protecting biodiversity and natural resources which may potentially require Holcim to adjust its operations.	Regulatory bodies are increasingly strengthening policies that address nature issues. This will likely impact Holcim's operations, notably through greater raw material extraction and upstream transparency. This will also involve increased quarry rehabilitation and biodiversity management along with improved standards for water management. Compliance with these requirements will necessitate increased costs and investments in new technologies. If stricter regulations were to come into effect, Holcim could face potential operational disruptions stemming from higher mining fees, limited access and complex permitting processes required to access and extract raw materials and natural inputs. Any perceived deviation, such as the destruction of biodiversity or harm to protected species, or failure to adapt to evolving nature-related policies, could result in reputational and financial damages.	Holcim has a Water Directive along with a Quarry Rehabilitation and Biodiversity Directive, setting out the requirements to countries and sites to achieve our biodiversity and freshwater protection goals, particularly in areas that could be negatively impacted by our operations. We have notably identified potential negative impacts with regards to land degradation, and have rehabilitation plans in place that are mandatory when land is leased or bought by Holcim. To prioritize actions and develop tailored solutions to local challenges, we assess the biodiversity importance of each of our extraction sites and mitigate negative impacts. A Biodiversity Management Plan will be in place for all quarries that are considered to be located in areas of high biodiversity importance. Identification of the Biodiversity Importance Category of the quarry is performed according to the classification set out in the Holcim Biodiversity Management Plans and Karst Biodiversity Management. High biodiversity Importance areas are those classified with a Biodiversity Importance Category 1 and 2. Holcim also commits not to open new sites within protected areas declared under World Heritage, International Union for Conservation of Nature (IUCN) I and III. Furthermore, the compliance related to our water footprint is ensured by the implementation of Holcim's Nature Policy, Water Directive and Water Management Standard. To ensure responsible sourcing, we identify suppliers from extractive materials in each market where we operate and engage them to implement a Responsible Mining Program, to protect biodiversity and improve water management. Furthermore, we use SBTN to prioritize 100% of our purchases and to identify their impact based on pressure for nature and land use. Overall, Holcim prioritizes transparency and publicly discloses its environmental performance and progress against its nature targets annually.

NATURE RISK PRICE OF RAW MATERIALS AND NATURAL INPUTS

Description	Potential impact	Our response
Any fluctuations in raw materials and natural resources prices that directly impact Holcim's operational costs and overall profitability. These additional costs can be driven by increasing demand, increasing scarcity, and/or restrictions along with mining fees from stringent nature-related regulations	Increased costs for freshwater and essential raw materials directly impact production costs, potentially leading to a need for supply chain optimization and adjustments in pricing strategies that could result in higher prices for Holcim's products. Moreover, nature-related policies restricting supply of natural inputs (freshwater) and raw materials (limestone, gypsum, sand, gravel) essential to our operations could lead to operational costs and business interruption. Overall, increased prices coupled with additional fees for extraction, create a complex scenario where Holcim must navigate rising costs, potential supply shortages, and the risk of reduced consumer demand due to higher product prices.	Holcim actively monitors raw material prices and market trends to anticipate potential risks. In locations where the supply of raw materials is at risk, we haves a dedicated program focused on securing the best possible prices and ensuring a reliable supply of raw materials. In line with our nature-positive strategy, Holcim aims at reducing its dependence on nature. We are committed to continuous innovation in our materials and production processes. Our researchers at the Holcim Innovation Center in Lyon France and at our Technology Center in Switzerland continuously work on solutions to develop sustainable solutions to drive circular construction, with solutions to reduce, recycle and reuse materials and natural inputs.

NATURE RISK NEW PRODUCTION PROCESSES AND TECHNOLOGIES FOR RESOURCE SAVING AND EFFICIENCY

Description	Potential impact	Our response
Holcim's inability to be at the forefront of new production processes and technologies that might offer more sustainable or efficient ways to produce building materials could disrupt existing operations, create new competitive pressures and hinder our sustainability targets.	The market is demanding not only low-carbon but also nature-driven products and solutions. Failure to implement new production processes and technologies that would lower our impact on biodiversity and nature while increasing our operational efficiency could lead to a loss of market share and reputational damages. In the meantime, project management contingencies such as an inability to secure resources, inefficient technological knowledge and site limitations could delay our progress and lead to unexpected costs. Increasing pressure on freshwater availability and competition for valuable waste streams will only exacerbate these challenges, making investment in new production processes and technologies for resource saving and efficiency crucial to maintain our competitive edge and comply with new nature-related regulations.	Our researchers at the Holcim Innovation Center in Lyon, France and at our Technology Center in Switzerland are actively investing in research and development to explore and adopt new production processes and technologies - to preserve natural resources and biodiversity while improving operational efficiency. Our sites have already implemented production processes and technologies that reduce our dependence on virgin raw materials with, for example, the use of cement waste-derived materials, and natural resources with, for instance, investments in mature water management systems focused on optimizing consumption through improved rainwater capture, water recycling, and retention basins.

NATURE RISK REPUTATIONAL DAMAGE

Description	Potential impact	Our response
Potential negative perceptions from local communities, authorities, non-governmental organizations related to Holcim's dependencies on nature, as well as Holcim's actual or perceived impact on nature and/or impacts of activities upstream and/or downstream in a value chain, leading to damage on Holcim's brand image.	Negative publicity stemming from a lack of transparency or stakeholder engagement during mining projects and their development could erode public trust, damage the company's brand image, and ultimately impact its financial performance. This could also lead to reduced investor confidence, boycotts of Holcim products, community protests, and difficulty attracting and retaining talent.	Holcim conducts a continuous active engagement with relevant stakeholders from the planning phase of a mining project and throughout its development. This is fundamental to understand stakeholder needs and establish trust in developing the quarry rehabilitation, biodiversity management and water stewardship plans. This ongoing stakeholder engagement enables us to better understand stakeholder issues, address them and gain stakeholder trust. The Human Rights Directive is the reference document for planning and implementing stakeholder engagement activities. The key elements to make this viable are as follows: (1) Assess the level of stakeholder engagement that is required in order to develop and execute a Quarry Rehabilitation, Biodiversity Management and Water Stewardship Plan. (2) Relevant stakeholders must be identified according to local conditions and must be consulted in the planning process. (3) Not engaging with relevant local stakeholders is unacceptable. (4) Opportunities for developing strategic partnerships and engaging in a multi-stakeholder collaboration should be explored. (5) A communication plan must be put in place according to local needs and embedded in the overall communication strategy of the country.

NATURE RISK LIABILITY ARISING FROM LEGAL CLAIMS

Description	Potential impact	Our response
Legal actions taken against Holcim arising from local communities, authorities and non-governmental organizations, due to non-compliance with environmental regulations related to our activities' impacts and dependencies on nature and biodiversity, can lead to financial losses and reputational damage.	Legal claims represent a significant risk to our company, potentially affecting our commitment to responsible operations and our financial performance. Legal settlements and potential fines due to environmental damage or violations to nature-related policies can lead to financial losses. Moreover, ongoing legal proceedings and regulatory scrutiny can disrupt operations, resulting in project delays and increased operational costs. In addition, negative publicity stemming from legal claims can damage Holcim's brand reputation while undermining public trust, and adversely affect customer relationships.	We have already taken proactive steps to respond to evolving nature-related policies, as well as to protect and preserve biodiversity-sensitive areas that could be negatively affected by our activities. We are committed to transparency and accountability and openly communicate our environmental performance. Furthermore, we conduct proactive and active community engagement with relevant stakeholders and continuously address their potential concerns through the lifecycle of all our projects.

IDENTIFYING HOLCIM'S NATURE-RELATED IMPACTS AND DEPENDENCIES

In order to complement this bottom-up assessment, we leverage the latest technology for biodiversity and ecosystem mapping and anchor the nature risks and opportunities assessment as part of our climate and nature resilience and adaptation program, which also includes a detailed view of the nature-related impacts and dependencies of our operations.

Holcim's nature-related impacts and dependencies are assessed using the tool Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) and the SBTN Materiality screening tool to identify the impacts. Water use, land use including biodiversity, solid waste and greenhouse gas emissions have been identified as our most material nature-related impacts and dependencies.

Furthermore, the company uses the Integrated Biodiversity Assessment Tool (IBAT) to assess all extractive sites (within a five-kilometer buffer), identify priority locations with high biodiversity importance and help prioritize actions in these areas. All of the company's extractive sites are required to assess their importance in relation to biodiversity through an internal evaluation methodology, the Biodiversity Importance Category (BIC).

The IUCN-partnered methodology, Biodiversity Indicator and Reporting System (BIRS), assesses site-level biodiversity impacts, determines how habitats and ecosystems are affected, evaluates mitigation and rehabilitation measures and guides measurement and reporting of management activities. The BIRS biodiversity baselines for all managed land were established in 2024 and Holcim will use the same method to confirm the company's positive biodiversity impact by 2030.

Finally, Holcim validates all gathered information through stakeholder consultations, collecting quantitative inputs from almost 400 stakeholders, both internal and external, to define all material priorities (including environmental ones) for the company. It complements this quantitative analysis with stakeholder interviews to obtain a deeper qualitative understanding of their views.

Holcim's confirmed nature-related impacts and dependencies are then considered in the overall Enterprise Risk Management (ERM) process and integrated into the company strategy.

CLIMATE AND NATURE RISKS AND OPPORTUNITIES CONTINUED

NATURE OPPORTUNITY OPERATIONAL EFFICIENCY AND REDUCED DEPENDENCE ON NATURAL RESOURCES

Description	Our response
Any action toward greater resource efficiency (processes requiring fewer natural resources, substitution of natural resources by recycled, regenerative, renewable and/or ethically responsibly sourced organic inputs) has multiple benefits. For example, by using less natural resources such as freshwater we can also reduce costs and/or improve operational efficiency. This may result in a reduction in operational costs and enhanced profitability, while protecting our reputation.	Holcim's commitment to reduce its nature impact involves numerous initiatives related to resource efficiency. Using our ECOCycle® circular technology, we have implemented circular solutions that allow us to reduce our dependence on raw materials and build new from old, using recycled materials in solutions that incorporate recycled construction demolition materials. Moreover, Holcim aims to reduce freshwater withdrawals with measurable targets by 2030 in its most material business segments, i.e. cement, aggregates, and ready-mix.. Holcim also implements energy efficiency projects to reduce fuel consumption and emissions by promoting the use of alternative fuels and resources, including biomass, waste-derived fuels and recycled materials.

NATURE OPPORTUNITY GROWING DEMAND FOR BIODIVERSITY AND NATURE-DRIVEN PRODUCTS AND SOLUTIONS

Description	Our response
Changing market dynamics include changes in consumer preferences. Any current and anticipated opportunities arising from, for example, consumers asking for more sustainable products with benefits in addition to low CO_2, such as cement with a lesser impact on biodiversity (quarry management), concrete using less freshwater, aggregates positively impacting biodiversity, have the potential to increase our market share in such product ranges. Hence we would benefit from a premium and create added value for the customer and the society.	Holcim is actively expanding its portfolio to meet the growing demand for products and solutions with less impact on biodiversity and nature through circularity initiatives that reduce our use of primary raw materials and natural resources. Holcim is also committed to rehabilitating its quarries to restore biodiversity and create valuable green spaces.

NATURE OPPORTUNITY REPUTATIONAL CAPITAL

Description	Our response
Activities that support the protection, regeneration or restoration of habitats and ecosystems, including areas both within and outside the organization's direct control, drive positive changes in perception around Holcim's nature impacts. Protection, regeneration or restoration of areas with high biodiversity value could increase revenue due to improved reputation as well as increase market valuation through resilience planning. Changes in Holcim's brand value due to the reputational impact of nature-related issues could positively affect our relationships with communities, regulatory bodies and employees/potential employees.	Holcim publishes a detailed Climate Report and provides transparent information on our nature-related impacts and progress toward our nature-positive goals. This includes detailed information on our biodiversity conservation, water management and land restoration efforts. Holcim's development of products and solutions based on processes aimed at resource savings and efficiency demonstrates our commitment to creating positive impact and contributing to a more sustainable built environment.

SCENARIO ANALYSIS

Holcim has developed two distinct and plausible climate change scenarios, including one aligned with the Paris Agreement, to test the resilience of the organization's strategy in light of different climate change futures.

In line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, Holcim has continued to develop distinct and plausible climate change scenarios to test the resilience of the organization's strategy in light of different climate change futures. Two scenarios were considered to present Holcim's assessment of climate-related transitional and physical risks. A "Paris Agreement-aligned" scenario (aligned with 1.5°C) and an "Ineffective Collective Action Against Climate Change" scenario (aligned with 3–5°C).

The Paris Agreement-aligned scenario is favorable for Holcim, its shareholders and the global community. New market conditions will support growing demand for low-carbon products and solutions, increasing our market share in low-carbon cement and concrete as well as solutions to reduce the emissions of the built environment. Holcim's sustainability leadership brings strategic resilience to the Group, and Holcim is well positioned to build on its net-zero journey and help create a net-zero future that works for people and the planet.

A slower pace of transformation will lead to an "Ineffective Collective Action Against Climate Change" scenario, as the construction value chain continues to be fragmented and stimuli are not yet in place to decarbonize at the pace and scale required. While this is not Holcim's strategic direction, the Group will adapt to cover the market needs while continuing to drive circular and low-carbon construction and invest in less carbon-intensive production technologies.

In all cases, Holcim is well positioned for the future, with its leadership in ready-mix concrete and the expansion of its Solutions & Products segment. Concrete is versatile, affordable, insulating and infinitely recyclable. In addition, it is resilient, durable, fire and earthquake resistant, protecting our cities and infrastructure from natural disasters. For all these reasons, concrete is a must for climate change adaptation and there is currently no viable substitute at scale.

At the same time, Solutions & Products' technologies and innovations deliver sustainable and energy-efficient solutions for the built environment. These will be crucial in the coming decades, regardless of the climate change scenario.

This chapter aims to summarize the outcome of Holcim's climate-related scenario analysis. Holcim will continue to develop its climate scenarios analysis to understand emerging opportunities and mitigate potential risks associated with climate change.

Holcim considers the impact of each climate change scenario on our ambition to become a net-zero company by 2050 as well as a leader in sustainable and innovative construction materials and solutions, delivering profitable growth in a low-carbon economy. Depending on the particular risk or opportunity, our analysis is based on both quantitative and qualitative assessments. These scenarios do not constitute definitive outcomes for Holcim. The scenario analysis exercise relies on assumptions that may or may not materialize, and scenarios may be impacted by additional factors to the assumptions disclosed.

PARIS AGREEMENT-ALIGNED SCENARIO

In the Paris Agreement-aligned scenario, governments and industries are aligned to make carbon neutrality possible. The cement industry is making significant efforts toward net-zero development and innovation, while climate change mitigation and adaptation are growing in importance. Carbon capture, utilization and storage technologies are developing at a pace consistent with the industry's transition to net zero. Demand for low-carbon and material-efficient solutions, solutions that reduce the emissions of the built environment, and those that mitigate the impacts of climate change, is accelerating. Physical impacts of climate change are manageable without significant business or societal disruption. Holcim's sustainability leadership brings strategic resilience to the company. Holcim is well positioned to advance on its net-zero journey and build a net-zero future that works for people and the planet.

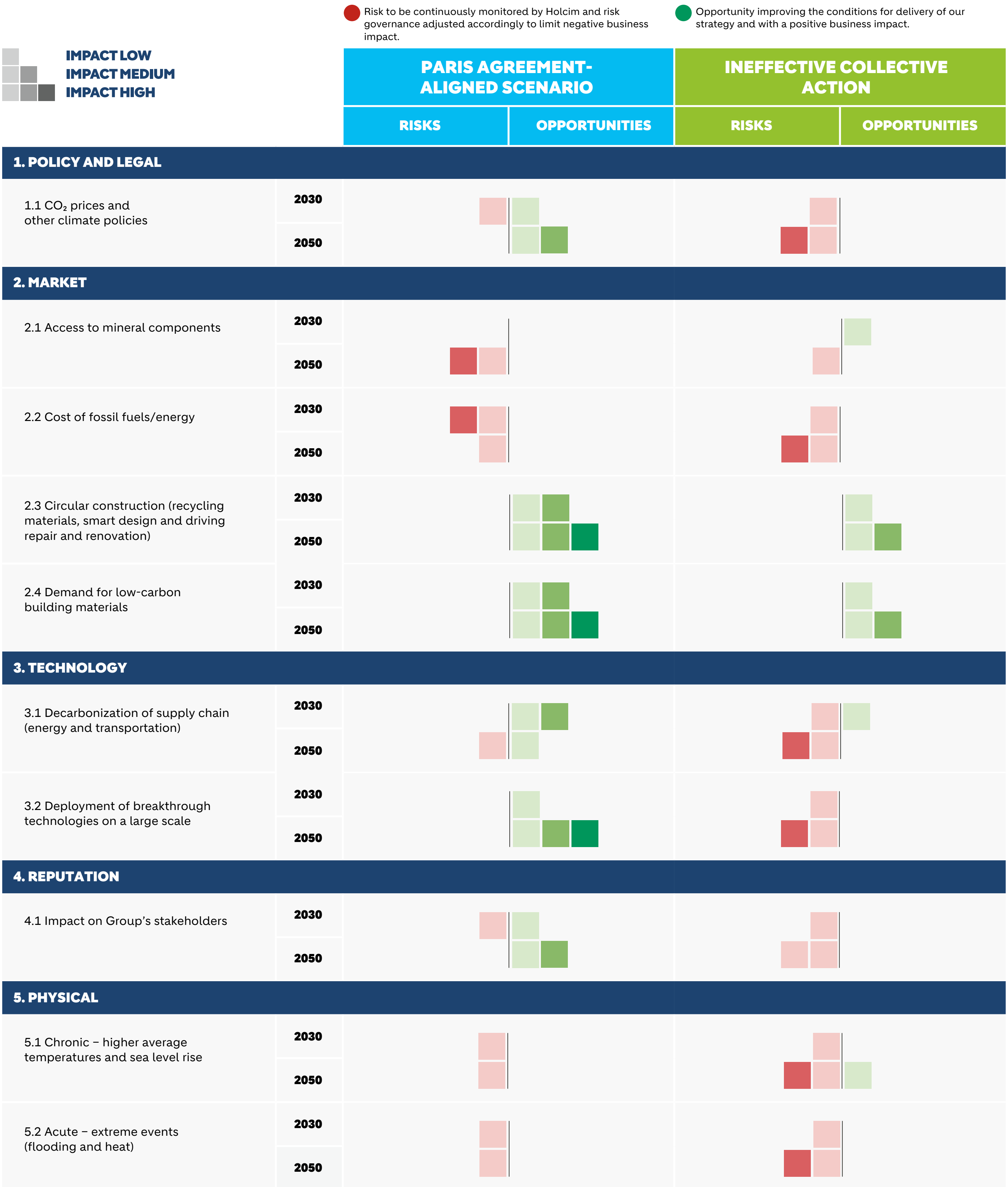
INEFFECTIVE COLLECTIVE ACTION AGAINST CLIMATE CHANGE SCENARIO

Ineffective collective action against climate change creates a misalignment between our efforts to reach net-zero emissions and the applicable regulations, resulting in a competitive disadvantage that a zero-carbon strategy imposes on our company in relation to other companies and sectors. Limited benefits would be drawn from the development of low-carbon and material and energy-efficient solutions. Physical impacts of climate change are severe, including water stress and extreme weather events. Holcim develops a strong response strategy to protect its assets and adapt to new market demand characteristics.

	PARIS AGREEMENT-ALIGNED SCENARIO	INEFFECTIVE COLLECTIVE ACTION AGAINST CLIMATE CHANGE
Temperature range by 2100	1.5°C	3°C – 5°C
Reference scenarios	IEA net-zero Emissions Scenario (NZE) Source: IEA World Energy Outlook 2024	IEA Stated Policies Scenario (STEPS) Source: IEA World Energy Outlook 2024 IEA Reference Technology Scenario (RTS) Source: IEA Technology Roadmap – Low-Carbon Transition in the Cement Industry (2019)
Carbon Emissions Pathway, IPCC 6th Assessment Report Used for physical risk assessment	Carbon Emissions Pathway: SSP1-2.6	Carbon Emissions Pathway: SSP5-8.5
Cement demand	Trend following NZE: Growth in emerging markets until 2030. From 2030–2050 demand decreases due to smart design	Trend following RTS until 2030: Growth in emerging markets until 2030. Marginal growth after 2030
CO_2 price (USD/T CO_2)	NZE: Advanced economies with net zero pledges: 2030: 140, 2050: 250 Selected emerging markets with net zero pledges: 2030: 90, 2050: 200 Selected emerging markets: 2030: 25, 2050: 180 Other emerging markets: 2030: 15, 2050: 55	STEPS: EU: 2030: 140; 2050: 158 Canada: 2030: 126; 2050: 126 Other selected markets: 2030: 21–56, 2050: 28–89

SCENARIO ANALYSIS

SCENARIO IMPACTS



	PARIS AGREEMENT-ALIGNED SCENARIO	INEFFECTIVE COLLECTIVE ACTION AGAINST CLIMATE CHANGE SCENARIO
1. POLICY AND LEGAL	Consistent with our net-zero strategy, reliable and stable carbon prices in all regions facilitates long-term investment decisions in low-carbon technologies and encourages significant changes across the building material and construction value chain. It will also support the collective effort to create a CO_2 transportation and storage network at large scale, in line with the needs of other industries.	The limited number of CO_2 pricing schemes hampers deployment of breakthrough technologies at the pace needed, making it more challenging for Holcim to deliver on its net-zero target. Also, with fragmented decarbonization efforts in the construction value chain, it is more difficult to benefit from the competitive advantage offered by a low-carbon footprint.
2. MARKET	While decarbonization of the construction value chain progresses, focus is on reducing operational emissions in the built environment, and circular construction is progressively endorsed by norms and regulations globally. This results in higher demand for low-carbon and circular building materials, and for our Solutions & Products segment. Simultaneously, as the steel and energy industries decarbonize, the availability of supplementary materials such as fly ash or slag decreases. Holcim mitigates this risk by securing sources of limestone, construction demolition materials or byproducts from other industries, but also by investing in calcined clay facilities and developing novel cements with new binders. With the progressive transition to decarbonized energy sources, Holcim's dependency on fossil fuel decreases.	As there are few regulatory incentives to use low-carbon products and to recycle, there is a limited increase in sales of our low-carbon cement and concrete. Demand for our circular materials and our products and solutions will be driven by urbanization, the need to protect natural resources and increased fossil fuel prices. By 2030, while the average clinker factor reduces moderately, the availability and cost of mineral components will remain virtually unchanged compared with today's levels. By 2050, the price of these materials modestly increases as some decarbonization of industries is underway, leading to a limited negative impact. However, with the slower transition to decarbonized energy sources, demand for fossil fuels remains strong.
3. TECHNOLOGY	Holcim will benefit from the overall decarbonization efforts in society thanks to: (1) Earlier readiness and affordability of breakthrough technologies, such as kiln electrification, hydrogen and – most importantly – CCUS. (2) Efforts in our own value chain/with suppliers, which will reduce our Scope 3 emissions. Additionally, we expect the production of supplementary cementitious material such as calcined clay to mature.	Holcim will need to make significant additional efforts to reach its Scope 1 targets, as governments are slow to implement the necessary policies to scale up breakthrough technologies, such as kiln electrification, hydrogen and CCUS and the associated networks and infrastructure. Scope 3 targets are challenged, as suppliers do not decarbonize at the necessary pace.
4. REPUTATION	In the short term, Holcim's cement production segment remains in the spotlight as a CO_2-intensive business, bringing reputational risks. However, as the net-zero roadmap is delivered and Holcim is seen as a keen contributor to climate change mitigation, its reputation, trust and credibility grow and the strategy is aligned with stakeholders' expectations.	The slow pace of the required regulatory incentives will pose additional challenges for Holcim's decarbonization journey, progressively increasing associated reputational risks.
5. PHYSICAL	Extreme precipitation and flooding impacting sites and supply chains in affected areas will require further protective measures and mitigation plans. Today, 26% of our sites are located in areas with medium to extremely high water stress, which explains why appropriate governance and management in water consumption, recycling and treatment are already required.	Extreme weather events such as torrential precipitation, flooding, drought and excessive heat days will increase significantly in frequency and intensity. In the long term, these may be considerably more intense, and mean that protection measures at existing locations are insufficient. This could have severe financial impacts on sites and supply chains and could potentially jeopardize the economic viability of some of our operations. Further risks, such as wildfire and windstorms, will increase and become significant threats. An opportunity is presented by the development of our Solutions & Products business segment, which offers integrated solutions and systems specifically designed to tackle climate change challenges -by increasing energy efficiency, providing cooling effects, extending the longevity of building materials and enhancing options to generate renewable energy.

MANAGEMENT DISCUSSION & ANALYSIS

Battersea Power Station in London, UK, was retrofitted using Holcim's sustainable building solutions

IN THIS SECTION

This management discussion and analysis should be read in conjunction with the shareholders' letter and the individual reports for the Group operating segments.

GROUP PERFORMANCE

		2024	2023	±%	±% Growth in local currency	±% organic growth
Net sales	Million CHF	**26,407**	27,009	-2.2%	+1.3%	+0.2%
Recurring operating costs	Million CHF	**(19,994)**	(20,935)	-4.5%		
Recurring EBITDA after leases	Million CHF	**6,677**	6,378	+4.7%	+9.1%	+8.4%
Recurring EBIT	Million CHF	**5,049**	4,760	+6.1%	+10.8%	+10.5%
Recurring EBIT margin	%	**19.1**	17.6	+150bps		
Operating profit (EBIT)	Million CHF	**4,642**	4,577	+1.4%		
Net income Group share	Million CHF	**2,926**	3,060	-4.4%		
Net income before impairment and divestments Group share	Million CHF	**3,185**	3,089	+3.1%		
Earnings per share before impairment and divestments	CHF	**5.70**	5.42	+5.3%		
Cash flow from operating activities	Million CHF	**5,667**	5,470	+3.6%		
CapEx	Million CHF	**1,477**	1,408	+4.9%		
Free Cash Flow after leases	Million CHF	**3,801**	3,705	+2.6%		
Return on Invested Capital (ROIC)	%	**11.2**	10.6	+60bps		
Net financial debt	Million CHF	**8,448**	7,896	+7.0%		
Debt leverage	times	**1.2**	1.2			

FINANCIAL HIGHLIGHTS

26,407M

Net sales CHF
+0.2% organic growth
2023: CHF 27,009M

5,049M

Recurring EBIT CHF
+10.5% organic growth
2023: CHF 4,760M

19.1%

Recurring EBIT margin
2023: 17.6%

5.70

EPS before impairment and divestments CHF
+5.3% EPS growth
2023: CHF 5.42

3,801M

Free Cash Flow CHF
57% cash conversion
2023: CHF 3,705M

11.2%

ROIC
2023: 10.6%

Year of highlights

Shifting from volume to value and supported by acquisitions, net sales for the full year 2024 stood at CHF 26,407 million in challenging market conditions. Net sales in local currency grew by 1.3% with growth in the most attractive markets and positive price developments in cement, aggregates and ready-mix. The appreciation of the Swiss franc against several currencies affected net sales negatively by 3.5%, a more moderate impact than in the previous year (6.8%).

Recurring EBIT reached a new record of CHF 5,049 million for the full year 2024 and grew by 6.1% in Swiss franc compared with the full year 2023. The Recurring EBIT margin continued to expand and reached 19.1%, 150 basis points higher than in 2023. The Group's strong performance is the result of increased contributions from all segments, including Solutions & Products. Recurring EBIT growth of 10.8% in local currency was negatively impacted by the appreciation of the Swiss franc against several currencies by 4.8%.

Earnings per share before impairment and divestments reached a new record level of CHF 5.70 for the full year 2024, compared with CHF 5.42 in 2023. Since 2018, Holcim has delivered outstanding growth in earnings for shareholders with a compound annual growth rate (CAGR) of 13.8%.

Holcim delivered Free Cash Flow of CHF 3,801 million, a new record for the Group, with a cash conversion of 57%. In 2024, Holcim's ratio of Net financial debt to Recurring EBITDA was 1.2. The Net financial debt amounted to CHF 8,448 million at the end of 2024.

Return on Invested Capital (ROIC) was 11.2% in 2024, significantly higher than Holcim's Strategy 2025 target and up by 60 basis points compared with 2023. These indicators reflect Holcim's resilient performance culture, financial strength and strong balance sheet.

Decarbonization is driving profitable growth

In 2024, Holcim made significant progress in expanding its sustainable building solutions. ECOPlanet sales in the Group's cement portfolio increased from 19% in 2023 to 26% of cement net sales, and ECOPact sales increased from 19% in 2023 to 29% of ready-mix net sales.

By establishing decarbonization as one of the key drivers of future profitable growth, Holcim is making notable progress by consistently improving its thermal substitution ratio, reducing the clinker factor of cement and innovating in alternative raw materials.

Continuing to make progress by investing in carbon capture, utilization and storage (CCUS) projects, in October 2024, the EU Innovation Fund (EUIF) selected the CCUS CarboClearTech project in Martres-Tolosane, France for a grant. In Spring, Europe also celebrated the groundbreaking ceremonies for two flagship CCUS projects: Carbon2Business in Lägerdorf, Germany, and GO4ZERO in Obourg, Belgium. As of the end of 2024, seven full-scale CCUS projects across Europe have been selected for grants by the EUIF. These include projects in Belgium, Croatia, France, Greece, Germany and Poland.

Value-accretive M&A

Holcim continued to sharpen its footprint to focus on the most attractive markets and business segments, to ensure we remain at the cutting-edge of the industry, with 22 value-accretive acquisitions and five divestments in 2024.

Holcim strengthened its Solutions & Products segment with four acquisitions in Europe, Latin America, and North America. These include ZinCo (green roofing systems), Tensolite (precast and prestressed concrete construction systems) and OX Engineered Products (insulation systems).

In 2024, Holcim acquired four businesses specialized in recycling construction demolition materials (CDM), including Mendiger Basalt in Germany, Land Recovery in the UK, Cand-Landi in Switzerland and Mark Desmedt in Belgium.

To strengthen its footprint in Latin America, the Group expanded in Guatemala and entered the Peruvian market by acquiring Comacsa and Mixercon. In Asia Pacific, Holcim's joint venture Cement Australia signed an agreement to acquire a division of the Buckeridge Group of Companies (BCG), expanding its presence in Western Australia. The transaction is subject to regulatory approvals.

Pursuing its ongoing portfolio optimization in 2024, Holcim closed the divestments of its activities in Uganda, Tanzania, South Africa, Russia and Kenya. Holcim also signed an agreement with Huaxin Cement to sell its Nigerian business. The transaction is subject to customary and regulatory approvals.

On 28 January 2024, Holcim announced its intent to list its North American business in the U.S. with a full capital market separation. Holcim is progressing on the planned full capital market separation of its North American business, planned by way of a 100% spin-off to be listed on the New York Stock Exchange. The spin-off is planned as a domestic issuer under SEC rules, reporting in US GAAP and seeking inclusion in relevant US equity indices. An additional listing on the SIX Swiss Exchange is planned to accommodate European investors. The planned spin-off is subject to shareholder approval at the Holcim Annual General Meeting on 14 May 2025, and is expected to occur by the end of the first half 2025. Completion of the planned spin-off is subject to customary approvals.

Health & Safety

Health, Safety and Environment (HSE) are core values at Holcim. In 2024, our Lost Time Injury Frequency Rate (LTIFR) fell to 0.39, with 98% of our sites and 42% of countries reporting zero lost-time injuries (LTIs).

Sadly, during 2024, two employees lost their lives in work-related incidents. Holcim is committed to ensuring a safe, healthy workplace and will not rest until it reaches zero.

In 2024, Holcim made progress toward zero environmental impact by completing over 150 projects globally: diverting 63,000 tons of waste from landfill, recycling 1.8 million m^3 of water, and reducing Scope 2 CO_2 emissions by 45,000 tons. Real-time monitoring systems and focus projects enhanced emissions governance, cutting absolute dust (−42%), SO_2 (−1.6%), and NO_x (−5.6%) emissions.

Sustainability at the core of Holcim's strategy

Holcim's strong sustainability focus is embedded within all operations and is oriented around four key pillars: climate and energy, nature, people and circular economy.

In keeping with its purpose of building progress for people and the planet, Holcim was the first global building materials and solutions company to have its 2030 and 2050 net-zero targets validated by the Science Based Targets initiative (SBTi) for all scopes.

In 2024, Holcim made strong progress toward its targets, which are in line with the 1.5°C framework. The Group reduced its clinker factor, used more alternative fuels and raw materials and increased its use of renewable energy. We also continued investing in breakthrough technologies such as carbon capture utilization and storage (CCUS). As of the end of 2024, Holcim secured seven investments from the European Union (EU) Innovation Fund for its breakthrough CCUS projects.

Holcim is committed to creating a high-performance culture of empowerment, lifelong learning and development. A diverse and inclusive culture where everyone can develop the skills they need to thrive. With 65,000 employees worldwide, Holcim is committed to fully realizing their potential and making a positive difference to the world.

Circular construction is a driver of profitable growth. We are committed to building new from old, reducing our use of primary materials and minimizing waste. This year, Holcim reached its target of recycling at least 10.2 million tons of construction demolition materials (CDM) a year ahead of schedule. The Group now operates over 150 recycling centers worldwide in or near major metropolitan areas in which Holcim operates.

Holcim is committed to replenishing freshwater and increasing biodiversity based on transformative rehabilitation plans. These goals were set out in our nature strategy and are supported by the Nature Policy. In 2024, Holcim was named by the Science Based Targets Network (SBTN) as one of the first three companies globally to adopt science-based targets for nature.

Sustainable finance framework

Recognizing the role of sustainable finance in supporting the transition to a low-carbon and more resource-efficient economy, Holcim put in place its Sustainable Finance Framework allowing for the issuance of green finance instruments as well as sustainability-linked instruments.

The framework is aligned with best practices as confirmed by ISS ESG, which issued the second-party opinion:

- EU Taxonomy
- Green Bond Principles and the Sustainability-Linked Bond Principles published by the International Capital Markets Association (ICMA)
- United Nations Sustainable Development Goals (SDGs)

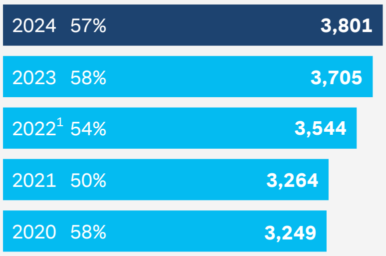
The framework will further support transparency and accountability with regard to the Group's environmental impacts and sustainability strategy in respect of investors, banks and other stakeholders in the market and society. Combining green and sustainability-linked features in a single document enables Holcim to demonstrate its environmental performance ambitions through quantifiable metrics, while also highlighting the key projects underpinning the continuous improvement of those metrics.

Holcim intends to pursue its journey with sustainable finance instruments in the capital, money and loan markets, putting core sustainability projects linked to climate, renewable energy, circular economy, clean transport and biodiversity at the heart of its financing strategy. To make a bigger impact, the company committed to increasing the share of sustainable financing to more than 40% by the end of 2025. This ratio was already achieved in 2023 and was maintained in 2024.

FINANCING HIGHLIGHTS

FREE CASH FLOW AND CASH CONVERSION

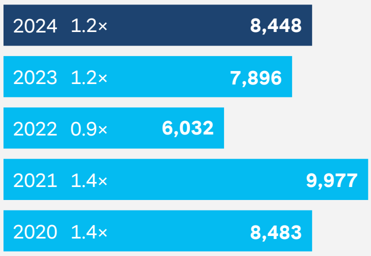
CHF M



[1] Before resolution with U.S. Department of Justice (DOJ).

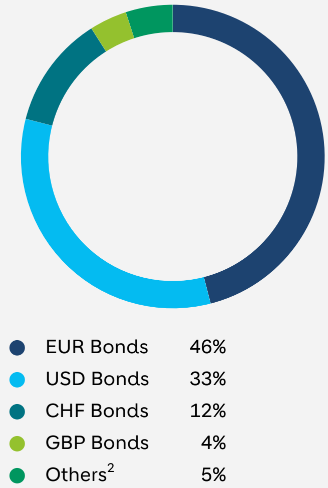
LEVERAGE RATIO × NET FINANCIAL DEBT

CHF M



CAPITAL MARKET FINANCING AS OF 31 DECEMBER 2024[1]

CHF 10,941M



[1] After swap.
[2] USD and EUR private placements.

SUSTAINABILITY HIGHLIGHTS

CO_2 REDUCTION

4%

Reduction in CO_2 per net sales[1]

CIRCULAR CONSTRUCTION

+20%

Recycling of Construction Demolition Materials[2]

CCUS PROJECTS

7

CCUS projects in execution with EU funding

[1] 2024 Scope 1 + Scope 2 CO_2 emissions per million of net sales compared to 2023.
[2] Compared to 2023.

Financing profile

Holcim has a strong financing profile with 79% of financial liabilities financed through various capital markets and 21% through banks and other lenders. There are no major positions with individual lenders. The average maturity of financial liabilities was 6.0 years as of 31 December 2024. The Group's maturity profile is well balanced with a large share of mid- to long-term financing.

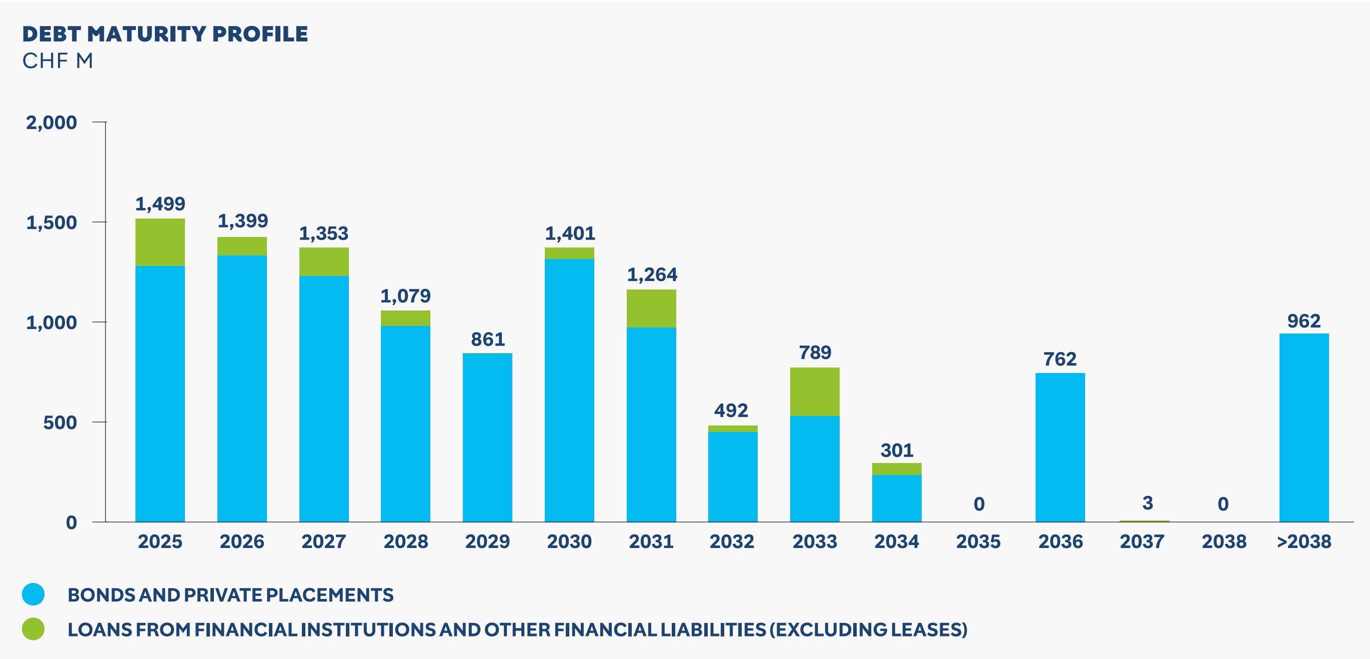
Maintaining a favorable credit rating is one of the Group's objectives and hence Holcim gives priority to achieving its financial targets while retaining a solid investment-grade rating (current rating information is provided on page 129). As of 31 December 2024, the average nominal interest rate on financial liabilities remained stable at 3.2%, unchanged from the previous year.

Note 14 contains detailed information on financial liabilities.

Liquidity

To secure liquidity, the Group held cash and cash equivalents of CHF 5,347 million on 31 December 2024. This cash is mainly invested in term deposits held with a large number of banks on a broadly diversified basis and in short-term money market funds. The counterparty risk is continuously monitored on the basis of clearly defined principles as part of the risk management process. As of 31 December 2024, Holcim had unused committed credit lines of CHF 4,883 million.

Current financial liabilities as of 31 December 2024 of CHF 1,842 million are comfortably covered by existing cash, cash equivalents and unused committed credit lines.



Foreign exchange sensitivity

The Group has a global footprint, generating the majority of its results in currencies other than the Swiss franc. Only about 2.4% of net sales are generated in Swiss francs.

Foreign currency volatility has little effect on the Group's operating profitability. As the Group produces a very high proportion of its products locally, most sales and costs are incurred in the respective local currencies. The effects of foreign exchange movements are therefore largely restricted to the translation of local financial statements for the consolidated statement of income. As a large part of the foreign capital is financed with matching transactions in local currency, the effects of foreign currency translation on local balance sheets for the consolidated statement of financial position have not, in general, resulted in significant distortions in the consolidated statement of financial position.

The following sensitivity analysis presents the effect of the main currencies on selected key figures of the consolidated financial statements. The sensitivity analysis only factors in effects that result from the conversion of local financial statements into Swiss francs (translation effect). Currency effects from transactions conducted locally in foreign currencies are not included in the analysis.

The following table shows the effects of a hypothetical 5% depreciation of the respective foreign currencies against the Swiss franc.

Sensitivity analysis

Million CHF	2024	USD	EUR	CAD	GBP	Latin American basket (MXN, ARS, COP)	Asian basket (AUD, CNY, PHP, BDT)	Middle East African basket (NGN, DZD, EGP, IQD)
		Assuming a 5% strengthening of the Swiss franc, the impact would be as follows:						
Net sales	**26,407**	(431)	(235)	(125)	(86)	(114)	(100)	(60)
Recurring EBIT	**5,049**	(97)	(28)	(24)	(7)	(39)	(20)	(19)
Cash flow from operating activities	**5,667**	(88)	(50)	(23)	(7)	(23)	(19)	(23)
Net financial debt	**8,448**	(134)	(283)	26	(27)	5	16	15

EU TAXONOMY

Background

The Taxonomy Regulation (EU) 2020/852 is a cornerstone of the European Green Deal's sustainable finance strategy. It introduces a classification framework to identify economic activities deemed environmentally sustainable, with the objective of channeling capital flows toward activities and technologies that support the green transition.

The EU Taxonomy defines the conditions and criteria for assessing the environmental sustainability of economic activities.

An activity is classified as "eligible" if it is defined in the EU Taxonomy Delegated Acts issued by the European Commission.

For an eligible activity to be deemed environmentally sustainable (i.e., "eligible and aligned"), it must meet the following criteria:

1) Substantial Contribution: The activity must contribute significantly to at least one of the six environmental objectives:

2) Do No Significant Harm (DNSH): The activity must not adversely impact any of the other environmental objectives.

3) Minimum Safeguards: The activity must comply with fundamental social and governance safeguards.

SIX ENVIRONMENTAL OBJECTIVES

1 Climate change mitigation (CCM)

2 Climate change adaptation (CCA)

3 Sustainable use and protection of water and marine resources (WTR)

4 Transition to a circular economy (CE)

5 Pollution prevention and control (PPC)

6 Protection and restoration of biodiversity and ecosystems (BIO)

In 2023, Holcim established a sustainable finance framework to facilitate the issuance of green financial instruments. These instruments aim to finance activities already aligned with the EU Taxonomy Regulation or to support the transformation of cement activities to meet alignment criteria. As of the end of 2024, Holcim has not issued any green financial instruments. For further details, refer to Note 14 of the Consolidated Financial Statements (page 318).

Holcim Ltd, as a Swiss-based company, is not currently required to report under the EU Taxonomy Regulation. Recognizing the EU Taxonomy's pivotal role in advancing green financing across Europe, the Group has proactively opted to voluntarily disclose the framework. Starting with its 2023 reporting, Holcim focused on cement and insulation products. In 2024, the company expanded its commitment by implementing standardized templates and tools across the Group, broadening the EU Taxonomy assessment to include eligible activities under all six environmental objectives.

Holcim views the EU Taxonomy as an essential tool to advance its sustainability strategy, aligning with its goals in respect of decarbonization, circular economy initiatives, and sustainable product development. The activity-based criteria set by the EU Taxonomy provide a framework that integrates the construction industry's entire value chain, an area where Holcim is actively engaged and making a significant impact.

Assessment of eligibility

EU Taxonomy-eligible activities correspond to those listed and described in the EU Taxonomy Delegated Acts. Holcim has identified the following eligible activities:

- Manufacture of energy efficiency equipment for buildings (CCM 3.5): The eligible activity mainly pertains to Holcim Elevate insulation boards manufactured in Europe and the U.S., the spray foam manufactured and commercialized solely in the U.S. market, as well as other insulation products such as Airium from France, Algeria and Belgium, External Thermal Insulation Composite System (ETICS) from France and Belgium, and green roofing systems from ZinCo in Europe.

- Manufacture of cement (CCM 3.7): This activity pertains to Holcim's cement operations, encompassing Geocycle operations, which foster the use of alternative fuels and alternative raw materials in cement production as well as activities related to the processing of mineral components, which supply raw materials for the cement manufacturing process. Ready-mix and concrete products, as activities downstream of cement, are not considered eligible under the current Delegated Acts or the specifications outlined in the European Commission's Technical Expert Group (TEG) report published in 2020.

- Material recovery from non-hazardous waste (CCM5.9): The EU Taxonomy defines this activity as "Construction and operation of facilities for the sorting and processing of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes." At Holcim, this primarily encompasses operations processing construction and demolition waste, which supply secondary raw materials for cement, aggregates, and ready-mix production. It also includes certain Geocycle preprocessing platforms when managing non-hazardous waste. The same operations are also assessed and reported under the Circular Economy objective with reference to the activity "Sorting and material recovery of non-hazardous waste (CE2.7)".
- Freight transport services by road (CCM6.6): Holcim employs road vehicles for the transportation of its raw materials and products. While the majority of freight services are provided by third parties, a portion involves Holcim's ownership or leasing of vehicles.

To avoid double counting, when an activity qualifies under multiple environmental objectives, the KPIs associated with Climate Change Mitigation (CCM) are reported in the primary disclosure table. KPIs related to other environmental objectives are presented separately in the annex tables (pages 250, 252 and 254).

Activities with all of their eligible KPIs (turnover, CapEx, and OpEx) below 0.5% are deemed non-material and, as such, are not disclosed.

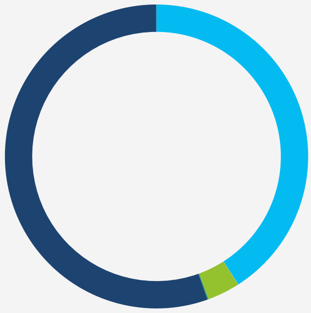
Non-eligible activities

Economic activities that are not recognized by the EU Taxonomy Delegated Acts as making a substantial contribution to one of the EU's climate and environmental objectives are not necessarily harmful or unsustainable.

As the EU Taxonomy Regulation continues to evolve, additional activities may be considered for inclusion in the future. Nonetheless, Holcim's sustainability strategy spans all business areas, driving low-carbon solutions, energy efficiency and circular practices that extend beyond the current scope of the EU Taxonomy. Specifically, activities involved in the manufacture of aggregates, ready-mix, and asphalt are currently not classified as eligible.

EU TAXONOMY-ELIGIBLE ACTIVITIES

TURNOVER[1]



	CHF M	Percent
Manufacture of cement	10,842	41.1%
Manufacture of energy efficiency equipment for buildings, other eligible activities	854	3.2%
Material recovery from non-hazardous waste	26	0.1%
Non-eligible activities	14,685	55.6%
Total	**26,407**	**100%**

[1] Turnover corresponds to net sales to external customers.

Assessment of alignment

To ensure an appropriate interpretation of the EU Taxonomy Regulation and its technical screening criteria, Holcim has established working groups comprising internal and external industry and environmental experts. A prudent approach to the assessment of Taxonomy alignment has been adopted.

Climate change adaptation: To meet EU Taxonomy requirements on DNSH criteria on climate change adaptation, the Group has implemented a climate resilience and adaptation program to identify and mitigate the risks and impacts of the current and future physical climate risks on economic activities, or on people, nature and assets, alongside a timescale up to 2050. The assessment is based on the 2050 Intergovernmental Panel on Climate Change (IPCC) RCP 8.5 pathway projection. This risk and vulnerability assessment has been completed for eligible activities, including currently active operations and future assets (CapEx projects), by site location. Appropriate adaptation action plans have been defined with implementation expected within five years to reduce the material physical climate risks. It is essential to ensure alignment with local, regional and community adaptation plans. The Group encourages the adoption of sustainable adaptation solutions, such as nature-based, green or blue infrastructure. Holcim uses a centralized reporting system that enables all countries to report, update and continuously monitor their adaptation action plans.

Pollution prevention and control: The EU Taxonomy DNSH criteria requires that the activity does not lead to the manufacture, placing on the market or use of the substances of concern defined in a list of EU Directives and Regulations, subject to certain exceptions. Screening of the substances used in the manufacturing process is performed to ensure application of the EU Directives and Regulations required in the EU Taxonomy Regulation.

Protection of water and marine resources: Holcim evaluates the Taxonomy criteria relating to water on the basis of the Holcim Nature Policy, Water Directive and Water Management Standard. Alignment with the DNSH criteria is assessed based on the following conditions: a) A water risk assessment is conducted in accordance with the Group Water Directive based on the World Resources Institute (WRI) Aqueduct tool. b) For sites located in areas with medium, high or very high water risk, a water management program has been implemented. c) All water discharged is fully compliant with local regulations and Holcim's water quality standards. The compliance of discharged water is additionally validated through quarterly verifications, critical controls and audits conducted by the Health, Safety and Environment (HSE) function.

Protection and restoration of biodiversity and Ecosystems: Alignment with DNSH criteria is assessed based on the following conditions: the biodiversity level of each manufacturing site is assessed using the International Union for Conservation of Nature (IUCN) methodology and a Biodiversity Importance Category (BIC) is determined. Sites located in or near globally or nationally recognized sensitive and protected areas are classified as BIC 1 or BIC 2 and have implemented a Biodiversity Management Plan, which includes mitigation and compensation measures.

Minimum safeguards: Holcim ensures compliance with minimum safeguards on human rights, anti-corruption, fair competition, and taxation through due diligence processes in place. Holcim's commitment to respecting and promoting human and labor rights is aligned with the principles and values contained in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, as well as with the internationally recognized rights contained in the International Bill of Human Rights. For further information on Holcim's human rights due diligence process and salient human rights risks identified from business activities, please refer to the sections "Human rights & our communities" (page 114) and "Human rights salient risks" (page 212), respectively.

Compliance with internal and external laws and regulations, including anti-corruption, fair competition and taxation rules, are among the principles of the Holcim Code of Business Conduct and are binding across the entire Group. Refer to the section "Compliance Program" (page 147). Tax governance, tax risk management and compliance are integral to the Group's Tax Directives, and are embedded within Holcim's risk management and internal control systems. Refer to the section "Key financial risks" (page 209) and "Internal control" (page 210).

Specific considerations are included in our methodology to assess the Taxonomy alignment of different eligible economic activities:

For CCM 3.5. Manufacture of energy efficiency equipment for buildings:

- Pollution prevention and control: Screening has been performed for the full list of components for materials used at our insulation and spray foam manufacturing sites to ensure compliance with Appendix C to Annex I of the Climate Delegated Act.
- Circular Economy: With regard to product-specific features and the manufacturing process, Holcim has assessed the techniques available and adopted to support the EU Taxonomy criteria, including the use of secondary raw materials, durability, recyclability, ease of disassembly, adaptability and the waste management program.

For CCM 3.7. Manufacture of cement:

- Manufacturing footprint: Each clinker or cement product involves an activity with a specific manufacturing footprint, including quarrying, clinker production, cement grinding, cement blending, and is individually assessed against all applicable Taxonomy criteria throughout the end-to-end manufacturing process.

- Climate change mitigation: Holcim uses the Global Cement and Concrete Association (GCCA) Sustainability Guidelines for the reporting of CO_2 emissions from cement manufacturing (previously WBCSD CSI Cement CO_2 and Energy Protocol version 3.1). CO_2 emissions from own production of mineral components used as a clinker substitute (such as calcined clay) are included in this calculation. With reference to the EU Sustainable Finance Platform Technical Expert Group report of 2020, the following are excluded from the CO_2 calculation for clinker: a) non-kiln fuel emissions, b) Scope 2 CO_2 from purchased electricity, c) CO_2 emissions from Holcim's own captive power plants.
- Pollution prevention and control: Holcim's Emission Monitoring and Reporting standards apply to the emissions of SO_2, NO_x and dust from kiln stacks. A kiln is considered "Taxonomy aligned for emissions" when it emits pollutants below the limits defined in the EU Best Available Techniques reference document, as follows: 1) Continuously monitored emissions: With regard to the emissions of SO_2, NO_x and dust from kiln stacks, Holcim's Emission Monitoring and Reporting standards apply. Daily average results are calculated and are validated against the ranges defined by Best Available Techniques (BAT) Reference Document for the Production of Cement, Lime and Magnesium Oxide of the Industrial Emissions Directive 2010/75/EU. Data is automatically collected via an integrated plant production system (TiS) and consolidated globally in real time. Alignment assessment is performed by the Group HSE department on a monthly basis. As regards measurement uncertainty, variability is calculated and corrected according to each country's required methodology (e.g., EN 14181, linear regression or fixed reduction percentages), with corrections limited by Industrial Emissions Directive (IED 2.0) thresholds. 2) Non-continuously monitored emissions: Spot measurements are used to assess the kiln's Taxonomy alignment. The dataset used is taken from the Annual Report campaign.

EU Taxonomy CapEx plan

In accordance with its sustainability strategy, Holcim has established an EU Taxonomy CapEx plan in accordance with the requirements of the EU Taxonomy Regulation as an integral part of its annual strategy planning process since 2023. Holcim's EU Taxonomy CapEx plan is established in particular for the purpose of aligning its cement activity to the EU Taxonomy based on the climate change mitigation objective and includes:

- 2023–2032 plan based on individual cement plant development plans
- Group-level prioritization of major CapEx projects, including carbon capture[1], large plant modernization and global assumptions on capacity optimization and target area setting.

Holcim has established a 10-year EU Taxonomy CapEx plan, the maximum duration permitted under the EU Taxonomy Regulation. This timeframe reflects the transitional nature of cement as an activity, recognizing that the decarbonization of cement production and the alignment of all plants with EU Taxonomy criteria require a long-term approach. The transition of the construction market and the adoption of low-carbon construction materials are expected to be gradual. Furthermore, the widespread installation of carbon capture technologies across cement plants is a complex process that cannot be achieved in the short term.

As disclosed in 2023, Holcim has established an EU Taxonomy CapEx plan totaling CHF 4.4 billion, aimed at increasing Taxonomy-aligned cement activities over the period from 2023 to 2032.

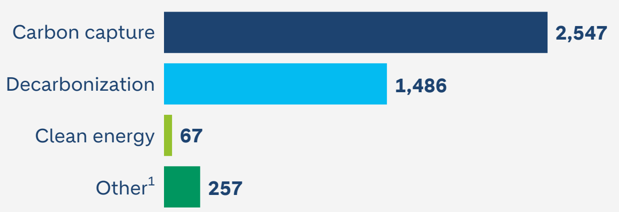
In line with the Group's advanced strategy to streamline its business portfolio, divested entities were excluded from the long-term EU Taxonomy CapEx plan, leading to an additional decrease of CHF 51 million during 2024.

During the 2024 annual mid-term-plan process, the countries reviewed their Taxonomy-aligned CapEx action plans to optimize investments, resulting in a CHF 38 million net adjustment to the Group's overall CapEx plan.

CHF 174 million and CHF 265 million were spent in 2023 and 2024, respectively, with the majority of the expenditure focused on decarbonizing the cement manufacturing process.

As a result, on 31 December 2024, the remaining Taxonomy CapEx plan for the period 2025–2032 amounts to CHF 3.9 billion.

EU TAXONOMY CAPEX PLAN
2023–2032 (CHF M)



[1] Climate change adaptation, air emissions, water, biodiversity and other.

[1] Carbon capture for cement plants is considered to be a key measure impacting the gross CO_2 emissions per ton criteria, provided carbon capture, transport and storage activities comply with EU Taxonomy criteria.

Explanation of key performance indicators

The consolidated EU Taxonomy KPIs comprise those of Holcim Ltd and its consolidated subsidiaries. In 2024, Holcim did not issue any environmentally sustainable bonds to finance Taxonomy-aligned activities and hence did not disclose adjusted KPIs. Based on the definition in Annex I to the Delegated Act under Article 8 of the EU Taxonomy Regulation, the EU Taxonomy KPIs are defined as the following:

Turnover

Turnover denominator: net sales shown in the consolidated income statement pursuant to IFRS 15 Revenue recognition, referring to Note 4.2 of the Consolidated Financial Statements (page 291).

Turnover numerator: Taxonomy-aligned sales correspond to the revenues from the activities that have met all Taxonomy alignment criteria.

In 2024, Holcim achieved CHF 1,648 million in Taxonomy-aligned sales[1] (6.2% of total net sales), an increase of 0.8% from 2023, driven by higher low-carbon cement sales and improved alignment with DNSH criteria for air pollution and climate change adaptation.

Within Holcim Group's intercompany sales, the main Taxonomy-eligible stream consists of CHF 1,297 million in cement produced and sold to other Group entities for ready-mix production, of which CHF 116 million is Taxonomy-aligned. These intercompany sales are excluded from the turnover KPIs.

Capital expenditure (CapEx)

CapEx denominator: the total of additions to property, plant and equipment and intangible assets, including the addition of right-of-use assets for leases recognized under IFRS 16, and the addition of property, plant and equipment and intangible assets resulting from business combinations following purchase price allocation. Refer to Note 11 of the Consolidated Financial Statements (page 306). Grants, including government funding such as EU innovation funds, are deducted from the disclosed CapEx amounts in accordance with Holcim's accounting policy, which aligns with IAS 20.

CapEx numerator: eligible and aligned CapEx is composed of three parts:

- CapEx to expand aligned activities as part of the Taxonomy CapEx plan. For cement as a transitional activity, this covers CapEx to increase already Taxonomy-aligned activities and CapEx that allows Taxonomy-eligible activities to become aligned
- CapEx to enable low-carbon operations mainly based on energy efficiency equipment for buildings
- CapEx on already aligned activities. Specifically for cement activities, this is determined by the allocation of the remaining CapEx between aligned and eligible but not aligned, based on the percentage of aligned sales volume by country

[1] Taxonomy-aligned cement sales, as defined by the EU Taxonomy criteria, differ from the sales of sustainable products (e.g., ECOPlanet), which are assessed using a separate set of criteria defined by Holcim.

Business combination: In 2024, the CapEx denominator includes CHF 743 million related to additions to property, plant and equipment and intangible assets resulting from business combinations following purchase price allocation. Refer to Note 2.3 of the Consolidated Financial Statements (page 277). For newly acquired companies that are Taxonomy-eligible but for which Holcim is still in the process of collecting data to assess EU Taxonomy alignment, their status is reported as "Eligible but not aligned."

In 2024, Holcim's total eligible CapEx reached CHF 1,852 million, up from CHF 1,212 million in 2023. This increase was mainly driven by the inclusion of material recovery from non-hazardous waste in the EU Taxonomy disclosure and higher investments in cement.

Holcim achieved a Taxonomy-aligned CapEx of CHF 354 million, marking a 4.2% increase from 2023. This growth was driven by an acceleration in investments in decarbonization and circularity initiatives, aiming at increasing the use of alternative raw materials, alternative fuels, calcined clay and plant modernization, notably in Poland and Belgium as part of our carbon capture projects.

Operating expenditure (OpEx)

OpEx denominator: the EU Taxonomy defines OpEx as direct non-capitalized costs that relate to research and development (R&D), building renovation measures, short-term lease, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets. In Holcim, the denominator mainly includes maintenance and direct R&D expenses.

OpEx numerator: eligible and aligned OpEx is composed of three parts:

- OpEx related to Taxonomy-aligned economic activities
- OpEx to expand aligned activities as part of the Taxonomy CapEx plan
- OpEx to enable low-carbon operations mainly based on energy efficiency equipment for buildings

Eligible and aligned maintenance OpEx for cement is calculated based on the total eligible maintenance expenses multiplied by the percentage of aligned sales volumes per country. Eligible and aligned R&D OpEx is determined based on a review of individual projects aimed at increasing Taxonomy-aligned activities or enabling Taxonomy-eligible activities to become aligned.

With reference to FAQ 13 of the second Commission notice of December 2022: "Where the relevant undertakings are not able to ascertain compliance of Taxonomy-eligible activities that are not material for their business with the technical screening criteria due to a lack of data or evidence, they should report those activities as not Taxonomy-aligned without any further assessment." This provision has been adopted for short-term and low-value leases.

Monitoring and reporting processes

Implementation of the EU Taxonomy at Holcim includes putting in place robust processes and controls for defining and collecting data points, conducting assessments, reporting and disclosures as well as impacting the business through strategy setting and performance tracking. A collaborative approach across all functions has been a critical success factor.

To ensure consistency and quality, Taxonomy-aligned cement sales are evaluated in the Group financial dashboard system, with full traceability of validation by product and site. This process uses data from existing Group reporting systems and internal controls. Air emissions measurements are collected from integrated cement plant information systems across all locations.

In 2024, a dedicated IT platform was introduced to streamline EU Taxonomy assessment processes across all countries. This platform ensures the use of standardized templates and adequate documentation for evaluating EU Taxonomy eligibility and alignment. It covers non-cement activities, Taxonomy-aligned CapEx projects and lease contracts, requiring countries to upload supporting evidence to enhance transparency and consistency.

The KPI calculation process involves analyzing the Group's consolidated data while ensuring accuracy and avoiding double counting. This is achieved by processing accounting information from a single source and verifying the traceability and precision of the data.

Both financial and non-financial data submitted for Taxonomy assessments are reviewed and signed off by the respective country management as part of the annual financial certification process.

STEADY EXPANSION OF TAXONOMY-ALIGNED ACTIVITIES IN 2024[1]

TURNOVER[2] %

+0.8%

CAPEX[3] %

+4.2%

OPEX %

+0.8%

[1] Compared with 2023.
[2] Turnover corresponds to net sales to external customers.
[3] Capital expenditure based on EU Taxonomy definition.

TURNOVER[1]

	CHF M	Percent
Eligible and aligned	1,648	6.2%
Eligible but not aligned	10,074	38.2%
Not eligible	14,685	55.6%
Total	**26,407**	**100%**

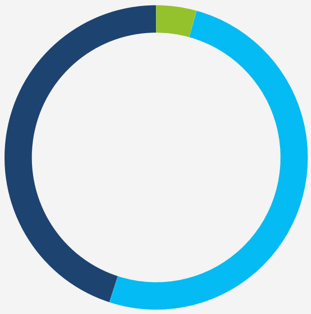
[1] Turnover corresponds to net sales to external customers.

CAPITAL EXPENDITURE (CAPEX)[1]

	CHF M	Percent
Eligible and aligned	354	11.7%
Eligible but not aligned	1,498	49.5%
Not eligible	1,172	38.8%
Total	**3,024**	**100%**

[1] Capital expenditure based on EU Taxonomy definition.

OPERATING EXPENDITURE (OPEX)



	CHF M	Percent
Eligible and aligned	68	4.3%
Eligible but not aligned	812	50.7%
Not eligible	719	45.0%
Total	**1,599**	**100%**

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

2024 financial year		Year		Substantial Contribution Criteria					
		Turnover	Proportion of Turnover in 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
Economic Activities	Code	CHF M	%	Y; N; N/EL [1,2]	Y; N; N/EL [1,2]	Y; N; N/EL [1,2]	Y; N; N/EL [1,2]	Y; N; N/EL [1,2]	Y; N; N/EL [1,2]
A. Taxonomy Eligible Activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	790	3.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	857	3.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste[5]	**CCM5.9,** CE2.7	0	0.0%	Y	N/EL	N/EL	N/EL	Y	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**1,648**	**6.2%**	**6.2%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which enabling		790	3.0%	3.0%	0%	0%	0%	0%	0%
Of which transitional		857	3.2%	3.2%	0%	0%	0%	0%	0%
	Code	Million CHF	%	EL; N/EL [2]	EL; N/EL [2]	EL; N/EL [2]	EL; N/EL [2]	EL; N/EL [2]	EL; N/EL [2]
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	64	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	9,984	37.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	**CCM5.9,** CE2.7	26	0.1%	EL	N/EL	N/EL	N/EL	EL	N/EL
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**10,074**	**38.2%**	**38.2%**	**0%**	**0%**	**0%**	**0%**	**0%**
Turnover of Taxonomy eligible activities (A.1+A.2)		**11,722**	**44.4%**	**44.4%**	**0%**	**0%**	**0%**	**0%**	**0%**
B. Taxonomy Non-eligible activities									
Turnover of Taxonomy non-eligible activities		**14,685**	**55.6%**						
Total (A+B)		**26,407**	**100.0%**						

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective. N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
2 EL – Eligible. Taxonomy-eligible activity for the relevant environmental objective. N/EL – Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.
3 Enabling activities (E): an economic activity shall qualify as contributing substantially to one or more of the environmental objectives by directly enabling other activities. to make a substantial contribution to one or more of those objectives, provided that such economic activity: (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.
4 Transitional activities (T): activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, for example, by phasing out greenhouse gas emissions.
5 Taxonomy-aligned turnover for the activity CCM5.9 is CHF 69,000. Due to rounding, the Taxonomy-aligned turnover breakdown by economic activity in this table does not add up precisely to the total. The total amount of CHF 1,647,506,600 is calculated from the underlying precise figures rather than the rounded values presented.

Turnover annex

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	6.2%	44.4%
Climate change adaptation (CCA)		
Sustainable use and protection of water and marine resources (WTR)		
Circular economy (CE)	0.0%	0.1%
Pollution prevention and control (PPC)		
Protection and restoration of biodiversity and ecosystems (BIO)		

DNSH criteria ('Does Not Significantly Harm')									
Climate Change Mitigation	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turn-over in 2023**	**Category enabling activity**	**Category transitional activity**
Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	%	E [3]	T [4]
Y	Y	Y	Y	Y	Y	Y	3.1%	E	
Y	Y	Y	Y	Y	Y	Y	2.3%		T
Y	Y	Y	Y	Y	Y	Y			
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**5.4%**		
Y	Y	Y	Y	Y	Y	Y	3.1%	E	
Y	Y	Y	Y	Y	Y	Y	2.3%		T
							39.2%		
							39.2%		
							44.6%		
							55.4%		
							100.0%		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

2024 financial year		Year		Substantial Contribution Criteria					
		CapEx	Proportion of CapEx in 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
Economic Activities	Code	CHF M	%	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]
A. Taxonomy Eligible Activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	21	0.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	327	10.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	**CCM5.9,** CE2.7	6	0.2%	Y	N/EL	N/EL	N/EL	Y	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**354**	**11.7%**	**11.7%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which enabling		21	0.7%	0.7%	0%	0%	0%	0%	0%
Of which transitional		327	10.8%	10.8%	0%	0%	0%	0%	0%
	Code	Million CHF	%	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	6	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	1,137	37.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	**CCM5.9,** CE2.7	327	10.8%	EL	N/EL	N/EL	N/EL	EL	N/EL
Freight transport services by road	CCM6.6	28	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1,498**	**49.5%**	**49.5%**	**0%**	**0%**	**0%**	**0%**	**0%**
CapEx of Taxonomy eligible activities (A.1+A.2)		**1,852**	**61.2%**	**61.2%**	**0%**	**0%**	**0%**	**0%**	**0%**
B. Taxonomy Non-eligible activities									
CapEx of Taxonomy non-eligible activities		**1,172**	**38.8%**						
Total (A+B)		**3,024**	**100.0%**						

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective. N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
2 EL – Eligible. Taxonomy eligible activity for the relevant environmental objective. N/EL – Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.
3 Enabling activities (E): an economic activity shall qualify as contributing substantially to one or more of the environmental objectives by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity: (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.
4 Transitional activities (T): activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, for example by phasing out greenhouse gas emissions.
5 The 0.1% related to CCM7.6, disclosed in 2023, was not reported in 2024 as its eligibility fell below the 0.5% threshold and was deemed non-material.

CapEx annex

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	11.7%	61.2%
Climate change adaptation (CCA)		
Sustainable use and protection of water and marine resources (WTR)		
Circular economy (CE)	0.2%	11.0%
Pollution prevention and control (PPC)		
Protection and restoration of biodiversity and ecosystems (BIO)		

	DNSH criteria ('Does Not Significantly Harm')									
	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx in 2023[5]	Category enabling activity	Category transitional activity
	Y/N[1]	Y/N[1]	Y/N[1]	Y/N[1]	Y/N[1]	Y/N[1]	Y/N[1]	%	E[3]	T[4]
	Y	Y	Y	Y	Y	Y	Y	0.5%	E	
	Y	Y	Y	Y	Y	Y	Y	7.0%		T
	Y	Y	Y	Y	Y	Y	Y			
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.5%**		
	Y	Y	Y	Y	Y	Y	Y	0.5%	E	
	Y	Y	Y	Y	Y	Y	Y	7.0%		T
								30.4%		
								30.4%		
								38.0%		
								62.0%		
								100.0%		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

2024 financial year		Year		Substantial Contribution Criteria					
		OpEx	Proportion of OpEx in 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
Economic Activities	Code	Million CHF	%	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]	Y; N; N/EL[1,2]
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	5	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	63	4.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	**CCM5.9,** CE2.7	0	0.0%	Y	N/EL	N/EL	N/EL	Y	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**68**	**4.3%**	**4.3%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which enabling		5	0.3%	0.3%	0%	0%	0%	0%	0%
Of which transitional		63	4.0%	4.0%	0%	0%	0%	0%	0%
	Code	Million CHF	%	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]	EL; N/EL[2]
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of energy efficiency equipment for buildings	CCM3.5	0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of cement	CCM3.7	811	50.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Material recovery from non-hazardous waste	**CCM5.9,** CE2.7	1	0.1%	EL	N/EL	N/EL	N/EL	EL	N/EL
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**812**	**50.7%**	**50.7%**	**0%**	**0%**	**0%**	**0%**	**0%**
OpEx of Taxonomy eligible activities (A.1+A.2)		**880**	**55.0%**	**55.0%**	**0%**	**0%**	**0%**	**0%**	**0%**
B. Taxonomy non-eligible activities									
OpEx of Taxonomy non-eligible activities		**719**	**45.0%**						
Total (A+B)		**1,599**	**100.0%**						

1 Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective. N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
2 EL – Eligible. Taxonomy eligible activity for the relevant environmental objective. N/EL – Not eligible, Taxonomy non-eligible activity for the relevant environmental objective.
3 Enabling activities (E): an economic activity shall qualify as contributing substantially to one or more of the environmental objectives by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity: (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.
4 Transitional activities (T): activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, for example by phasing out greenhouse gas emissions.

OpEx annex

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	4.3%	55.0%
Climate change adaptation (CCA)		
Sustainable use and protection of water and marine resources (WTR)		
Circular economy (CE)	0.0%	0.1%
Pollution prevention and control (PPC)		
Protection and restoration of biodiversity and ecosystems (BIO)		

DNSH criteria ('Does Not Significantly Harm')									
Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx in 2023	Category enabling activity	Category transitional activity
Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	Y/N [1]	%	E [3]	T [4]
Y	Y	Y	Y	Y	Y	Y	0.3%	E	
Y	Y	Y	Y	Y	Y	Y	3.1%		T
Y	Y	Y	Y	Y	Y	Y			
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**3.4%**		
Y	Y	Y	Y	Y	Y	Y	0.3%	E	
Y	Y	Y	Y	Y	Y	Y	3.1%		T
							50.4%		
							50.4%		
							53.8%		
							46.2%		
							100.0%		

Nuclear and fossil gas related activities

Nuclear energy related activities	
1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities	
4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5. The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

NORTH AMERICA

		2024
Net sales to external customers	Million CHF	6,360
Organic growth	%	-2.9%
Growth in local currency	%	-2.8%
Recurring EBITDA after leases	Million CHF	2,132
Organic growth	%	+10.3%
Growth in local currency	%	+10.3%
Recurring EBIT	Million CHF	1,624
Organic growth	%	+12.4%
Growth in local currency	%	+12.2%

In North America, the business displayed a resilient performance despite experiencing a 2.8% decline in net sales to external customers on a local currency basis. Strong pricing strategies, commercial resilience and strategic investments resulted in profitable growth across all product lines and markets. The region capitalized on opportunities arising from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act, while also benefiting from investments in the energy sector and the onshoring of manufacturing.

A value-driven commercial approach led to over-proportional Recurring EBIT growth of 12.2% on a local currency basis. This translated into a 330 basis point expansion in the Recurring EBIT margin to 24.9%, with improvements across all segments.

The strategic expansion through the value-accretive acquisition of King William Sand & Gravel near Richmond, Virginia, broadened Holcim's operational footprint and product portfolio, generating significant synergies.

North America remains firmly committed to decarbonizing and expanding its low-carbon product offerings. The ECOPlanet cement range shows a commitment to low-carbon construction, delivering at least a 30% lower carbon footprint compared to ordinary cement. The clinker factor improved by 0.7 percentage points, with OneCem (limestone Portland cement) accounting for 87% of total cement sales. ECOPact concrete represented 36% of the region's ready-mix sales in 2024 and has contributed to reducing carbon emissions.

The capacity expansion project at the Ste. Genevieve (Missouri) Cement Plant is well on track and will be completed by late 2025. This investment will increase production capacity by over 600,000 tons of cement while reducing net CO_2 emissions by more than 400,000 tons per year.

There are three carbon capture and storage projects in North America at an early development stage at the Ste. Genevieve (Missouri), Portland (Colorado) and Exshaw (Alberta) plants. The ambition is to capture over four million tons of CO_2 by 2030.

Strategic investments, innovative product offerings and ambitious sustainability initiatives position the region for continued success and leadership in the evolving construction landscape. The region is well-positioned to capitalize on future opportunities, driving sustainable growth and delivering exceptional value to stakeholders.

LATIN AMERICA

		2024
Net sales to external customers	Million CHF	2,882
Organic growth	%	+2.4%
Growth in local currency	%	+4.0%
Recurring EBITDA after leases	Million CHF	1,184
Organic growth	%	+9.8%
Growth in local currency	%	+10.4%
Recurring EBIT	Million CHF	1,044
Organic growth	%	+9.3%
Growth in local currency	%	+9.7%

In Latin America, Holcim's operations demonstrated resilience in 2024 despite facing several challenges, including the presidential election in Mexico, significant fiscal and monetary reforms in Argentina and political and social instability in Ecuador. Net sales to external customers grew by 4.0% on a local currency basis despite lower volumes, reflecting the ability to meet customer demand for sustainable building solutions. Recurring EBIT increased by 9.7% on a local currency basis, driven by strong performances in Mexico and Argentina. The Recurring EBIT margin expanded by 190 basis points to 36.0% thanks to effective execution in commercial excellence and cost management.

In Mexico, domestic cement volumes remained stable in 2024, supported by a recovery in bagged cement, particularly in the self-building segment. However, bulk cement volumes demand declined due to uncertainty surrounding new government policies and the completion of large infrastructure projects. In Ecuador, the construction market continued declining due to a lack of infrastructure investments and power rationing. However, there was a positive trend in pricing and volumes during the last quarter of the year.

The region remained focused on decarbonization, with specific net CO_2 emissions per ton of cementitious material decreasing by over 6kg/ton. This reduction in CO_2 emissions was driven by a substantial increase in the use of alternative fuels and a reduction in clinker content. ECOPlanet and other local sustainable products accounted for almost 70% of cement net sales in the region, while ECOPact sales represented 17% of ready-mix net sales.

In Mexico, the region invested USD 55 million in building a new grinding facility at its cement plant in Macuspana, Tabasco. This expansion, which boosts cement production capacity to 1.5 million tons per year, aligns with Holcim's commitment to drive sustainable economic development in Mexico's southeast region. The new grinding unit is expected to create 800 jobs during construction and increase the plant's workforce to more than 300 jobs once operational in early 2025.

Holcim also continued to execute its growth strategy with several acquisitions in 2024. In the third quarter of the year, Holcim completed the acquisition of Comacsa, a white cement and industrial non-metallic minerals business entity and Mixercon, a production, marketing and supply of cement and ready-mix business. These acquisitions mark Holcim's entry into the Peruvian market, strengthening its position in Latin America, generating synergies and expanding export opportunities. In September, Holcim further strengthened its presence in Guatemala through the acquisition of one grinding mill, three ready-mix plants and five distribution centers.

EUROPE

		2024
Net sales to external customers	Million CHF	7,198
Organic growth	%	-1.8%
Growth in local currency	%	-0.1%
Recurring EBITDA after leases	Million CHF	1,808
Organic growth	%	+7.8%
Growth in local currency	%	+9.1%
Recurring EBIT	Million CHF	1,335
Organic growth	%	+11.3%
Growth in local currency	%	+12.1%

Net sales to external customers were stable on a local currency basis, driven by excellent commercial execution and a solid contribution from acquisitions. Eastern Europe delivered a strong performance, compensating for subdued market conditions in western and central Europe.

The region delivered a strongly positive price over cost across all product lines thanks to the higher contribution from low-carbon products, commercial and operational excellence as well as disciplined cost management. As a result, Recurring EBIT increased by 12.1% on a local currency basis and the Recurring EBIT margin reached 17.8%, expanding by 200 basis points.

Sustainability, from decarbonization to circularity, remains at the forefront of the European strategy for driving profitable growth. Construction demolition materials grew by 31% to reach 6.2 million tons. Europe continues to scale up its ECOCycle® technology, bringing the total number of recycling platforms in Europe to 98. ECOPlanet reached 27% of cement net sales and ECOPact reached 30% of ready-mix net sales.

Europe hosted groundbreaking ceremonies for two flagship carbon capture projects: Carbon2Business in Lägerdorf, Germany, and GO4ZERO in Obourg, Belgium. In October 2024, Holcim was selected for a new grant from the European Union (EU) Innovation Fund for its breakthrough carbon capture and storage project in Martres-Tolosane, France. This grant for the CarboClearTech project brings the number of Holcim's large-scale EU-supported carbon capture, utilization and storage (CCUS) projects to seven, advancing the European Green Deal.

Europe made 13 acquisitions in construction demolition materials, aggregates and ready-mix, advancing its capabilities in circular construction. Key transactions included Cand-Landi and Seekag in Switzerland, Land Recovery in the UK, Mark Desmedt in Belgium, Mendiger Basalt in Germany, CemEnergy and Eurobud's ready-mix operations in selected markets in Poland.

ASIA, MIDDLE EAST & AFRICA

		2024
Net sales to external customers	Million CHF	3,612
Organic growth	%	+8.2%
Growth in local currency	%	+3.2%
Recurring EBITDA after leases	Million CHF	1,096
Organic growth	%	+11.9%
Growth in local currency	%	+9.9%
Recurring EBIT	Million CHF	878
Organic growth	%	+13.5%
Growth in local currency	%	+11.7%

Asia, Middle East & Africa region delivered a strong performance in 2024. Net sales to external customers grew across countries in Middle East & Africa, with positive development in domestic markets in major countries, e.g., Algeria, Egypt, Iraq, Nigeria and the United Arab Emirates. Australia recorded robust margin expansion across business segments.

Strong emphasis on commercial actions, cost reductions and value strategy led to over-proportional profitable growth. The Middle East & Africa remained at the forefront with broad-based growth across all segments. Recurring EBIT was up by 11.7% on a local currency basis. The Recurring EBIT margin for the region grew by 170 basis points to reach 22.8% for the year.

The region made significant progress on its decarbonization journey, with sales of low-carbon products such as ECOPact and ECOPlanet in new markets, e.g., Nigeria, New Zealand and Iraq, the increased adoption of these low-carbon products in existing markets, e.g., Australia, the Philippines and the United Arab Emirates, and increased use of alternative fuel and greener sources of energy.

In 2024, the region further optimized its portfolio. Holcim has closed the divestments of its businesses in Uganda, Tanzania, South Africa and Kenya. In addition, the Group has signed an agreement to sell its Nigerian business, which is subject to customary and regulatory approvals. Holcim’s joint venture Cement Australia has signed an agreement to acquire a division of the Buckeridge Group of Companies (BCG) to strengthen its footprint in Western Australia. The transaction is subject to regulatory approvals.

SOLUTIONS & PRODUCTS

		2024
Net sales to external customers	Million CHF	5,915
Organic growth	%	+1.9%
Growth in local currency	%	+7.4%
Recurring EBITDA after leases	Million CHF	965
Organic growth	%	+10.2%
Growth in local currency	%	+14.8%
Recurring EBIT	Million CHF	707
Organic growth	%	+14.3%
Growth in local currency	%	+17.6%

Net sales to external customers grew by 7.4% on a local currency basis, driven by the strong contribution from the acquisitions in Europe and North America coupled with notable growth in commercial and residential roofing revenues in North America. This contrasts with the lower 2023 baseline, which was impacted by the normalization of purchasing trends and destocking that began in the fourth quarter of 2022 and persisted throughout 2023.

Recurring EBIT grew over-proportionally by 17.6% on a local currency basis, predominantly due to the good performance of the roofing business in North America. As a result, the Recurring EBIT margin improved by 100 basis points, with broad-based growth across all regions, especially Latin America. The acquisitions in Europe throughout the year also supported the segment's growth.

Precast, paving solutions and dry mortars remained firm overall and showed margin improvement thanks to efficient cost management. The Disensa retail network is progressing steadily in Latin America, with almost 2,000 stores across the region.

Holcim continued to execute its growth strategy in the segment, with four acquisitions finalized during the year. In January, Holcim acquired ZinCo, a Germany-based manufacturer and designer of sustainable green roofing systems, which complements Holcim's existing roofing business as well as its overall commitment to advancing decarbonization. In May, Holcim acquired Tensolite in Argentina, a manufacturer of innovative precast and prestressed concrete construction systems, increasing its footprint in the growing Latin American market. This was followed in June with the acquisition of Bantle Gips in Germany. Lastly, in November, Holcim acquired OX Engineered Products, a leading U.S. provider of advanced insulation systems.

These companies will reinforce Holcim's footprint, putting Holcim in a good position to deliver strong growth over the coming year.

Responsibility statement

We certify that, to the best of our knowledge and having made reasonable inquiries to that end, the financial statements have been prepared in accordance with applicable Accounting Standards and give a true and fair view of the assets and liabilities, and of the financial position and results of the Company and of its consolidated subsidiaries, and that this Annual Report provides a true and fair view of the evolution of the business, results and financial condition of the Company and of its consolidated subsidiaries, and a description of the main risks and uncertainties to which the Company and its consolidated subsidiaries are exposed.

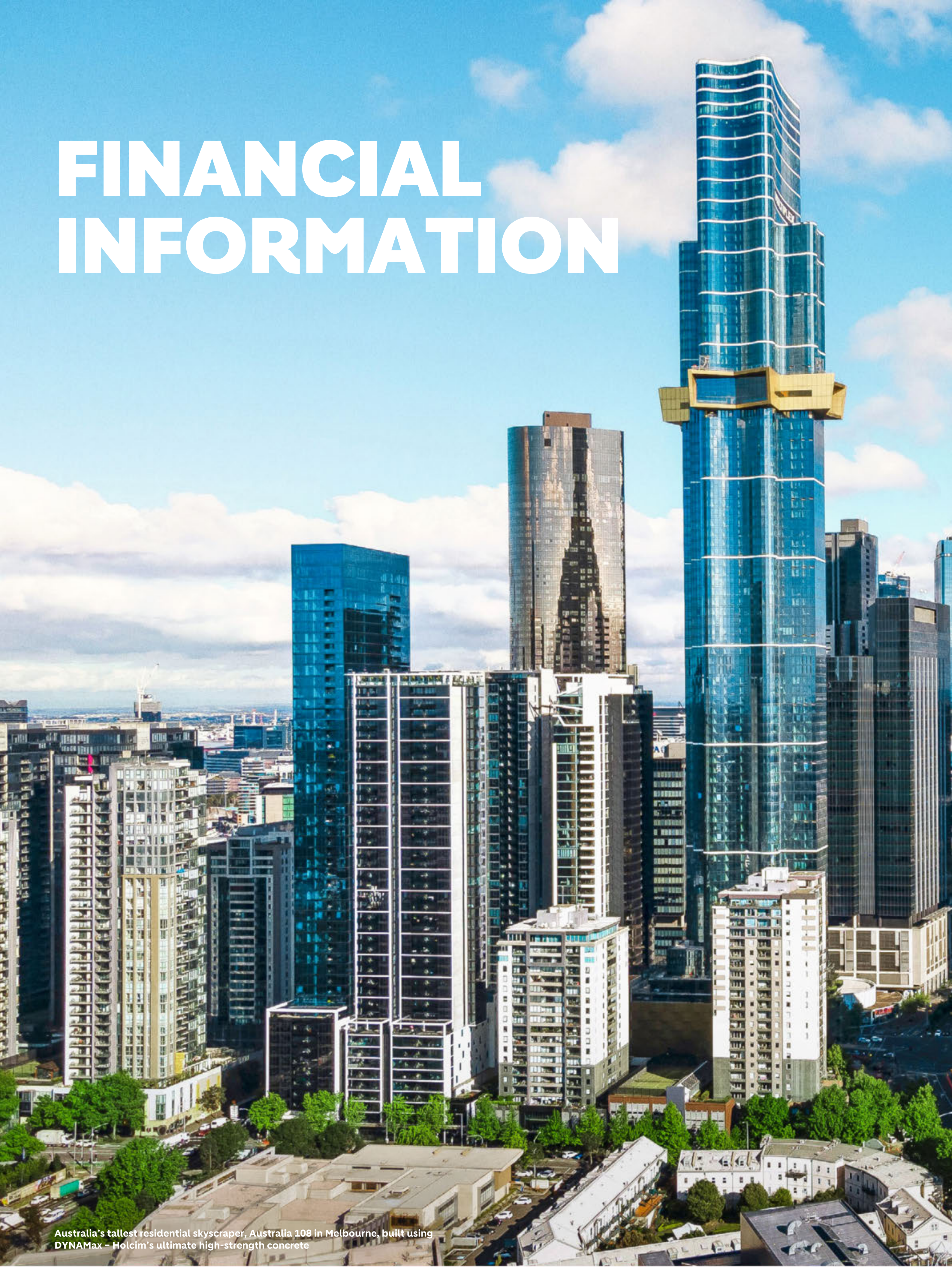
Zug, 27 February 2025

JAN JENISCH
Chairman

MILJAN GUTOVIC
Chief Executive Officer

STEFFEN KINDLER
Chief Financial Officer

FINANCIAL INFORMATION



Australia's tallest residential skyscraper, Australia 108 in Melbourne, built using DYNAMax – Holcim's ultimate high-strength concrete

IN THIS SECTION

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME OF HOLCIM

Million CHF	Notes	2024	2023
Net sales	3.3	**26,407**	**27,009**
Production cost of goods sold	4.3	**(14,731)**	(15,511)
Gross profit		**11,676**	**11,498**
Distribution and selling expenses		**(5,784)**	(5,905)
Administration expenses		**(1,514)**	(1,319)
Share of profit of joint ventures	6.4	**264**	304
Operating profit		**4,642**	**4,577**
Profit on disposals and other non-operating income	5.2	**50**	156
Loss on disposals and other non-operating expenses	5.3	**(169)**	(97)
Share of profit of associates	6.9	**24**	36
Financial income	7.2	**156**	198
Financial expenses	7.3	**(681)**	(697)
Net income before taxes		**4,022**	**4,174**
Income taxes	8.2	**(981)**	(999)
Net income		**3,042**	**3,176**
Net income attributable to:			
Shareholders of Holcim Ltd		**2,926**	3,060
Non-controlling interests		**115**	115
Earnings per share in CHF			
Earnings per share	9	**5.24**	5.37
Fully diluted earnings per share	9	**5.22**	5.35

→ Alternative Performance Measures used in this report are defined from page 370

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS OF HOLCIM

Million CHF	Notes	2024	2023
Net income		**3,042**	**3,176**
Items that will be reclassified to the statement of income in future periods			
Currency translation effects			
– Exchange differences on translation		**865**	(2,466)
– Realized through statement of income[1]		**216**	0
– Tax effect	8.4	**9**	(10)
Cash flow hedges			
– Change in fair value		**76**	25
– Realized through statement of income		**(48)**	(261)
– Tax effect	8.4	**(8)**	52
Net investment hedges in subsidiaries			
– Realized through statement of income[1]		**(21)**	(11)
Subtotal		**1,089**	**(2,672)**
Items that will not be reclassified to the statement of income in future periods			
Defined benefit plans			
– Remeasurements	15.3	**83**	(281)
– Tax effect	8.4	**(4)**	89
Share of other comprehensive earnings of associates and joint ventures			
– Change in fair value		**0**	(2)
Subtotal		**79**	**(194)**
Total other comprehensive earnings		**1,168**	**(2,866)**
Total comprehensive earnings		**4,210**	**309**
Total comprehensive earnings attributable to:			
Shareholders of Holcim Ltd		**4,086**	339
Non-controlling interests		**124**	(30)

[1] In 2024, the currency translation effects and net investment hedges realized through the statement of income relate to the divestment of several Group's businesses (see Note 2.3).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HOLCIM

Million CHF	Notes	**31.12.2024**	31.12.2023
Cash and cash equivalents	14.3	**5,347**	6,082
Short-term derivative assets	14.5	**55**	13
Current financial receivables	12.3	**137**	128
Trade accounts receivable	10.2	**2,613**	2,723
Inventories	10.3	**3,117**	2,807
Prepaid expenses and other current assets	10.4	**837**	849
Assets classified as held for sale	13.2	**81**	239
Total current assets		**12,187**	**12,842**
Long-term financial investments and other long-term assets	12.2	**538**	542
Investments in associates and joint ventures	6.4, 6.9	**3,331**	3,184
Property, plant and equipment	11.2	**20,307**	19,341
Goodwill	11.3	**14,594**	13,589
Intangible assets	11.3	**2,380**	2,127
Deferred tax assets	8.4	**565**	674
Pension assets	15.3	**378**	296
Long-term derivative assets	14.5	**6**	90
Total non-current assets		**42,098**	**39,844**
Total assets		**54,285**	**52,686**

Million CHF	Notes	31.12.2024	31.12.2023
Trade accounts payable	10.5	**4,745**	4,336
Current financial liabilities	14.4	**1,842**	1,416
Current income tax liabilities		**712**	801
Other current liabilities		**2,068**	1,899
Short-term provisions	16.2	**387**	348
Liabilities directly associated with assets classified as held for sale	13.2	**0**	104
Total current liabilities		**9,754**	**8,904**
Long-term financial liabilities	14.4	**12,014**	12,665
Provision for pensions and other post-employment benefit plans	15.3	**548**	587
Long-term income tax liabilities	8.6	**154**	170
Deferred tax liabilities	8.4	**1,994**	1,868
Long-term provisions	16.2	**1,866**	1,708
Total non-current liabilities		**16,575**	**16,999**
Total liabilities		**26,330**	**25,903**
Share capital	17.2	**1,158**	1,158
Capital surplus		**14,593**	16,672
Treasury shares	17.2	**(1,744)**	(811)
Reserves		**13,232**	8,978
Total equity attributable to shareholders of Holcim Ltd		**27,239**	**25,997**
Non-controlling interests	2.5	**716**	786
Total shareholders' equity		**27,956**	**26,783**
Total liabilities and shareholders' equity		**54,285**	**52,686**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF HOLCIM

Million CHF	Share capital	Capital surplus	Treasury shares
Equity as of 1 January 2024	**1,158**	**16,672**	**(811)**
Net income			
Other comprehensive earnings			
Total comprehensive earnings			
Payout		(1,570)	
Subordinated fixed rate resettable notes[1]			
Hyperinflation[2]			
Change in treasury shares[3]		(488)	(933)
Share-based remuneration		(22)	
Acquisition/(Disposal) of participation in Group companies			
Change in participation in existing Group companies			
Equity as of 31 December 2024	**1,158**	**14,593**	**(1,744)**
Equity as of 1 January 2023	**1,232**	**18,840**	**(1,297)**
Net income			
Other comprehensive earnings			
Total comprehensive earnings			
Payout		(1,414)	
Subordinated fixed rate resettable notes[1]			
Hyperinflation[2]			
Change in treasury shares[3]		(747)	(1,514)
Cancellation of shares[3]	(74)		2,000
Share-based remuneration		(7)	
Acquisition of participation in Group companies			
Change in participation in existing Group companies			
Equity as of 31 December 2023[4]	**1,158**	**16,672**	**(811)**

1 On 28 May 2024, Holcim exercised the redemption option on the EUR 500 million (CHF 490 million) subordinated fixed rate resettable perpetual notes issued on 5 April 2019 at an initial fixed coupon of 3.0%. This equity instrument is reflected at historical value in equity. See more information in Note 17.1.

2 See more information in Note 2.2.

3 In 2024, the amount of CHF -933 million includes the impact of the share buyback program of CHF -1,000 million launched in March 2024. In 2023, the amount of CHF -1,514 million includes CHF -1,550 million impact relating to the share buyback program launched in November 2022. For more information, see Note 17.2.

4 Equity as of 31 December 2023 includes a currency translation adjustment of CHF -132 million relating to assets and directly associated liabilities classified as held for sale. In 2024, the currency translation effects relating to the divestment of several Group's businesses are realized through the statement of income.

Currency translation adjustments[4]	Other Reserves and Retained earnings	Total equity attributable to shareholders of Holcim Ltd	Non-controlling interests	Total shareholders' equity
(19,847)	28,825	25,997	786	26,783
	2,926	2,926	115	3,042
1,062	98	1,160	8	1,168
1,062	3,024	4,086	123	4,210
		(1,570)	(146)	(1,715)
	(555)	(555)		(555)
	196	196	35	232
	527	(893)		(893)
		(22)		(22)
	(7)	(7)	(64)	(71)
(11)	17	6	(18)	(12)
(18,796)	32,027	27,239	716	27,956
(17,440)	27,339	28,674	940	29,614
	3,060	3,060	115	3,176
(2,349)	(372)	(2,721)	(145)	(2,866)
(2,349)	2,688	339	(30)	309
		(1,414)	(99)	(1,513)
	(221)	(221)		(221)
	124	124	21	145
	756	(1,506)		(1,506)
	(1,926)			0
		(7)		(7)
			8	8
(58)	66	8	(54)	(46)
(19,847)	28,825	25,997	786	26,783

CONSOLIDATED STATEMENT OF CASH FLOWS OF HOLCIM

Million CHF	Notes	2024	2023
Net income		**3,042**	**3,176**
Income taxes	8.2	**981**	999
Loss (profit) on disposals and other non operating items non cash		**86**	(68)
Share of profit of associates and joint ventures	6.4, 6.9	**(288)**	(340)
Financial expenses, net	7.2, 7.3	**525**	499
Depreciation, amortization and impairment of operating assets	4.5	**2,219**	2,076
Employee benefits and other operating items		**(82)**	(99)
Change in inventories		**(251)**	(83)
Change in trade accounts receivable		**205**	(123)
Change in trade accounts payable		**350**	308
Change in other receivables and liabilities		**(86)**	50
Cash generated from operations		**6,701**	**6,395**
Dividends received		**257**	216
Interest received		**160**	184
Interest paid		**(523)**	(622)
Income taxes paid	8.3	**(928)**	(702)
Cash flow from operating activities (A)		**5,667**	**5,470**
Purchase of property, plant and equipment		**(1,650)**	(1,505)
Disposal of property, plant and equipment		**173**	96
Acquisition of participation in Group companies (net of cash and cash equivalents acquired)	2.3	**(984)**	(1,975)
Disposal of participation in Group companies (net of cash and cash equivalents disposed of)	2.3	**472**	6
Purchase of financial assets, intangible and other assets		**(248)**	(251)
Disposal of financial assets, intangible and other assets		**200**	159
Cash flow from investing activities (B)	**19**	**(2,037)**	**(3,469)**
Payout on ordinary shares	9	**(1,570)**	(1,414)
Dividends paid to non-controlling interests		**(164)**	(91)
Net movement of treasury shares[1]	17.2	**(951)**	(1,609)
Repayment from subordinated fixed rate resettable notes	17.1	**(490)**	(200)
Coupon paid on subordinated fixed rate resettable notes		**(13)**	(27)
Net movement in current financial liabilities		**125**	(16)
Proceeds from long-term financial liabilities		**26**	9
Repayment of long-term financial liabilities		**(931)**	(1,454)
Repayment of long-term lease liabilities	14.7	**(389)**	(357)
Increase in participation in existing Group companies		**(12)**	(64)
Cash flow from financing activities (C)		**(4,369)**	**(5,223)**
Decrease in cash and cash equivalents (A + B + C)		**(739)**	**(3,223)**
Cash and cash equivalents as at the beginning of the period (net)		**6,052**	**9,757**
Decrease in cash and cash equivalents		(739)	(3,223)
Currency translation effects		21	(483)
Cash and cash equivalents as at the end of the period (net)	**14.3**	**5,334**	**6,052**

[1] The net movement of treasury shares for 2024 is mainly related to the share buyback program announced in March 2024 and completed in December 2024 (see Note 17.2). The net movement of treasury shares for 2023 is mainly related to the share buyback program completed in May 2023 (see Note 17.2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As used herein, the terms “Holcim” or the “Group” refer to Holcim Ltd (Switzerland) together with the companies included in the scope of consolidation.

1. Accounting policies

1.1 Basis of preparation

The Consolidated Financial Statements were prepared in accordance with the IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB).

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

Critical estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures as of the date of the financial statements.

Estimates and judgments are continually evaluated. They are based on historical experience and additional factors, including expectations of future events that are believed to be reasonable under the circumstances.

Due to the nature of making estimates and assumptions relating to the future, the resulting accounting estimates could deviate from the related actual results.

Management also uses judgment in applying the Group’s accounting policies.

The following details the judgments, apart from those involving estimations, that management has made in the process of applying the Group’s accounting policies and which have a significant impact on the amounts recognized in the financial statements:

- Classification of a subsidiary or a disposal group as held for sale or available for distribution to owners only when it is available for immediate sale or distribution in its current condition. The sale or distribution must be highly probable and expected to be completed within one year from the classification date. In case of subsidiaries or disposal groups to be sold, assessment is required as to whether the proceeds expected to be received will exceed the carrying amount (Note 2.3 and Note 13).

- Certain lease contracts entered into by the Group which include extension options that require an assessment of whether such options will be exercised. If it is reasonably certain that an extension option will be exercised, the period covered by the extension option is included in the lease liability. As part of this judgment, the Group considers all relevant facts and circumstances that create an economic incentive for it to exercise an extension option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Note 14.7 includes additional information about future payments covered by an extension option not included in the lease term.

- As part of Holcim’s strategy to decarbonize its energy mix, the Group is entering into power purchase agreements (PPAs) through partnerships with power producers. These agreements are long-term contracts where Holcim is securing sourcing of power from renewable energy. The structure of the agreements may differ depending on the intention of the parties involved and as such entails applying judgment in determining whether the underlying contracts contain leases or embedded derivatives.

The following details the assumptions the Group makes about the future and other major sources of estimation uncertainty at year-end that could have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Assumptions underlying the estimation of value-in-use in respect of cash-generating units for impairment testing purposes require the use of estimates such as long-term discount rates, growth rates, price, costs and sustainability related key assumptions (Note 6, Note 11.3).

- For all acquisitions of subsidiaries, the fair value of the consideration transferred (including any contingent consideration) and the fair value of the assets acquired and liabilities assumed involves a high degree of estimation and judgment (Note 2.3).

- Liabilities and costs for defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuations involve making assumptions regarding discount rates, expected future salary increases and mortality rates, which are subject to significant uncertainty due to the long-term nature of such plans (Note 15.3).
- The measurement of site restoration and other environmental provisions requires long-term assumptions regarding the completion of raw material extraction, the costs of restoration and the phasing of the restoration work to be carried out (Note 16.1).
- The recognition and measurement of provisions such as litigation provisions or indemnification provisions require an estimate of the expenditure and timing of the settlement. Litigation and claims to which the Group is exposed are assessed by management with the assistance of the legal department and in certain cases with the support of external specialized lawyers (Note 16.2). Disclosures related to such provisions, as well as contingent liabilities, also require significant judgment (Note 16.3).
- The recognition of deferred tax assets from tax losses carried forward requires an assessment of whether it is probable that sufficient future taxable profit will be available against which the unused tax losses can be utilized (Note 8).
- The Group is subject to income taxes in numerous jurisdictions and the calculation of the Group's tax charge involves a degree of estimation and judgment in respect of certain items. There are many transactions and calculations where the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for potential tax audit issues and uncertain tax positions based on management's estimate of whether additional taxes will be due and on the requirements of IFRIC 23 Uncertainty over Income Tax Treatments (Note 8).

The critical estimates and assumptions related to climate change-related impacts are presented in Note 1.3.

1.2 Adoption of new and amended IFRS Accounting Standards

The following amendments became effective as of 1 January 2024:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
  The adoption of the amendments to IAS 1 concerning the classification of liabilities as current or non-current did not materially impact the Group financial statements, as the Group was in compliance with all covenants during the reporting period and on the reporting date (Note 14.4).
- Amendments to IFRS 16, Leases – Lease Liability in a Sale and Leaseback
  The adoption of the amendments to IFRS 16 did not materially impact the Group financial statements, as the Group usually does not employ sale and leaseback transactions as a source of financing.
- Amendments to IAS 7 and IFRS 7 – Disclosures: Supplier Finance Arrangements
  Additional disclosures resulting from the adoption of the amendments to IAS 7 and IFRS 7 are included in Note 10.5.

The following amendments will become effective for annual periods beginning on or after 1 January 2025:

- Amendments to IAS 21, Lack of Exchangeability
  Since the Group is active in countries with limited availability of hard currencies, it is currently assessing the impact of the adoption of the amendments to IAS 21. The Group does not expect this standard to have a material impact on its financial statements.

The following amendments will become effective for annual periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7, Classification and Measurement of Financial Liabilities
  The adoption of the above-mentioned amendments might result in additional disclosures on sustainable financing.
- Amendments to IFRS 9 and IFRS 7, Nature-dependent Electricity
  The targeted update provides clarification concerning the application of the 'own-use' requirements in relation to power purchasing agreements and the permission of hedge accounting if these contracts are used as hedging instruments. The Group is currently assessing the impact of these amendments on the financial statements.

The following standards will become effective for annual periods beginning on or after 1 January 2027:

- IFRS 18, Presentation and Disclosure in Financial Statements
  The Group is currently assessing the impact of the adoption of IFRS 18 on the primary Financial Statements.
- IFRS 19, Subsidiaries without Public Accountability
  The Group does not expect this standard to have any impact on its operations or financial statements.

The Group has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective in these consolidated financial statements.

1.3 Climate change-related impacts

The Group makes estimates and assumptions concerning the future, including climate-related matters. There is considerable uncertainty over these assumptions and how they will impact the Group's business operations and cash flow projections. Holcim consistently evaluates these assumptions to be consistent with risk management and the commitments made by the company to investors and other stakeholders. The estimates and assumptions, notably those relating to assets and goodwill impairment, useful life of assets, CapEx and research and development, inventory valuation, financial expenses, recoverability of deferred tax assets, provisions and contingent liabilities, and insurance costs are based on the available information and regulations in place as of 31 December 2024.

Risk Management

On Holcim's journey to become the leader in innovative and sustainable building solutions, the risks in relation to the decarbonization of its own operations remain a key challenge. Based on the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations, Holcim systematically assesses all potential impacts of climate-related risks: both transition risks (risks in relation to Holcim's decarbonization journey) and physical risks (physical impact of climate change on Holcim's assets and supply chain).

Regarding transition risks, the decarbonization journey is exposed to major uncertainties, some of which are beyond Holcim's control. Unfavorable climate policies, slow market acceptance or unsuccessful investments in next generation technologies have the potential to affect Holcim's business activities and impair the achievement of its CO_2 targets. In addition, a perception as a high emitter of CO_2 could impact Holcim's reputation, thus reducing its attractiveness to investors and the workforce talent needed for deep decarbonization. With Holcim's strategic shift to become a leader in the transition to sustainable building, climate-related risk also entails the capacity to meet customers' product quality and decarbonization expectations. Indeed, the successful launch of low-carbon products under the global brands ECOPact and ECOPlanet exposes the Group to new threats should the Group be unable to build strong credibility with its customers, document and back-up environmental claims, develop strategic partnerships or promote a marketing- and product-led approach within the Group.

The physical impact of climate change (such as increased regularity of extreme weather events and water scarcity) has the potential to disrupt our operations in both on-site operations and transportation activities, leading to higher logistics and transportation costs and reduced production capacities, business interruptions and even reputational damage. This could increase the Group's insurance costs due to the higher amounts at stake or more frequent insured events.

The Group takes a holistic approach to climate risks. To accelerate green growth, Holcim is comprehensively transforming its business model to become a major player in decarbonizing buildings across the value chain, to eliminate emissions and build smarter and better with less.

Holcim's CO_2 reduction roadmap for its 2030 and 2050 targets (net-zero pledge) was validated by the Science Based Targets initiative (SBTi). Holcim is accelerating the decarbonization of its own operations to become a net-zero company by switching to low carbon energy, developing new formulations, adopting green mobility and using advanced technologies such as carbon capture, utilization and storage (CCUS). In total, seven full-scale projects were selected for EU Innovation Fund grants to capture five million tons of CO_2 by 2030. The Group is also scaling up innovations and other solutions from increasing the use of low-carbon raw materials produced from construction and demolition materials to replacing slag or fly ash with novel binders such as calcined clay. Holcim continues to explore other opportunities including smart design, novel binders, kiln electrification and the use of hydrogen. However, in line with the financial reporting requirements, the business plans used for assets and goodwill impairment testing only include future investment projects which were approved as of 31 December 2024.

Impairment testing

The cash flow projections used in the impairment process are generally based on a four-year financial planning period using business plans approved by management. Cash flows beyond the planning period are extrapolated based on increasing sustainable cash flows. The business plans include, among others, management's current view on market growth, pricing and costs. In any event, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market for the products and country in which the cash-generating unit operates. The long-term average growth rate is based on the long-term inflation rate and gross domestic product of the relevant market, as published by the International Monetary Fund (IMF).

Useful lives of assets

Useful lives of assets may be affected by climate-related matters due to transitional risks such as obsolescence and legal restrictions or physical risks, as operations could be adversely impacted by extreme variability in weather patterns. The change in useful lives has a direct impact on the amount of depreciation or amortization recognized each year. Management's review of useful lives considers the impact of the Group's 2030 targets. The various input factors and the residual values used for the calculation of useful lives are reviewed annually.

CapEx and R&D

The transition to lower-emission technologies will impact the allocation of future CapEx. The Group's research and development (R&D) expenditures will be aligned with the Group's R&D strategy to focus on new and alternative technologies as a result of diverse research initiatives that will either impact CapEx or R&D costs in the statement of income, depending on the success of the initiatives.

Sustainable finance framework

In 2023, Holcim implemented a sustainable finance framework, which will enable the issuance of green finance instruments to finance activities that are aligned with the EU Taxonomy Regulation or which contribute to the transformation of the cement activities so that they can fulfill the criteria in order to become aligned. Green finance instruments are used for the funding of projects with a positive environmental impact, i.e. eligibility is based on their contribution to the attainment of lower-emission manufacturing, the development of energy-efficient building solutions as well as the sourcing of renewable energy and use of clean transportation. Holcim had not yet issued any green instruments as of year-end 2024.

Sustainability-linked financing contains features through which the cost of funding relates to meeting specific sustainability performance targets. This could impact the Group's financial expenses in the event the Group does not reach the targets that have been set.

Litigation and site restoration provisions

Climate-related matters may affect the level of provisions recognized, including site restoration and litigation provisions, as a result of the levies imposed by governments for failure to meet climate-related targets, or new regulations, requirements to remediate environmental damages on Holcim's sites, or due to existing obligations now being considered more likely. Some contracts may become onerous as a result of climate-related changes, which would potentially decrease the Group's revenue or increase its operating costs.

Emission rights

The initial allocation of emission rights granted is recognized at nominal amount (nil value). Where a Group company has emissions in excess of the emission rights granted, it will recognize a provision for the shortfall based on the market price at that date. The emission rights are held for compliance purposes only, and, therefore, the Group does not intend to speculate with these in the open market.

2. Fully consolidated companies and non-controlling interests

2.1 Scope of consolidation

The Consolidated Financial Statements comprise those of Holcim Ltd and of its subsidiaries. The list of principal consolidated companies is presented in Note 2.4.

2.2 Accounting principles

Principles of consolidation

The Group consolidates a subsidiary if it has an interest of more than one half of the voting rights or otherwise it considers that it has power over the subsidiary when the voting rights are sufficient to give it the current and practical ability to direct the relevant activities of the subsidiary unilaterally and is exposed to variable returns from the subsidiary. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of the consideration given as of the date of exchange.

For each business combination, the Group measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed in the income statement within operating profit. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at fair value as of the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as of the acquisition date.

If the business combination is achieved in stages, the carrying amount of the Group's previously held equity interests in the acquiree is remeasured to fair value as of the acquisition date, with any resulting gain or loss recognized in the statement of income.

Any contingent consideration to be transferred by the Group is recognized at fair value as of the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognized in the statement of income.

Contingent liabilities assumed in a business combination are recognized at fair value and subsequently measured at the higher of the amount that would be recognized as a provision and the amount initially recognized.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Changes in the ownership interest in a subsidiary that does not result in a loss of control are accounted for as an equity transaction. Consequently, if Holcim acquires or partially disposes of non-controlling interests in a subsidiary, without losing control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in retained earnings. However, if the Group loses control of a subsidiary, it derecognizes all the assets (plus goodwill) and liabilities of the subsidiary, including the carrying amount of any non-controlling interests.

Additionally, the Group reclassifies the currency translation adjustments relating to that subsidiary recognized in equity and records the resulting difference as a gain or loss on disposal in the statement of income.

It is common practice for the Group to write put options and acquire call options in connection with the remaining shares held by the non-controlling shareholders, mainly as part of a business combination. If the Group has acquired a present ownership interest as part of a business combination, the present value of the redemption amount of the put option is recognized as a financial liability, with any excess over the carrying amount of the non-controlling interests recognized as goodwill. In such a case, the non-controlling interests is deemed to have been acquired as of the acquisition date and therefore any excess arising should follow the accounting treatment as in a business combination. All subsequent changes in the fair value of the financial liability are recognized in the statement of income and no earnings are attributed to the non-controlling interests. However, where the Group has not acquired a present ownership interest as part of a business combination, the non-controlling interests continue to receive an allocation of profit or loss and are reclassified as a financial liability at each reporting date as if the acquisition had taken place on that date. Any excess over the reclassified carrying amount of the non-controlling interests and all subsequent changes in the fair value of the financial liability are recognized directly in retained earnings.

Foreign currency translation

The assets and liabilities of each of the Group's companies are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Statements of income of foreign entities are translated into the Group's reporting currency (Swiss francs) at average exchange rates for the year, and statements of financial position are translated at the exchange rates prevailing on 31 December.

Goodwill arising from the acquisition of a foreign operation is expressed in the functional currency of the foreign operation and is translated into Swiss francs at the closing rate of the reporting period (for more information, see Note 11.3).

Foreign currency transactions translated into the functional currency are accounted for at the exchange rate prevailing at the date of the transactions; gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, except when deferred outside the statement of income as qualifying cash flow hedges or net investment hedges.

Exchange differences arising on monetary items that form part of a company's net investment in a foreign operation are recognized in other comprehensive earnings (currency translation adjustment) and are fully reclassified to the statement of income should the Group lose control of a subsidiary, lose joint control over an interest in a joint arrangement or lose significant influence over an associate. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the statement of income as part of the net gain or loss on sale, except for a partial disposal of a subsidiary without loss of control, where a proportionate share of the cumulative currency translation adjustments is re-attributed to non-controlling interests and not recognized in the statement of income.

In countries with limited foreign currency availability and where several exchange rates are available, the Group has applied the rate at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date. If exchangeability between two currencies is temporarily lacking, the rate used is the first subsequent rate at which exchanges could be made.

Hyperinflation

Since 31 December 2018, the Group has applied IAS 29 Financial Reporting in Hyperinflationary Economies for Argentina. In accordance with IAS 29, the financial statements for Argentina are expressed in terms of the measuring unit current as of 31 December 2024 and 2023. Monetary assets and liabilities are not restated as they are already expressed in the measuring unit current at the end of the reporting period, whereas all non-monetary items such as inventory, property, plant and equipment and equity recorded at historical rates are restated in terms of the measuring unit current at the end of December 2024 and 2023.

The resulting gain of CHF 61 million (2023: CHF 25 million) on the net liability monetary position was recorded as part of production cost of goods sold in the consolidated statement of income.

The restatement of equity by CHF 232 million (2023: CHF 145 million) was reflected as an increase in retained earnings, of which CHF 35 million (2023: CHF 21 million) was attributable to non-controlling interests. The restated financial statements for Argentina are translated into Swiss francs at the exchange rate applicable as of 31 December 2024 and 2023 and the organic growth of the country is adjusted to limit the impact of hyperinflation.

Inflation in Lebanon has increased significantly and the three-year cumulative inflation exceeded 100% in July 2020. No hyperinflation accounting was applied for the consolidated financial statements as of 31 December 2024 and 2023, as the impact is considered immaterial.

Principal exchange rates

		Statement of income Average exchange rates in CHF		Statement of financial position Closing exchange rates in CHF	
		2024	2023	**31.12.2024**	31.12.2023
100 Argentinian Peso	ARS	**0.08**	0.09	**0.08**	0.09
1 Australian Dollar	AUD	**0.58**	0.60	**0.56**	0.57
1 Canadian Dollar	CAD	**0.64**	0.67	**0.63**	0.64
1 Chinese Renminbi	CNY	**0.12**	0.13	**0.12**	0.12
100 Algerian Dinar	DZD	**0.66**	0.66	**0.67**	0.63
1 Euro	EUR	**0.95**	0.97	**0.94**	0.93
1 British Pound	GBP	**1.12**	1.12	**1.13**	1.07
100 Mexican Peso	MXN	**4.83**	5.07	**4.36**	4.97
100 Nigerian Naira	NGN	**0.06**	0.10	**0.06**	0.07
100 Philippine Peso	PHP	**1.54**	1.61	**1.56**	1.52
1 Polish Zloty	PLN	**0.22**	0.21	**0.22**	0.21
1 Romanian Leu	RON	**0.19**	0.20	**0.19**	0.19
1 US Dollar	USD	**0.88**	0.90	**0.90**	0.84

2.3 Changes in the scope of consolidation

As part of its strategy, Holcim completed several acquisitions and disposals in the past two years.

Acquisitions of businesses

Million CHF	Total 2024[1]	Total 2023[1]	Duro-Last	Others[1]
Assets acquired and liabilities assumed at acquisition date:				
Cash and cash equivalents	**59**	47	10	37
Other current assets	**151**	284	112	172
Property, plant and equipment	**450**	492	68	424
Intangible assets	**293**	662	443	219
Other long-term assets	**12**	21	19	3
Bank overdrafts	**0**	(2)	0	(2)
Other current liabilities	**(137)**	(167)	(54)	(112)
Long-term provisions	**(22)**	(82)	(21)	(61)
Other long-term liabilities	**(139)**	(117)	(3)	(114)
Fair value of net assets	**668**	**1,138**	**573**	**565**
Goodwill acquired:				
Fair value of net assets	**(668)**	(1,138)	(573)	(565)
Non-controlling interests	**18**	8	0	8
Fair value of net assets acquired	**(650)**	**(1,130)**	**(573)**	**(557)**
Total purchase consideration	**1,195**	1,969	1,203	766
Fair value of previously held equity interests	**16**	6	0	6
Goodwill acquired	**561**	**845**	**630**	**215**
Cash outflow on acquisitions:				
Total purchase consideration	**1,195**	1,969	1,203	766
Purchase consideration in the form of shares	**(4)**			
Acquired cash and cash equivalents net of bank overdrafts	**(59)**	(45)	(10)	(35)
Deferred and advance considerations[2]	**(148)**	52	0	52
Cash outflow from acquisitions	**984**	**1,975**	**1,193**	**782**

[1] Including purchase price allocation refinements from prior-year acquisitions.
[2] Deferred and advance considerations include future expected cash out related to current-year acquisitions (CHF 104 million at the end of 2024).

Acquisitions in the current reporting period

In 2024, Holcim acquired the following businesses:

- Mendiger Basalt, a producer of aggregates and recycled construction demolition materials, Germany (January 2024)
- ZinCo, a manufacturer and designer of sustainable green roofing systems, Germany (January 2024)
- Grupo Comosa Company's ready-mix business, a producer of ready-mix materials, Mexico (March 2024)
- Eurobud's ready-mix operations in selected markets, Poland (May 2024)
- Tensolite, a manufacturer of innovative precast and prestressed concrete construction systems, Argentina (May 2024)
- Land Recovery, a supplier of recycled construction materials and aggregates, UK (May 2024)
- Cand-Landi, a producer of construction materials and provider of recycling, earth moving, logistics and pipeline maintenance services, Switzerland (June 2024)
- Bantle Gips, a gypsum quarries and landfill operator, Germany (June 2024)
- King William Sand & Gravel, a sand and gravel supply business, U.S. (July 2024)
- Mark Desmedt, a company recycling construction demolition materials, Belgium (July 2024)
- CemEnergy, a waste management and alternative fuels producer, Poland (July 2024)
- Comacsa, a white cement and industrial non-metallic minerals businesses entity, Peru (August 2024)
- Sablières de l'Atlantique, a marine alluvial sand dredging company, France (September 2024)
- Mixercon, a cement and ready-mix production, marketing and supply cement and ready-mix business, Peru (September 2024)
- Cemex operations in Guatemala, companies operating in the production, marketing and supply of cement and ready-mix materials, Guatemala (September 2024)
- Seekag, a ready-mix company, Switzerland (October 2024)
- Dunex Plus, a production and pumping company, Serbia (October 2024)
- OX Engineered Products, a U.S. provider of advanced insulation systems, U.S. (November 2024)
- Sekundar Usluge d.o.o., a waste management and alternative fuels producer, Croatia (November 2024)
- Ghielmicementi SA, a cement distribution company, Switzerland (December 2024)
- Rock 2023, an aggregate company, Bulgaria (December 2024)
- Certain aggregates operations from Carrières du Sud Ouest, France (December 2024)

All acquisitions aggregated contributed CHF 232 million to the Group's net sales in 2024. If the acquisitions had occurred on 1 January 2024, the contribution to Group net sales would have been CHF 560 million.

Acquisitions in the comparative period

Acquisition of Duro-Last in 2023

In February 2023, Holcim signed an agreement to acquire Duro-Last, a U.S. manufacturer of PVC roofing systems. The acquisition was completed on 31 March 2023 when Holcim acquired 100% of the voting equity shares for a consideration of CHF 1,203 million (USD 1,313 million) in cash.

As of 31 December 2023, the purchase price allocation (PPA) was completed with no material refinements. The value of the intangible assets acquired amounted to CHF 443 million and mainly reflected the recognition of customer relationships, trademarks and technology. The final fair value of the net assets acquired was CHF 573 million.

The results of Duro-Last are reported within the Solutions & Products operating segment.

Other acquisitions in the comparative period

In 2023, Holcim's main acquisitions included the following businesses:

- Chrono Chape, a provider of on-site self-levelling screeds, France (January 2023)
- Nicem, a producer of grounded calcium carbonate, Italy (January 2023)
- Pioneer Landscape Centers, sand and aggregates quarries, U.S. (January 2023)
- Ol-Trans, a ready-mix concrete supplier, Poland (January 2023)
- Indar, a hardware wholesaler, Mexico (January 2023)
- Fanger Kies und Beton, a ready-mix concrete and aggregates producer, Switzerland (February 2023)
- Beton Zdrug d.o.o., an aggregates producer, Croatia (February 2023)
- HM Factory, a provider of precast concrete solutions, Poland (February 2023)
- FDT Flachdach Technologie GmbH, a manufacturer of thermoplastic roofs, Germany (March 2023)
- Sivyer Logistics, a producer of recycled construction and demolition materials, UK (March 2023)
- Tezak Heavy Equipment, an aggregates producer, U.S. (March 2023)
- Stones Business Development, an aggregates producer, Romania (March 2023)
- Westridge Quarries, an aggregates producer, Canada (April 2023)
- PASA, a producer of roofing and waterproofing solutions, Mexico (April 2023)
- Quitam (Quimexur), a producer of liquid membranes for roofing and waterproofing applications, Argentina (May 2023)
- Besblock Ltd, a supplier of precast materials, UK (May 2023)
- Minerales y Agregados, a producer of advanced mortars and adhesive, Guatemala (May 2023)
- Klaus Heinz Group, a ready-mix concrete and recycled construction and demolition materials producer, Germany (May 2023)
- Larsinos, a ready-mix concrete and aggregates producer, Greece (May 2023)
- Cooper Standard Technical Rubber GmbH, a manufacturer of highly durable and technical rubber products, Germany (July 2023)
- OCL Regeneration Ltd, a company specialized in highways waste recycling solutions, UK (August 2023)
- Vic Mix Pty Ltd, a ready-mix concrete supplier, Australia (September 2023)
- Elite Cements S.L., a coastal grinding station, Spain (October 2023)
- Ready-mix operations from AML Ltd, New Zealand (November 2023)
- A majority stake in Artepref, a provider of precast concrete solutions, Spain (December 2023)
- W.A.T.T. Recycling, waste management company that produces alternative fuels, Greece (December 2023)
- Eco-Readymix, a producer of mortar and ready-mix concrete, UK (December 2023)

All acquisitions aggregated, excluding Duro-Last, contributed CHF 407 million to the Group's net sales in 2023. If the acquisitions had occurred on 1 January 2023, the contribution to Group net sales would have been CHF 729 million.

Disposals of businesses

In 2024, the disposals were as follows:

- Sale of the business in Russia (February 2024)
- Sale of the business in Uganda (March 2024)
- Sale of the business in Tanzania, representing a 65% stake in the company (March 2024)
- Sale of the business in South Africa (April 2024)
- Sale of the business in Kenya, representing a 58.6% stake in the company (December 2024)

Million CHF	Total 2024
Cash and cash equivalents	43
Other current assets	285
Property, plant and equipment	310
Intangible assets	1
Other long-term assets	3
Bank overdrafts	(7)
Other current liabilities	(205)
Long-term provisions	(10)
Other long-term liabilities	(50)
Net assets	**369**
Non-controlling interests	(82)
Net assets disposed of	**287**
Goodwill disposed	99
Cumulative other comprehensive income	195
Net loss on disposals before taxes	(92)
Tax and other expenses	43
Total disposal consideration	**533**
Disposed cash and cash equivalents net of bank overdrafts	(36)
Tax and disposal costs paid	(23)
Deferred consideration	(1)
Cash inflow from disposals	**472**

In 2023, there were no material disposals of business.

Significant pending transactions

In 2024, Holcim initiated the following transactions:

- Holcim is progressing on the planned full capital market separation of its North American business. The transaction is subject to shareholder approval at the Holcim Annual General Meeting on 14 May 2025 and subject to customary approvals. Therefore, management has assessed and concluded that the requirements to present its North American business as held for distribution to owners are not yet met.
- Holcim has signed an agreement with Huaxin Cement Ltd to divest its Nigerian business through the sale of its entire 83.81% shareholding in Lafarge Africa PLC. The transaction is subject to customary and regulatory approvals.

2.4 Principal consolidated companies of the Group

The following table lists the principal subsidiaries controlled by Holcim Ltd, Grafenauweg 10, CH-6300 Zug. It includes all legal entities representing at least 30% of the net sales of the country in which it operates.

Region / Company	Country	Municipality	Share Capital as of 31 December 2024 in million local currency		Cement	Aggregates	Ready-Mix Concrete	Solutions & Products	Percent of interest
Asia Pacific									
Holcim (Australia) Pty Ltd	Australia	North Sydney	AUD	1,120		◆	●	▲	100.0%
LafargeHolcim Bangladesh PLC	Bangladesh	Dhaka	BDT	11,614	■	◆			29.4%
Lafarge Dujiangyan Cement Co., Ltd	China	Dujiangyan City	CNY	857	■	◆			75.0%
Jiangyou LafargeHolcim Shuangma Cement Co., Ltd	China	Jiangyou City	CNY	200	■				100.0%
Holcim (New Zealand) Ltd	New Zealand	Christchurch	NZD	34	■	◆	●		100.0%
Holcim Philippines Inc.	Philippines	Taguig City	PHP	6,452	■	◆		▲	99.0%
Latin America									
Holcim (Argentina) S.A.	Argentina	Cordoba	ARS	366	■	◆	●	▲	83.1%
Holcim (Colombia) S.A.	Colombia	Bogotà	COP	217,343	■	◆	●	▲	100.0%
Holcim (Costa Rica) S.A.	Costa Rica	San José	CRC	8,577	■	◆	●	▲	66.4%
Holcim (Ecuador) S.A.	Ecuador	Guayaquil	USD	61	■	◆	●	▲	92.2%
Cemento Holcim de El Salvador S.A. de C.V.	El Salvador	Antiguo Cuscatlán	USD	10	■			▲	95.4%
Holcim Concretos El Salvador, S.A. de C.V.	El Salvador	Colón	USD	n.m.[1]			●		94.0%
Société des Ciments Antillais	French West Indies	Baie-Mahault	EUR	3	■				69.7%
Cemento Holcim Guatemala S.A.	Guatemala	Guatemala city	GTQ	127	■		●		100.0%
Minerales y Agregados S.A.	Guatemala	Guatemala city	GTQ	19				▲	52.0%
Holcim México Operaciones S.A. de C.V.	Mexico	Mexico City	MXN	5,877	■	◆	●	▲	100.0%
Holcim (Nicaragua) S.A.	Nicaragua	Managua	NIO	19	■		●	▲	53.1%
Compañía Minera Agregados Calcareos S.A.	Peru	Lima	PEN	80	■			▲	100.0%
Mixercon S.A.	Peru	Lima	PEN	124	■		●		100.0%

[1] n.m.: not material.

Region / Company	Country	Municipality	Share Capital as of 31 December 2024 in million local currency		Cement	Aggregates	Ready-Mix Concrete	Solutions & Products	Percent of interest
Europe									
Holcim (Österreich) GmbH	Austria	Vienna	EUR	3	■				70.0%
Holcim (Azerbaijan) O.J.S.C.	Azerbaijan	Baku	AZN	32	■				90.3%
Holcim (Belgique) S.A.	Belgium	Nivelles	EUR	110	■	◆	●		100.0%
Holcim Solutions and Products EMEA BV	Belgium	Zaventem	EUR	9				▲	100.0%
Holcim (Bulgaria) AD	Bulgaria	Beli Izvor	BGN	1	■		●		100.0%
Holcim (Hrvatska) d.o.o.	Croatia	Koromacno	EUR	38	■	◆	●		100.0%
Holcim (Cesko), a.s.	Czech Republic	Cizkovice	CZK	1,143	■				68.0%
Lafarge Bétons	France	Issy-les-Moulineaux	EUR	38			●		100.0%
Lafarge Ciments	France	Issy-les-Moulineaux	EUR	113	■				100.0%
Lafarge Ciments Distribution	France	Issy-les-Moulineaux	EUR	17	■				100.0%
Lafarge Granulats	France	Issy-les-Moulineaux	EUR	19		◆			100.0%
PRB Produits de revêtement du Batiment	France	Les Achards	EUR	2				▲	100.0%
Holcim (Deutschland) GmbH	Germany	Hamburg	EUR	47	■				100.0%
Holcim (Süddeutschland) GmbH	Germany	Dotternhausen	EUR	6	■				100.0%
Holcim Kies und Splitt GmbH	Germany	Hamburg	EUR	n.m.[1]		◆			100.0%
Holcim Beton und Betonwaren GmbH	Germany	Hamburg	EUR	n.m.[1]			●		100.0%
Heracles General Cement Company S.A.	Greece	Lykovrysi	EUR	121	■			▲	100.0%
Lafarge Beton Industrial Commercial SA	Greece	Lykovrysi	EUR	35		◆	●		100.0%
Holcim Hungary Ltd.	Hungary	Szentlőrinc	HUF	1,000	■				70.0%
Holcim (Italia) S.p.a.	Italy	Milano	EUR	26	■				100.0%
Holcim Aggregati Calcestruzzi s.r.l.	Italy	Milano	EUR	11		◆	●		100.0%
Lafarge Ciment (Moldova) S.A.	Moldova	Rezina	MDL	223	■				95.3%
Holcim Polska.[2]	Poland	Małogoszcz	PLN	811	■	◆	●	▲	100.0%
Holcim Kruszywa SP z.o.o.[3]	Poland	Warsaw	PLN	370		◆			100.0%
Holcim (Romania) S.A.	Romania	Bucharest	RON	205	■	◆	●	▲	99.7%
Somaco Grup Prefabricate SRL	Romania	Bucharest	RON	50				▲	99.7%
Lafarge BFC Srbija doo Beocin	Serbia	Beocin	RSD	5,124	■	◆	●		100.0%
Holcim, Prodaja cementa, d.o.o.	Slovenia	Trbovlje	EUR	6	■				70.0%
Holcim España, S.A.U	Spain	Madrid	EUR	221	■		●	▲	100.0%
Cand-Landi S.A.	Switzerland	Grandson	CHF	1				▲	100.0%
Holcim (Schweiz) AG	Switzerland	Zurich	CHF	71	■	◆			100.0%
Holcim Kies und Beton AG	Switzerland	Zurich	CHF	30		◆	●		100.0%
Holcim Trading Ltd	Switzerland	Zurich	USD	4					100.0%
Aggregate Industries UK Ltd.	UK	Leicester	GBP	n.m.[1]		◆	●	▲	100.0%
Lafarge Cauldon Limited	UK	Leicester	GBP	n.m.[1]	■				100.0%

[1] n.m.: not material.
[2] Former Lafarge Lafarge Cement S.A.
[3] Former Lafarge Kruszywa i Beton sp. z o.o.

Region / Company	Country	Municipality	Share Capital as of 31 December 2024 in million local currency		Cement	Aggregates	Ready-Mix Concrete	Solutions & Products	Percent of interest
North America									
Lafarge Canada Inc.	Canada	Toronto	CAD	n.a.[2]	■	◆	●	▲	100.0%
Holcim (US) Inc.	U.S.	Chicago	USD	n.m.[1]	■				100.0%
Holcim – ACM Management, Inc.	U.S.	Chicago	USD	n.m.[1]		◆	●		100.0%
Holcim Solutions and Products US, LLC	U.S.	Nashville	USD	n.a.[2]				▲	100.0%
Herbert Malarkey Roofing Company	U.S.	Portland	USD	n.a.[2]				▲	100.0%
Middle East & Africa									
Lafarge Ciment de M'sila "LCM"	Algeria	Algiers	DZD	7,257	■				100.0%
Lafarge Ciment d'Oggaz "LCO"	Algeria	Algiers	DZD	3,848	■				100.0%
Cilas Spa	Algeria	Algiers	DZD	138	■				49.0%
Lafarge Cement Egypt S.A.E.	Egypt	Cairo	EGP	826	■				95.7%
Lafarge Ready Mix S.A.E.	Egypt	Cairo	EGP	635			●		100.0%
Bazian Cement Company Limited	Iraq	Sulaymaniyah	IQD	221,834	■			▲	70.0%
Karbala Cement Manufacturing Ltd	Iraq	Karbala	IQD	49,735	■				51.0%
Jordan Cement Factories Co. Plc.[3]	Jordan	Amman	JOD	60	■		●		50.3%
Holcim (Liban) S.A.L.	Lebanon	Beirut	LBP	97,580	■				52.1%
Ashakacem Plc.[4]	Nigeria	Gombe	NGN	1,120	■				83.8%
Lafarge Africa Plc.[4]	Nigeria	Lagos	NGN	8,054	■				83.8%
Lafarge Emirates Cement L.L.C.	UAE	Dubai	AED	323	■				100.0%
Readymix Gulf Co Limited	UAE	Sharjah	AED	8			●		69.4%

[1] n.m.: not material.
[2] n.a.: not applicable.
[3] Former Jordan Cement Factories Company P.S.C.
[4] As of 31 December 2024, entities under divestment process. The transaction is subject to customary and regulatory approvals.

Holcim Innovation Centers

The following table lists the legal entities where the majority of employees are dedicated to research and development (R&D) and intellectual property.

Company	Country	Municipality	Share Capital as of 31 December 2024 in million local currency		Percent of interest
Holcim Technology Ltd	Switzerland	Zug	CHF	10	100.0%
Holcim Innovation Center	France	Saint-Quentin-Fallavier	EUR	23	100.0%

Principal finance, business services center and holding companies

The following table lists the principal finance, business services center and holding companies controlled by Holcim. It includes all entities with more than CHF 500 million of assets and direct participation in operational companies or with external financing over CHF 100 million over the last two years, and with more than 100 employees.

Principal finance, business services center and holding companies

Company	Country	Municipality	Share Capital as of 31 December 2024 in million local currency		Percent of interest
Holcim Finance (Australia) Pty Ltd	Australia	North Sydney	AUD	n.m.[1]	100%
Holcim (Australia) Holdings Pty Ltd	Australia	North Sydney	AUD	1,444	100%
Holcibel S.A.	Belgium	Mons	EUR	691	100%
Holcrest S.A.S.	Colombia	Medellin	COP	1,795	100%
Financière Lafarge S.A.S.	France	Issy-les-Moulineaux	EUR	4,069	100%
Holcim Investments (France) S.A.S.	France	Issy-les-Moulineaux	EUR	136	100%
Lafarge S.A.	France	Issy-les-Moulineaux	EUR	1,161	100%
Société financière immobilière et mobilière "SOFIMO" S.A.S.	France	Issy-les-Moulineaux	EUR	1,055	100%
Holcim Auslandbeteiligungs GmbH	Germany	Hamburg	EUR	3	100%
Holcim Beteiligungs GmbH	Germany	Hamburg	EUR	102	100%
Holcim Services (South Asia) Limited	India	Navi Mumbai	INR	10	100%
LH Global Hub Services Private Limited	India	Navi Mumbai	INR	160	100%
Holcim Gruppo (Italia) S.p.a.	Italy	Milan	EUR	9	100%
Holcim Finance (Luxembourg) S.A.	Luxembourg	Luxembourg	EUR	2	100%
Holcim US Finance (Luxembourg) S.A.	Luxembourg	Luxembourg	USD	n.m.[1]	100%
Caricement B.V.	Netherlands	Amsterdam	EUR	m.n.[1]	100%
Holchin B.V.	Netherlands	Amsterdam	EUR	n.m.[1]	100%
Holcim Sterling Finance (Netherlands) B.V.	Netherlands	Amsterdam	GBP	n.m.[1]	100%
Holderfin B.V.	Netherlands	Amsterdam	EUR	4	100%
Holcim European Business Services s.r.o.	Slovakia	Kosice	EUR	2	100%
Holcim EMEA Digital Center, S.L.	Spain	Madrid	EUR	n.m[1]	100%
Holcim Investments (Spain), S.L.	Spain	Madrid	EUR	174	100%
Holcim Continental Finance Ltd[3]	Switzerland	Zug	EUR	54	100%
Holcim Group Services Ltd	Switzerland	Zug	CHF	1	100%
Holcim Helvetia Finance Ltd	Switzerland	Zug	CHF	10	100%
Holcim International Finance Ltd[4]	Switzerland	Zug	USD	58	100%
Holdertrade Ltd	Switzerland	Zug	CHF	2	100%
Marine Cement AG[4]	Switzerland	Zug	USD	17	100%
Aggregate Industries Holdings Limited	UK	Leicester	GBP	n.m.[1]	100%
Holcim Finance US LLC	U.S.	Wilmington	USD	n.a.[2]	100%
Holcim Participations (US) Inc.	U.S.	Chicago	USD	n.m.[1]	100%

1 n.m.: not material.
2 n.a.: not applicable.
3 Change in currency from CHF to EUR.
4 Change in currency from CHF to USD.

Listed Group companies

Region	Company	Country	Municipality	Place of listing	Market capitalization as of 31 December 2024 in local currency		Security code number
Asia Pacific	LafargeHolcim Bangladesh Limited	Bangladesh	Dhaka	Chittagong, Dhaka	BDT	62,598	BD0643LSCL09
Latin America	Holcim (Argentina) S.A.	Argentina	Cordoba	Buenos Aires	ARS	793,662	ARP6806N1051
	Holcim (Costa Rica) S.A.	Costa Rica	San José	San José	CRC	107,217	CRINC00A0010
	Holcim (Ecuador) S.A.	Ecuador	Guayaquil	Quito, Guayaquil	USD	881	ECP516721068
Middle East & Africa	Holcim (Liban) S.A.L.	Lebanon	Beirut	Beirut	USD	1,368	LB0000012833
	Lafarge Africa Plc.[1]	Nigeria	Lagos	Lagos	NGN	1,126,740	NGWAPCO00002

1 As of 31 December 2024, entity under divestment process. The transaction is subject to customary and regulatory approvals.

2.5 Non-controlling interests

Holcim has no individually material non-controlling interests.

3. Segment reporting

3.1 Accounting principles

Segment reporting is aligned with the internal management structure, reflecting the way Holcim's chief operating decision maker (i.e., the Group Chief Executive Officer) is regularly reviewing the operating results. The four regional segments of North America, Latin America, Europe and Asia, Middle East & Africa include only the cement, aggregates and ready-mix concrete products. The separate segment of Solutions & Products is reported globally.

The five segments are as follows:

North America
Latin America
Europe
Asia, Middle East & Africa
Solutions & Products

Each of the above operating segments derives its revenues largely from the sales of the following four product lines:

Cement, which comprises clinker, cement and other cementitious materials (CEM)
Aggregates (AGG)
Ready-mix concrete (RMX)
Solutions & Products, which comprises precast, concrete products, asphalts, mortars, roofing systems, insulation systems, tile adhesives, facade solution and contracting and services (S&P)

Trading activities are classified largely as "Cement" to better reflect the nature of the operations to which it relates.

Group financing (including financing costs and financing income) and income taxes are managed on a Group basis and are not allocated to any operating segment. Segment revenues and segment results include transfers between segments. Those transfers are eliminated on consolidation.

3.2 Operating segments

Information by operating segment

	North America		Latin America	
	2024	2023	**2024**	2023
Statement of income (Million CHF)				
Net sales to external customers	**6,360**	6,711	**2,882**	2,861
Net sales to other segments	**153**	139	**18**	25
Total net sales	**6,513**	**6,849**	**2,901**	**2,887**
Recurring EBITDA after leases	**2,132**	**1,981**	**1,184**	**1,109**
Recurring EBITDA after leases margin in %	**32.7**	28.9	**40.8**	38.4
Recurring EBIT	**1,624**	**1,483**	**1,044**	**985**
Recurring EBIT margin in %	**24.9**	21.7	**36.0**	34.1
Operating profit (loss)	**1,603**	**1,449**	**1,041**	**980**
Operating profit (loss) margin in %	**24.6**	21.2	**35.9**	33.9
Reconciliation of measures of profit and loss to the consolidated statement of income				
Recurring EBITDA after leases	**2,132**	**1,981**	**1,184**	**1,109**
Depreciation and amortization of property, plant and equipment, intangible and other long-term assets	**(508)**	(498)	**(140)**	(124)
Recurring EBIT	**1,624**	**1,483**	**1,044**	**985**
Impairment of operating assets	**(2)**	(12)	**(1)**	0
Restructuring, litigation and other non-recurring costs	**(19)**	(22)	**(2)**	(5)
Operating profit (loss)	**1,603**	**1,449**	**1,041**	**980**
Profit on disposals and other non-operating income				
Loss on disposals and other non-operating expenses				
Share of profit of associates				
Financial income				
Financial expenses				
Net income before taxes				
Statement of financial position (Million CHF)				
Investments in associates and joint ventures	**51**	51	**3**	3
Property, plant and equipment	**6,506**	6,165	**1,912**	1,573
Goodwill	**4,391**	4,197	**1,187**	1,005
Intangible assets	**194**	191	**43**	21
Reconciliation of measures of Statement of financial position (Million CHF)				
Unallocated assets				
Total assets				
Personnel (unaudited)				
Number of personnel (FTE)	**9,781**	10,090	**8,927**	8,322

[1] The Russia business was divested in February 2024 and has been excluded from the key performance indicators since 1 March 2022 (see Note 2.3).
[2] The results of Duro-Last are reported in the segment Solutions & Products (see Note 2.3).
[3] Including trading activities not allocated by operating segment.

	Europe[1]		Asia, Middle East & Africa		Solutions & Products[2]		Corporate/ Eliminations[3]		Total Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	7,198	7,284	**3,612**	3,982	**5,915**	5,608	**439**	562	**26,407**	27,009
	303	333	**231**	264	**25**	23	**(730)**	(784)		
	7,501	**7,617**	**3,843**	**4,246**	**5,939**	**5,632**	**(291)**	**(223)**	**26,407**	**27,009**
	1,808	**1,673**	**1,096**	**1,135**	**965**	**858**	**(508)**	**(377)**	**6,677**	**6,378**
	24.1	22.0	**28.5**	26.7	**16.2**	15.2			**25.3**	23.6
	1,335	**1,202**	**878**	**898**	**707**	**614**	**(539)**	**(422)**	**5,049**	**4,760**
	17.8	15.8	**22.8**	21.2	**11.9**	10.9			**19.1**	17.6
	1,122	**1,163**	**829**	**841**	**675**	**583**	**(629)**	**(440)**	**4,642**	**4,577**
	15.0	15.3	**21.6**	19.8	**11.4**	10.4			**17.6**	16.9
	1,808	**1,673**	**1,096**	**1,135**	**965**	**858**	**(508)**	**(377)**	**6,677**	**6,378**
	(473)	(470)	**(218)**	(236)	**(258)**	(244)	**(31)**	(45)	**(1,628)**	(1,618)
	1,335	**1,202**	**878**	**898**	**707**	**614**	**(539)**	**(422)**	**5,049**	**4,760**
	(161)	(34)	**(39)**	(59)	**0**	(1)	**0**	7	**(202)**	(99)
	(52)	(5)	**(10)**	2	**(32)**	(30)	**(90)**	(25)	**(205)**	(84)
	1,122	**1,163**	**829**	**841**	**675**	**583**	**(629)**	**(440)**	**4,642**	**4,577**
									50	156
									(169)	(97)
									24	36
									156	198
									(681)	(697)
									4,022	**4,174**
	225	223	**3,051**	2,908					**3,331**	3,184
	6,943	6,576	**3,218**	3,602	**1,697**	1,383	**31**	42	**20,307**	19,341
	3,978	3,643	**965**	995	**4,050**	3,729	**23**	21	**14,594**	13,589
	343	211	**91**	119	**1,516**	1,400	**192**	185	**2,380**	2,127
									13,674	14,444
									54,285	**52,686**
	18,045	17,522	**10,529**	12,447	**14,919**	13,660	**1,464**	1,407	**63,665**	63,448

Information by product line

	Cement[1]		Aggregates	
Million CHF	**2024**	2023	**2024**	2023
Statement of income				
Net sales to external customers	**11,665**	12,159	**3,278**	3,310
Net sales to other segments	**1,494**	1,599	**1,058**	1,092
Total net sales	**13,159**	**13,758**	**4,335**	**4,402**
– of which North America	**3,775**	3,885	**1,726**	1,752
– of which Latin America	**2,417**	2,385	**47**	45
– of which Europe[4]	**4,360**	4,373	**1,957**	1,953
– of which Asia, Middle East & Africa	**2,443**	2,880	**607**	653
– of which Corporate/Eliminations	**164**	235		
Recurring EBITDA after leases	**4,453**	**4,283**	**955**	**930**
Recurring EBITDA after leases margin in %	**33.8**	**31.1**	**22.0**	**21.1**
Recurring EBIT[5]	**3,474**	**3,301**	**665**	**644**
Recurring EBIT margin in %	**26.4**	**24.0**	**15.3**	**14.6**
CapEx[6]	**1,129**	**941**	**182**	**258**
Personnel (unaudited)				
Number of personnel (FTE)	**26,502**	26,830	**9,451**	9,705

1 Cement, clinker and other cementitious materials.
2 Precast, concrete products, asphalts, mortars, roofing systems, insulation systems, tile adhesives, facade solution and contracting and services. The results of Duro-Last are reported in the product line Solutions & Products (for more information, see Note 2.3).
3 Excluding trading activities.
4 The Russia business was divested in February 2024 and has been excluded from the key performance indicators since 1 March 2022 (see Note 2.3).
5 Recurring EBIT includes corporate costs and trading.
6 CapEx consists of the purchase and disposal of property, plant and equipment.

	Ready-mix concrete		Solutions & Products[2]		Corporate/Eliminations[3]		Total Group	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	5,550	5,932	**5,915**	5,608			**26,407**	27,009
	51	47	**25**	23	**(2,627)**	(2,761)		
	5,601	**5,979**	**5,939**	**5,632**	**(2,627)**	**(2,761)**	**26,407**	**27,009**
	1,721	1,976	**3,795**	3,636	**(865)**	(905)	**10,152**	10,345
	674	712	**263**	205	**(250)**	(261)	**3,150**	3,086
	2,158	2,312	**1,719**	1,595	**(1,190)**	(1,246)	**9,002**	8,986
	1,049	979	**229**	253	**(282)**	(278)	**4,046**	4,486
			(66)	(58)	**(41)**	(72)	**57**	105
	348	**343**	**919**	**823**			**6,677**	**6,378**
	6.2	**5.7**	**15.5**	**14.6**			**25.3**	**23.6**
	251	**241**	**659**	**574**			**5,049**	**4,760**
	4.5	**4.0**	**11.1**	**10.2**			**19.1**	**17.6**
	45	**71**	**124**	**133**	**(3)**	**5**	**1,477**	**1,408**
	11,879	12,361	**15,478**	14,204	**355**	348	**63,665**	63,448

3.3 Information by country

Million CHF	Net sales to external customers 2024	Net sales to external customers 2023	Property, plant and equipment and intangible assets 2024	Property, plant and equipment and intangible assets 2023
U.S.[1]	**7,726**	7,912	**6,705**	6,102
Canada	**2,506**	2,591	**2,133**	2,169
France	**1,984**	2,197	**2,028**	2,087
Mexico	**1,744**	1,803	**657**	685
UK	**1,723**	1,811	**1,452**	1,213
Australia	**1,228**	1,264	**820**	855
Switzerland[1]	**888**	852	**1,003**	871
Germany	**789**	825	**715**	642
Others[1]	**7,818**	7,753	**7,172**	6,843
Total	**26,407**	**27,009**	**22,687**	**21,468**

[1] Including trading activities.

Net sales to external customers are based on the location of assets (origin of sales), with the exception of the trading activities (see Note 3.2). There is no single external customer where net sales amount to 10% or more of the Group's net sales.

4. Operating profit

4.1 Accounting principles

Operating profit excludes items that are not directly related to the Group's operating activities. These primarily relate to gains or losses on the disposals of Group companies, associates and joint ventures, revaluation gains or losses on previously held equity interests, indemnification provisions, disputes with minority shareholders, share of profit (loss) of associates and financial income and expenses.

4.2 Revenue recognition

Revenue from the sale of the Group's core products is recognized when delivery has taken place and control of the goods has been transferred to the customer. The customer obtains control of the goods when the significant risks and rewards of products sold are transferred according to the specific delivery terms that have been formally agreed with the customer, generally upon delivery when the bill of lading is signed by the customer as evidence that they have obtained physical possession and accepted the products delivered to them.

The core products are often sold with volume discounts. Revenue from these sales is recognized based on the price specified on the invoice, net of estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely amount. A liability is recognized for expected volume discounts in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed to with the Group company concerned, which is consistent with market practice. Generally, cement, aggregates and ready-mix concrete are not returned as a customer will only accept these products once they have passed a stringent quality check at the delivery point.

The Group offers separately priced extended warranties covering roofing systems, generally ranging from five to 30 years. Revenues from such activities are deferred and recognized in income over the life of the warranty on a straight-line basis.

Contract liabilities, reflecting a Group company's obligation to transfer to a customer goods or services for which the company has already received consideration, relate mainly to advance payments from customers, which are disclosed in Note 10.5, and to volume incentive programs and warranty programs. As of 31 December 2024, contract liabilities amounted to CHF 496 million (2023: CHF 412 million).

A trade receivable is recognized when the products are delivered to a customer, as this is the point in time when the consideration becomes unconditional because only the passage of time is required before the payment is due.

Contract assets, which is a Group company's right to consideration that is conditional on something other than the passage of time, relate mainly to construction and paving activities and are immaterial on a Group level.

The Group is also involved in providing services in conjunction with the sale of its core products and is developing retail activities in certain markets. However, both of these activities remain immaterial on Group level at this stage.

4.3 Production cost of goods sold

Million CHF	**2024**	2023
Material expenses	**(6,193)**	(6,599)
Fuel expenses	**(762)**	(982)
Electricity expenses	**(1,080)**	(1,270)
Personnel expenses	**(2,309)**	(2,111)
Maintenance expenses	**(1,449)**	(1,484)
Depreciation, amortization and impairment	**(1,753)**	(1,648)
Other production expenses	**(1,209)**	(1,352)
Changes in inventory	**23**	(65)
Total	**(14,731)**	**(15,511)**

4.4 Research and development

Innovation through research and development projects plays a key part in the Group's activities. Holcim's innovation centers in Switzerland and in France, with more than 300 researchers and a worldwide network of laboratories, are delivering breakthrough innovations to build the sustainable future of Holcim. The Holcim Innovation Hub, opened in September 2023, showcases Holcim's sustainable building solutions and contributes to co-create accelerated low-carbon, circular and energy-efficient building worldwide.

Research and development projects are carried out with a view to generating added value for customers through end user-oriented products and services, with a focus on:

- Disruptive solutions to decarbonize building.
- Breakthrough technologies aiming at production system improvements.
- Development of low-carbon products and solutions to protect the environment and lower the Group's environmental footprint.
- Innovation in digital technology across Holcim's business, fundamentally changing how the Group operates and delivers value to customers.
- Enabling sustainable construction and making sustainable building accessible for all, through houses of tomorrow projects.
- Partnering with startups to expand the number of environmental product declarations and gain access to innovative solutions.

The Group's operating profit includes research and development costs of CHF 225 million (2023: CHF 224 million).

4.5 Summary of depreciation, amortization and impairment

Million CHF	**2024**	2023
Production facilities	**(1,753)**	(1,648)
Distribution and sales facilities	**(365)**	(340)
Administration facilities	**(101)**	(88)
Total depreciation, amortization and impairment of operating assets (a)	**(2,219)**	**(2,076)**
Of which net impairment charge relating to property, plant and equipment (note 11.2)	**(184)**	(103)
Of which net impairment charge relating to intangible assets (note 11.3)	**(18)**	(2)
Of which net impairment reversal relating to investments in joint ventures (note 6.4)	**0**	6
Total depreciation, amortization and impairment of non-operating assets (b)	**0**	**0**
Total depreciation, amortization and impairment (a + b)	**(2,219)**	**(2,076)**
Of which depreciation of property, plant and equipment (note 11.2)	**(1,450)**	(1,424)
Of which depreciation of right-of-use assets (note 11.2)	**(389)**	(359)
Of which amortization of intangible assets and other long-term assets	**(177)**	(194)
Of which total net impairment charge	**(202)**	(99)

5. Profit and loss on disposals and other non-operating items

5.1 Accounting principles

Profit and loss on disposals and other non-operating items comprise gains or losses on the disposals of Group companies, associates and joint ventures, other non-operating items that are not directly related to the Group's operating activities such as revaluation gains or losses on previously held equity interests, indemnification provisions and disputes with minority shareholders.

5.2 Profit on disposals and other non-operating income

Million CHF	**2024**	2023
Gain on disposals before taxes	**29**	48
Dividends earned	**4**	4
Other	**16**	105
Total	**50**	**156**

"Gain on disposals before taxes" mainly includes current and deferred gain on disposals of Group companies (see Note 2.3).

In 2023, "Other" mainly included non-operating items such as the operating profit generated by the Russian operations since 1 March 2022.

5.3 Loss on disposals and other non-operating expenses

Million CHF	**2024**	2023
Loss on disposals before taxes	**(104)**	(8)
Other	**(65)**	(88)
Total	**(169)**	**(97)**

"Loss on disposals before taxes" mainly includes current and deferred losses on disposals of Group companies (see Note 2.3).

"Other" notably included the expenses relating to the Group's activities that are not part of its operating cycle.

6. Investments in associates and joint ventures

6.1 Accounting principles

The Group, in the course of its business, may enter into arrangements where it will exercise joint control over entities, resulting in classifying these operations as joint ventures or joint operations depending on the rights and obligations arising from the contractual arrangement. Alternatively, the Group may hold between 20% and 50% of the voting rights and exercise significant influence, resulting in these companies being classified as associates.

Investments in associates and joint ventures are accounted for using the equity method.

The Group's share of profit of joint ventures is classified within operating profit, as these operations form an integral part of the Group's financial performance, reflecting its core business activities. The Group's share of profit of associates is classified below operating profit.

Goodwill arising from an acquisition is included in the carrying amount of the investments in associates and joint ventures.

Equity accounting is discontinued when the carrying amount of the investment together with any long-term interest in a joint venture or in an associate reaches zero, unless the Group has either incurred or guaranteed additional obligations in respect of the joint venture or associate.

The Group tests joint ventures or associates for impairment only when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment. Objective evidence of impairment includes events such as significant financial difficulties of the associate or joint venture, or information about significant changes with an adverse effect that have taken place in the economic environment in which the joint venture or associate operates, and indicates that the carrying amount of the joint venture or associate may not be recovered.

An impairment loss is only recognized when the carrying amount of the joint venture or associate exceeds its recoverable amount, which is the higher of value-in-use and fair value less costs of disposal.

The recoverable amount of an investment in a joint venture or associate is assessed for each joint venture or associate, unless the joint venture or associate does not generate cash inflows from continuing use that are largely independent of those from other assets.

6.2 Main changes during the current reporting period

Significant pending transaction

In December 2024, Cement Australia signed an agreement to acquire a division of the Buckeridge Group of Companies (BGC), strengthening its footprint in Western Australia. The division of BGC to be acquired includes cement, concrete, quarry and asphalt, as well as its Materials Technology Centre. The transaction is subject to regulatory approvals.

6.3 Main changes during the comparative period

In 2023, Huaxin Cement in China repurchased and canceled shares as a consequence of which Holcim's ownership rate increased from 41.46% to 41.81%.

Investments in associates and joint ventures

Million CHF	**2024**	2023
Investments in associates	**250**	237
Investments in joint ventures	**3,080**	2,947
Total	**3,331**	**3,184**

6.4 Movements in investments in joint ventures

Million CHF	2024	2023
1 January	2,947	3,107
Share of profit of joint ventures	264	304
Dividends earned	(243)	(204)
Net acquisitions (disposals)	(7)	15
Reclassifications	1	0
Net Impairment reversal	0	6
Currency translation effects	115	(271)
Others	4	(9)
31 December	3,080	2,947

In 2023, “Net acquisitions (disposals)” mainly relates to the increase of 0.35% in Huaxin Cement in China.

6.5 List of principal joint ventures

Principal joint ventures

Region	Company	Country of incorporation or residence	Effective participation (percent of interest)
Asia, Middle East & Africa	Cement Australia Holdings Pty Ltd	Australia	50.0%
	Huaxin Cement Co. Ltd	China	41.8%
	Lafarge Maroc S.A.S.	Morocco	50.0%
	Readymix Qatar L.L.C	Qatar	49.0%

Listed joint ventures

Region	Company	Country	Municipality	Place of listing	Market capitalization as of 31 December 2024 in million local currency		Security code number
Asia, Middle East & Africa	Huaxin Cement Co. Ltd. – cement A shares	China	Wuhan	Shanghai	CNY	16,266	CNE000000DC6
	Huaxin Cement Co. Ltd. – cement H shares	China	Wuhan	Hong Kong	HKD	5,753	CNE1000057N3
	LafargeHolcim Maroc S.A.	Morocco	Casablanca	Casablanca	MAD	45,339	MA0000012320

6.6 Huaxin Cement Co. Ltd. (China)

As of 31 December 2024, the Group holds 41.8% (2023: 41.8%) of the voting rights in the joint venture company Huaxin Cement Co. Ltd.

The fair value of the investment in Huaxin Cement Co. Ltd. based on the quoted market price on 31 December 2024 amounted to CHF 1,056 million (2023: CHF 968 million).

Summarized financial information for the material joint venture company Huaxin Cement Co. Ltd., which is accounted for using the equity method, is presented below.

The carrying value of Huaxin Cement Co. Ltd. in the Group's 2024 financial statements is based on an estimated equity as of 31 December 2024. However, since Huaxin Cement Co. Ltd. is a publicly listed company in China and has not yet published its financial statements for the year 2024, the disclosed amounts for the investment in the joint venture Huaxin Cement Co. Ltd. are as of 30 September 2024.

The summarized financial information presented below shows the amounts included in the IFRS financial statements of Huaxin Cement Co. Ltd. as of 30 September 2024 and as of 31 December 2023. As of 30 September 2024, dividends of CHF 57 million (31 December 2023: CHF 57 million) were received from Huaxin Cement Co. Ltd.

Huaxin Cement Co. Ltd. – Statement of financial position

Million CHF	30.09.2024	31.12.2023
Cash and cash equivalents	662	692
Other current assets	1,227	1,187
Non-current assets	6,601	6,481
Total assets	**8,490**	**8,360**
Current financial liabilities	723	872
Other current liabilities	1,304	1,369
Long-term financial liabilities	1,820	1,649
Other non-current liabilities	407	312
Total liabilities	**4,254**	**4,202**
Net assets	**4,236**	**4,158**
Shareholders' equity (excluding non-controlling interests)	**3,674**	**3,628**

Huaxin Cement Co. Ltd. – Statement of comprehensive earnings

Million CHF	Jan-Sep 2024	Jan-Dec 2023
Net sales	**3,025**	**4,283**
Operating profit[1]	**340**	**585**
Profit on disposals and other non-operating items	0	25
Financial income	16	17
Financial expenses	(85)	(106)
Income taxes	(61)	(124)
Net income	**210**	**397**
Net income (excluding non-controlling interests)	**157**	**324**
Other comprehensive earnings	(3)	(47)
Total comprehensive earnings (excluding non-controlling interests)	**154**	**277**

[1] Of which CHF 341 million (2023: CHF 485 million) relates to depreciation and amortization.

Impairment test of the investment in Huaxin

The fair value of the investment in Huaxin Cement Co. Ltd. based on a quoted market price was 39% (2023: 41%) lower than the value in Holcim Group's statement of financial position as of 31 December 2024.

In accordance with the Group's accounting policies, an impairment test was carried out as of December 31, 2024. Management employed the value-in-use approach to determine the recoverable amount of Huaxin Cement Co. Ltd, using key assumptions including the projected Recurring EBITDA margin and discount rate. The test results did not lead to recognition of any impairment on the investment in Huaxin Cement Co. Ltd as of December 31, 2024. A sensitivity analysis was performed in which it was determined that a reasonably possible change in these key assumptions would not cause the carrying amount of the Huaxin Cement Co. Ltd investment to materially exceed its recoverable amount.

6.7 Lafarge Maroc S.A.S. (Morocco)

As of 31 December 2024, the Group holds 50% (2023: 50%) of the voting rights in the joint venture company Lafarge Maroc S.A.S..

Summarized financial information for the material joint venture Lafarge Maroc S.A.S., which is accounted for using the equity method, is presented below.

The carrying value of Lafarge Maroc S.A.S. in the Group's 2024 financial statements is based on an estimated equity as of 31 December 2024. However, since Lafarge Maroc S.A.S. is the parent company of LafargeHolcim Maroc S.A, a publicly listed company in Morocco which has not yet published its financial statements for the year 2024, the disclosed amounts for the investment in the joint venture Lafarge Maroc S.A.S. are as of 30 June 2024.

The summarized financial information presented below shows the amounts included in the IFRS financial statements of Lafarge Maroc S.A.S. as of 30 June 2024 and as of 31 December 2023. As of 30 June 2024, dividends of CHF 45 million (31 December 2023: CHF 45 million) were received from Lafarge Maroc S.A.S.

Lafarge Maroc S.A.S. – Statement of financial position

Million CHF	**30.06.2024**	31.12.2023
Cash and cash equivalents	**27**	28
Other current assets	**317**	292
Non-current assets	**2,074**	1,979
Total assets	**2,417**	**2,299**
Current financial liabilities	**217**	118
Other current liabilities	**260**	260
Long-term financial liabilities	**539**	530
Other non-current liabilities	**228**	214
Total liabilities	**1,243**	**1,122**
Net assets	**1,174**	**1,177**
Shareholders' equity (excluding non-controlling interests)	**771**	**773**

Lafarge Maroc S.A.S. – Statement of comprehensive earnings

Million CHF	**Jan-Jun 2024**	Jan-Dec 2023
Net sales	**492**	**1,079**
Operating profit[1]	**145**	**271**
Loss on disposals and other non-operating items	**(8)**	(24)
Financial expenses	**(17)**	(34)
Income taxes	**(55)**	(91)
Net income	**64**	**122**
Net income (excluding non-controlling interests)	**42**	**77**
Other comprehensive earnings	**(3)**	0
Total comprehensive earnings (excluding non-controlling interests)	**39**	**78**

[1] Of which CHF 45 million (2023: CHF 107 million) relates to depreciation and amortization.

6.8 Other joint ventures

In 2024 and 2023, there were no unrecognized shares of losses relating to other joint ventures.

6.9 Movements in investments in associates

Million CHF	2024	2023
1 January	**237**	**216**
Share of profit of associates	**24**	33
Net impairment reversal	**0**	4
Subtotal	**24**	**36**
Dividends earned	**(8)**	(8)
Net acquisitions (disposals)	**(14)**	1
Currency translation effects	**0**	(12)
Others	**11**	3
31 December	**250**	**237**

As of 31 December 2024 and 31 December 2023, the Group has no interests in associates that are considered as individually material.

There are no unrecognized shares of losses relating to the above associates.

7. Financing items

7.1 Accounting principles

Financial income and expenses primarily relate to interest earned on cash and cash equivalents, interest expenses on borrowings, unwinding of discount on long-term provisions, net interest expenses on retirement benefit plans, foreign exchange gains and losses and interest expenses on lease liabilities.

7.2 Financial income

Million CHF	2024	2023
Interest earned on cash and cash equivalents	**134**	170
Other financial income	**22**	28
Total	**156**	**198**

7.3 Financial expenses

Million CHF	2024	2023
Interest expenses	**(463)**	(490)
Interest expenses on lease liabilities	**(78)**	(63)
Fair value changes on financial instruments	**2**	2
Unwinding of discount on long-term liabilities	**(24)**	(7)
Net interest expenses on retirement benefit plans	**(21)**	(8)
Impairment and write off of long-term financial assets	**(6)**	(6)
Other financial expenses	**(82)**	(90)
Foreign exchange loss, net	**(8)**	(35)
Total	**(681)**	**(697)**

Interest expenses relate primarily to financial liabilities measured at amortized cost. The decrease in 2024 was mainly driven by debt maturities (see Note 14.4).

Interest expenses include CHF 4 million (2023: CHF 4 million) of amortization of bonds and private placements, which were fair valued in previous years following a purchase price allocation exercise. At the end of December 2024, the remaining balance to amortize amounts to CHF 47 million (2023: CHF 48 million).

Interest expenses on lease liabilities include interest expenses related to ongoing lease contracts (see Note 14.7).

The increase in unwinding of discount on long-term provisions is driven by discount rate changes.

Other financial expenses include costs for commitment fees on credit facilities, bank charges and accruals for interest related to ongoing legal and tax cases.

Foreign exchange losses are mainly due to unhedgeable receivables and payables denominated in currencies other than functional currencies.

8. Income taxes

8.1 Accounting principles

Income taxes

Holcim's business operations are subject to numerous income taxes imposed by state and local governments. Taxes recognized in the Group Consolidated Financial Statements reflect the Group's best estimate of the outcome based on the facts known at the balance sheet date in each individual country, including changes in tax laws or revised interpretations of existing tax rules and regulations, or on-going tax audits.

Significant judgment is often required in determining the Group's annual tax charges and in evaluating the Group tax positions. Although the Group believes the tax estimates are reasonable, the final determination of tax audits and any related disputes could be materially different from the Group's historical tax provisions and accruals, even if the Group assesses the tax positions in line with local tax laws and international guidelines such as those issued by the Organisation for Economic Cooperation and Development (OECD).

Deferred taxes

Deferred tax is provided, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Tax rates enacted or substantively enacted by the end of the reporting period are used to determine the deferred tax expense.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which deductible temporary differences or unused tax losses can be utilized. Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries, associates and interests in joint arrangements except where the Group is able to control the distribution of earnings from these respective entities and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited in the statement of income, except when it relates to items credited or charged outside the statement of income, in which case the deferred tax is treated accordingly.

OECD Pillar 2

The Organisation for Economic Cooperation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting previously published the Pillar Two model rules implementing a global minimum tax of 15%. The Group has a presence in jurisdictions that have enacted Pillar Two model rules. This includes Switzerland which enacted the Ordinance for implementing the OECD/G20 Qualified Domestic Minimum Tax (QDMTT) from 1 January 2024 and the Income Inclusion Rule (IIR) from 1 January 2025.

The impact in those jurisdictions where the transitional safe harbor relief does not apply and the Pillar Two effective tax rate is below 15% is not material in 2024 and does not affect the Group's effective tax rate. Holcim has applied the mandatory exception to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

8.2 Tax expenses

Million CHF	2024	2023
Current taxes	**(905)**	**(1,121)**
Deferred taxes	**(76)**	**122**
Relating to origination and reversal of temporary differences, tax losses and credits	**(78)**	125
Relating to changes in tax rates and legislation	**2**	(3)
Total	**(981)**	**(999)**

8.3 Reconciliation of tax rate

The expected tax charge is the result of applying the domestic statutory tax rates to net income (loss) before taxes. For the Group, the applicable tax rate varies from one year to the next, depending on the relative weight of net income (loss) of each individual entity in the Group's profit as well as the changes in statutory tax rates.

Million CHF	2024		2023	
Net income before taxes	**4,022**		4,174	
Impairment and net gain (loss) on disposals of Group companies	**277**		44	
Net income before impairment, divestments and taxes	**4,299**		4,218	
Group's expected tax charge / rate	**(972)**	**23%**	**(966)**	**23%**
Tax effects of:				
– Non-recoverable withholding taxes	**(91)**		(67)	
– Incentives for investment and development	**52**		65	
– Non-deductible items	**(70)**		(90)	
– Income not subject to tax	**52**		59	
– Uncertain tax positions	**67**		(194)	
– Recognition / (derecognition) of deferred tax assets	**(42)**		185	
– Changes in tax rates	**2**		(3)	
Tax effect of impairment and net gain on disposals of Group companies	**21**		14	
Group's effective tax charge / rate	**(981)**	**24%**	**(999)**	**24%**

The Group's effective tax rate, excluding impairment and divestments, amounts to 23% (2023: 24%).

In 2024, total income taxes paid amounts to CHF 928 million (2023: CHF 702 million).

8.4 Deferred taxes

Deferred tax in the consolidated statement of financial position:

Million CHF	2024	2023
Deferred tax assets	**(565)**	(674)
Deferred tax liabilities	**1,994**	1,868
Deferred tax liabilities, net	**1,429**	**1,194**

The Group's recognition of deferred tax assets amounting to CHF 565 million (2023: CHF 674 million) reflects the Group's belief that sufficient taxable income will be generated to recover these assets in future periods. However, uncertainties regarding the future realization of recorded tax benefits on temporary differences and tax loss carryforwards from operations in various jurisdictions could result in material adjustments to the deferred tax assets recognized in future periods.

Change in deferred tax assets and liabilities

Million CHF	Property, plant and equipment	Intangible and other long-term assets	Provisions and defined benefit obligations	Other	Tax losses carryforward	Total
2024						
Deferred tax liabilities net as of 1 January 2024	**2,064**	**48**	**(226)**	**(249)**	**(443)**	**1,194**
Charged (credited)						
– to the statement of income	**(20)**	**146**	**52**	**(88)**	**(14)**	**76**
– to other comprehensive income[1]	**0**	**0**	**4**	**(1)**	**0**	**3**
Change in scope	**31**	**6**	**0**	**28**	**11**	**76**
Hyperinflation	**34**	**0**	**0**	**6**	**0**	**40**
Currency translation effects	**184**	**16**	**(65)**	**(94)**	**(1)**	**40**
Deferred tax liabilities net as of 31 December 2024	**2,293**	**216**	**(235)**	**(398)**	**(447)**	**1,429**
2023						
Deferred tax liabilities net as of 1 January 2023	**2,221**	**98**	**(149)**	**(143)**	**(450)**	**1,577**
Charged (credited)						
– to the statement of income	13	(36)	(6)	(77)	(16)	(122)
– to other comprehensive income[1]	0	0	(89)	(41)	0	(130)
Change in scope	(14)	27	1	10	(1)	23
Hyperinflation	27	0	0	2	0	29
Currency translation effects	(183)	(41)	17	0	24	(183)
Deferred tax liabilities net as of 31 December 2023	**2,064**	**48**	**(226)**	**(249)**	**(443)**	**1,194**

[1] The tax effects upon other comprehensive earnings are included within the consolidated statement of comprehensive earnings on page 265.

8.5 Tax losses carryforward

Million CHF	Tax losses carry-forward **2024**	Tax effect **2024**	Tax losses carry-forward 2023	Tax effect 2023
Total tax losses carryforward	**6,004**	**1,368**	**6,475**	**1,458**
Of which reflected in deferred taxes	**(2,279)**	**(447)**	(2,354)	(443)
Total tax losses carryforward not recognized	**3,724**	**922**	**4,121**	**1,015**
Expiring as follows:				
Within 1 year	**106**	**21**	16	3
Between 2 and 5 years	**159**	**35**	205	43
Thereafter	**3,459**	**865**	3,900	969

In 2024, CHF 922 million (2023: CHF 1,015 million) of deferred tax assets on tax losses were not recognized, as the Group considers it will not generate sufficient taxable income within the carryforward period to realize these deferred tax benefits in all jurisdictions where the Group operates.

8.6 Long-term income tax liabilities

The Group continually monitors its global tax position. Whenever uncertainties arise, the Group assesses the potential consequences and either accrues the liability or discloses a contingent liability in its financial statements, depending on the strength of the Group's position and the resulting risk of loss.

For the purpose of classifying an income tax liability as current or non-current, the Group analyses whether or not the extinguishment of such liability may occur within 12 months from the end of the reporting period and, in particular, whether or not the Group has the right to defer settlement beyond 12 months in each respective jurisdiction.

The long-term income tax liabilities of CHF 154 million (2023: CHF 170 million) no longer includes repatriation tax arising from the U.S. tax reform (2023: CHF 21 million).

9. Earnings per share

	2024	2023
Basic earnings per share in CHF	**5.24**	**5.37**
Adjusted net income attributable to shareholders of Holcim Ltd (Million CHF)	**2,922**	3,043
Weighted average number of shares outstanding	**557,623,740**	567,168,970
Diluted earnings per share	**5.22**	**5.35**
Adjusted net income used to determine diluted earnings per share (Million CHF)	**2,922**	3,043
Weighted average number of shares for diluted earnings per share	**559,993,317**	569,240,835
Reconciliation of weighted average number of shares outstanding		
Weighted average number of shares outstanding	**557,623,740**	567,168,970
Adjustment for assumed exercise of share options and performance shares	**2,369,576**	2,071,865
Weighted average number of shares for diluted earnings per share	**559,993,317**	569,240,835
Reconciliation of net income attributable to shareholders of Holcim Ltd		
Net income attributable to shareholders of Holcim Ltd – as per statement of income (Million CHF)	**2,926**	3,060
Adjustment for net interest of subordinated fixed rate resettable notes (Million CHF)[1]	**(4)**	(17)
Adjusted net income attributable to shareholders of Holcim Ltd (Million CHF)	**2,922**	3,043

[1] Holcim issued two subordinated perpetual notes: EUR 500 million at an initial fixed coupon of 3.0% in April 2019 and CHF 200 million at an initial fixed coupon of 3.5% in November 2018. On 7 December 2023, Holcim exercised the redemption option on the CHF 200 million subordinated perpetual note and on 28 May 2024, Holcim exercised the redemption option on the EUR 500 million subordinated perpetual note. (see note 17.1).

In conformity with the decision taken at the Annual General Meeting of shareholders on 8 May 2024, a dividend of CHF 2.80 per registered share for the financial year 2023 was paid out of the foreign capital reserves from tax capital contributions on 16 May 2024. This resulted in a total payment of CHF 1,570 million.

10. Working capital

10.1 Accounting principles

Trade accounts receivable

Trade accounts receivable are initially recognized at their invoiced amounts less any deductions such as trade discounts.

The Group applies the IFRS 9 simplified approach with expected lifetime credit losses (ECL). Therefore, the Group does not track changes in credit risk, but instead recognizes a credit loss allowance based on a lifetime ECL at each reporting period.

The lifetime ECL calculation includes possible default events on the trade accounts receivable over the entire holding period of the receivable.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials and additives, direct labor, other direct costs and related production overheads. Cost of inventories includes transfers from equity of gains or losses on qualifying cash flow hedges relating to inventory purchases.

10.2 Trade accounts receivable

Million CHF	**2024**	2023
Trade accounts receivable – associates and joint ventures	**42**	61
Trade accounts receivable – third parties	**2,571**	2,663
Net carrying amount	**2,613**	**2,723**

Maturity of accounts receivable

	2024			2023		
Million CHF	**Gross carrying amount**	**Lifetime expected credit loss allowance**	**Net carrying amount**	**Gross carrying amount**	**Lifetime expected credit loss allowance**	**Net carrying amount**
Not overdue	**2,081**	**(30)**	**2,051**	2,007	(25)	1,981
Overdue 1 to 89 days	**501**	**(13)**	**488**	661	(15)	646
Overdue 90 to 180 days	**58**	**(12)**	**47**	57	(15)	43
Overdue more than 180 days	**196**	**(168)**	**28**	205	(152)	53
Total	**2,837**	**(223)**	**2,613**	**2,929**	**(206)**	**2,723**

The allowance in the table above relates to accounts receivable for which a lifetime expected credit loss is recognized. See Note 14.6 for further details.

In some cases, trade accounts receivable are factored to third parties but the total amount is not considered material for the Group.

10.3 Inventories

Million CHF	2024	2023
Raw materials and additives	**534**	475
Semi-finished and finished products	**1,867**	1,629
Fuels	**151**	185
Parts and supplies	**565**	519
Total	**3,117**	**2,807**

In 2024, the Group recognized inventory write-downs to net realizable value of CHF 6 million (2023: CHF 9 million) relating mainly to Parts and Supplies.

10.4 Prepaid expenses and other current assets

Million CHF	2024	2023
Prepaid expenses and accruals	**253**	210
Other current assets	**119**	163
Other receivables – associates and joint ventures	**8**	7
Other receivables – third parties	**457**	469
Total	**837**	**849**

10.5 Trade accounts payable

Million CHF	2024	2023
Trade accounts payable – associates and joint ventures	**141**	116
Trade accounts payable – third parties	**4,236**	3,949
Advance payments from customers – third parties	**368**	271
Total	**4,745**	**4,336**

The Group has supplier finance arrangements in a limited number of countries under which its suppliers may elect for early payment from financial institutions by factoring their receivables from the Group. Suppliers availing of the supplier finance arrangements at their own discretion will bear the full cost of early settlement of their receivables. The Group's obligation to settle with the supplier remains on original payment terms that are contractually independent of any arrangement between the supplier and a financial institution. The Group provides no security to the finance providers.

Trade payables – including those that are covered by supplier finance arrangements – are non-interest-bearing and are settled in line with the contractual terms originally agreed with the suppliers, consistent with local market practices. In the primary jurisdiction in which supplier finance arrangements are made available, the payment terms for all trade payables including the ones that are part of the arrangements generally average 90 days.

Based on the above, all trade payables covered by supplier finance arrangements are included in trade and other payables in the consolidated statement of financial position and within trade payables in the table above.

Million CHF	2024[1]
Carrying amount of trade payables that are part of a supplier finance arrangement[2]	**321**
Of which suppliers have received payment	**292**

[1] Carrying amount of trade payables that are part of a supplier finance arrangement are at CHF 307 million in December 2023.
[2] Non cash changes from business combinations or foreign exchange differences are immaterial at Group level.

For explanations on the Group's liquidity risk management processes, refer to Note 14.6.

11. Property, plant and equipment, goodwill and intangible assets

11.1 Accounting principles

Property, plant and equipment

Property, plant and equipment is valued at acquisition or construction cost less depreciation and impairment losses.

Cost includes transfers from equity of any gains or losses on qualifying cash flow hedges. The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

Land and mineral reserves	No depreciation except on land with raw material reserves (unit-of-production method)
Buildings and installations	20 to 40 years
Machinery and equipment	3 to 30 years

Useful lives of assets may be affected by climate-related matters due to transitional risks, such as obsolescence and legal restrictions, or physical risks, as there is the potential for operations to be adversely impacted by extreme variability in weather patterns. The change in useful lives directly impacts the amount of depreciation or amortization recognized each year. Management's review of useful lives has taken into consideration the impact of the Group's 2030 targets. For the calculation of useful lives, the various input factors and the residual values are reviewed annually.

Costs are only included in the asset's carrying amount when it is probable that the economic benefits associated with the item will flow to the Group in future periods and the cost of the item can be measured reliably. Costs include the initial estimate of the costs for dismantling and removing the item and for restoring the site on which it is located. All other repairs and maintenance expenses are charged to the statement of income during the period in which they are incurred.

Mineral reserves are measured at cost and are depreciated based on the unit-of-production method over their estimated commercial lives.

Costs incurred to gain access to mineral reserves (typically stripping costs) are capitalized and depreciated over the life of the quarry, which is based on the estimated tons of raw material to be extracted from the reserves.

Interest costs on borrowings to finance construction projects, which necessarily take a substantial period of time to get ready for their intended use, are capitalized during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed in the period in which they are incurred.

Government grants received are recognized when there is reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. Government grants are deducted from property, plant and equipment and reduce the depreciation charge accordingly.

Goodwill and impairment testing

Goodwill arises in a business combination and is the excess of the consideration transferred to acquire a business over the underlying fair value of the net identified assets acquired. Such goodwill is tested annually for impairment or whenever there are impairment indicators, and is carried at cost less accumulated impairment losses.

Following a business combination, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit, among others, from the synergies of the business combination. The Group's cash-generating units (CGUs) are defined on the basis of the relevant market, which is normally country- or product-related. For the purpose of impairment testing, the Group's cash-generating units are aggregated into an operating segment, which is the level reviewed by the Group Chief Executive Officer (i.e. the chief operating decision maker). The discount rate is determined on a country level and is hence disclosed as a range on operating segment level. The aggregated carrying amount of goodwill that is monitored on operating segment level is detailed in Note 11.3.

For the goodwill impairment test, the recoverable amount of a cash-generating unit is determined at the higher of its value-in-use and its fair value less costs of disposal. Management used the value-in-use approach to calculate the recoverable amount of the cash-generating unit. The aggregated recoverable amount of the operating segment is then compared to its aggregated carrying amount. An impairment loss is recognized if the aggregated carrying amount of the operating segment exceeds its aggregated recoverable amount. The value-in-use is determined based on future discounted cash flows using the weighted average cost of capital (WACC). The discount rate reflects the current assessment of the time value of money and the risks specific to the CGU (essentially country risk).

The WACC used for the impairment test is a post-tax discount rate and is applied to post-tax cash flows. There is no material difference in the outcome of the impairment test using the discount rate applied when compared with using a pre-tax discount rate for pre-tax cash flows.

Cash flow projections are generally based on a four-year financial planning period using business plans approved by management. Cash flows beyond the planning period are extrapolated based on increasing sustainable cash flows. Business plans include, among others, the management's current view on market growth, pricing and costs. In any event, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market for the products and country in which the cash-generating unit operates. The long-term average growth rate is based on the long-term inflation rate and gross domestic product for the relevant market, as published by the International Monetary Fund (IMF).

On disposal of a subsidiary or joint operation, the portion of the goodwill from the related operating segment is allocated to the subsidiary or joint operation disposed of and is included in the determination of profit or loss on disposal.

Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill arising from an acquisition of a joint venture or associated company is included in the carrying amount of the net investment in an associate or a joint venture and is not separately recognized. Refer to Note 6 for further details.

Sustainability and goodwill impairment testing

Sustainability is a key factor considered by the Group in any investment decision. To reach its 2030 targets, the Group continues to invest in process decarbonization, carbon-efficient construction, circular economy, clean energy, biodiversity, air and water.

Accelerating its net zero ambition, Holcim announced in 2023 its ambition to reach 420 kilograms of CO_2 per ton of cementitious materials by 2030 and to invest CHF 2 billion in carbon capture, utilization and storage projects by 2030 to capture five million tons of CO_2 per year. In line with the financial reporting requirements, the business plans include the future investment projects which had been approved as of 31 December 2024.

Carbon pricing is applicable in several markets where the Group operates, notably in Europe. It is reflected in the production cost assumptions in the business plans.

The Group continues to monitor the emergence of new CO_2 regulatory pronouncements, which are factored into the business plans once enacted. Accordingly, the reform of the European Union Emissions Trading Scheme (EU ETS), adopted by the European Council and Parliament in 2023, according to which free CO_2 emissions allowances granted to industry under EU ETS will be gradually phased out between 2026 and 2034 and similarly the newly introduced Carbon Border Adjustment Mechanism (CBAM) starting from 2026 are considered in the business plans.

Holcim has already anticipated the developments of the existing and future European regulatory framework and a specific European roadmap has been developed and aligned with our Strategy 2025 and 2030 decarbonization target.

Sensitivity analysis and goodwill impairment testing (see Note 11.3)

Discount rates

A sensitivity analysis was performed on the discount rates at cash-generating unit level which, accordingly, is at the relevant market level – normally country- or product-related – and then aggregated into an operating segment for goodwill impairment purposes.

Recurring EBITDA margin

Price and costs are also considered as key assumptions impacting the Recurring EBITDA margin. Therefore, the sensitivity on those key assumptions is tested through the long-term Recurring EBITDA margin variability.

Long-term growth rate

No sensitivity analysis is run on the long-term growth rate, as it is offset by the inflation rates included in the discount rates.

Intangible assets

Expenditure on acquired customer relationships, trademarks, mining rights, software, patented and unpatented technology and other intangible assets are capitalized and amortized using the straight-line method over their estimated useful lives, but not exceeding 25 years, except for mining rights which are depleted on a volume basis. Customer lists were primarily acquired as part of the acquisition of Elevate in 2021, Malarkey in 2022 and Duro-Last in 2023.

Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group calculates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value-in-use. If the calculated recoverable amount of a non-financial asset or cash generating unit is less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of income.

The Group assesses whether there is an indication that an impairment loss recognized in prior periods for an asset or cash generating unit other than goodwill may no longer exist or may have decreased. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined if no impairment loss had been recognized for that non-financial asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of income.

11.2 Property, plant and equipment

Million CHF	Land and mineral reserves	Buildings and installations	Machinery and equipment	Construction in progress	Total
2024					
At cost of acquisition	**7,025**	**8,608**	**23,453**	**1,405**	**40,491**
Accumulated depreciation/impairment	**(2,384)**	**(4,746)**	**(13,976)**	**(42)**	**(21,149)**
Net book value as of 1 January	**4,641**	**3,861**	**9,477**	**1,363**	**19,341**
Acquisitions[1]	**134**	**107**	**182**	**27**	**450**
Divestments[1]	**(41)**	**(24)**	**(225)**	**(21)**	**(310)**
Additions	**35**	**6**	**11**	**1,576**	**1,629**
Lease additions	**86**	**130**	**385**	**1**	**602**
Disposals	**(25)**	**(3)**	**(25)**	**(2)**	**(54)**
Modifications and reassessments of leases	**6**	**3**	**(6)**	**0**	**3**
Reclassifications	**68**	**333**	**1,167**	**(1,569)**	**(2)**
Depreciation	**(170)**	**(362)**	**(1,308)**	**0**	**(1,840)**
Hyperinflation[2]	**59**	**50**	**133**	**9**	**251**
Impairment charge	**(3)**	**(71)**	**(113)**	**0**	**(187)**
Reversal of impairment	**0**	**0**	**0**	**3**	**3**
Currency translation effects	**117**	**97**	**184**	**24**	**422**
Net book value as of 31 December	**4,907**	**4,126**	**9,863**	**1,411**	**20,307**
At cost of acquisition	**7,450**	**9,421**	**25,018**	**1,443**	**43,333**
Accumulated depreciation/impairment	**(2,543)**	**(5,295)**	**(15,155)**	**(33)**	**(23,026)**
Net book value as of 31 December	**4,907**	**4,126**	**9,863**	**1,411**	**20,307**
2023					
At cost of acquisition	7,291	8,826	24,447	1,134	41,698
Accumulated depreciation/impairment	(2,346)	(4,724)	(14,224)	(48)	(21,342)
Net book value as of 1 January	**4,945**	**4,103**	**10,223**	**1,086**	**20,356**
Acquisitions[1]	160	118	208	6	492
Divestments[1]	(1)	(1)	(2)	0	(3)
Additions	9	7	20	1,492	1,529
Lease additions	42	94	328	0	464
Disposals	(25)	(7)	(24)	6	(51)
Modifications and reassessments of leases	2	(2)	(11)	0	(11)
Reclassifications	36	219	829	(1,124)	(39)
Depreciation	(172)	(336)	(1,276)	0	(1,784)
Hyperinflation[2]	39	34	92	8	174
Impairment charge	(40)	(31)	(26)	(5)	(103)
Currency translation effects	(356)	(338)	(884)	(106)	(1,684)
Net book value as of 31 December	**4,641**	**3,861**	**9,477**	**1,363**	**19,341**
At cost of acquisition	7,025	8,608	23,453	1,405	40,491
Accumulated depreciation/impairment	(2,384)	(4,746)	(13,976)	(42)	(21,149)
Net book value as of 31 December	**4,641**	**3,861**	**9,477**	**1,363**	**19,341**

[1] See more information in Note 2.3.
[2] See more information in Note 2.2.

As of 31 December 2024 and 2023, there is no pledged carrying amount in property, plant and equipment.

“Property, plant and equipment” includes owned property, plant and equipment and right-of-use assets for lease contracts, as described below:

- Land: Land is leased for production sites and distribution facilities;
- Buildings and installations: Buildings and installations include buildings and installations for production purposes as well as office rent;
- Machinery, equipment and vehicles: Machinery and equipment are used in the manufacturing and distribution processes. Heavy mobile equipment, trucks and vehicles are leased for production and transportation purposes.

Right-of-use assets

Million CHF	Land	Buildings and installations	Machinery, equipment and vehicles	Total right-of-use assets
2024				
Net book value as of 1 January	**385**	**302**	**672**	**1,359**
Acquisitions	**1**	**9**	**3**	**12**
Divestments	**(3)**	**(1)**	**(6)**	**(9)**
Lease additions	**86**	**130**	**386**	**602**
Depreciation	**(62)**	**(66)**	**(261)**	**(389)**
Modifications and reassessments of leases	**6**	**3**	**(6)**	**3**
Others	**0**	**0**	**5**	**5**
Currency translation effects	**10**	**12**	**19**	**40**
Net book value as of 31 December	**424**	**388**	**811**	**1,623**
2023				
Net book value as of 1 January	**400**	**274**	**618**	**1,293**
Acquisitions	20	19	22	61
Lease additions	43	94	327	464
Depreciation	(57)	(64)	(238)	(359)
Modifications and reassessments of leases and others	2	(2)	(11)	(11)
Currency translation effects	(23)	(19)	(47)	(89)
Net book value as of 31 December	**385**	**302**	**672**	**1,359**

11.3 Goodwill and intangible assets

Million CHF	Goodwill	Intangible assets
2024		
At cost of acquisition	**14,992**	**3,577**
Accumulated amortization/impairment	**(1,403)**	**(1,451)**
Net book value as of 1 January	**13,589**	**2,127**
Acquisitions[1]	**561**	**293**
Divestments[1]	**(99)**	**(1)**
Reclassification	**0**	**1**
Additions	**0**	**50**
Disposals	**0**	**(1)**
Amortization	**0**	**(175)**
Impairment charge	**0**	**(18)**
Hyperinflation[2]	**34**	**1**
Currency translation effects	**510**	**104**
Net book value as of 31 December	**14,594**	**2,380**
At cost of acquisition	**15,913**	**4,026**
Accumulated amortization/impairment	**(1,318)**	**(1,646)**
Net book value as of 31 December	**14,594**	**2,380**
2023		
At cost of acquisition	15,289	3,154
Accumulated amortization/impairment	(1,615)	(1,385)
Net book value as of 1 January	**13,675**	**1,769**
Acquisitions[1]	845	662
Reclassification	0	11
Additions	0	42
Amortization	0	(191)
Impairment charge	0	(2)
Hyperinflation[2]	21	0
Currency translation effects	(951)	(165)
Net book value as of 31 December	**13,589**	**2,127**
At cost of acquisition	14,992	3,577
Accumulated amortization/impairment	(1,403)	(1,451)
Net book value as of 31 December	**13,589**	**2,127**

[1] See more information in Note 2.3.
[2] See more information in Note 2.2.

Impairment testing of goodwill

Key assumptions used for value-in-use calculations in respect of goodwill 2024

Operating segments (Million CHF)	Carrying amount of goodwill	Currency	Post-tax discount rates[1]	Long-term growth rates[1]	Rec. EBITDA margins Terminal value
North America	**4,391**	**USD/CAD**	**6.8%**	**2.1%**	**35.4%**
Latin America	**1,187**	**Various**	**8.5%-32.4%**	**1.5%-26.3%**	**38.8%**
Europe	**3,978**	**Various**	**5.9%-14.0%**	**1.0%-5.0%**	**24.7%**
Asia, Middle East & Africa[2]	**965**	**Various**	**6.7%-26.8%**	**1.0%-14.4%**	**25.1%**
Solutions & Products	**4,050**	**Various**	**6.5%-6.9%**	**1.8%-2.1%**	**27.5%**
Others	**23**	**USD**	**5.9%**	**1.0%**	**n.a**
Total	**14,594**				

[1] The discount rates, long-term growth rates and Recurring EBITDA margin are determined on the relevant market level normally country- or product-related, and thus disclosed as a range at the operating segment level.
[2] Including a post-tax discount rate of 9.7% for China.

Key assumptions used for value-in-use calculations in respect of goodwill 2023

Operating segments (Million CHF)[1]	Carrying amount of goodwill	Currency	Post-tax discount rates[2]	Long-term growth rates[2]	Rec. EBITDA margins Terminal value
North America	4,197	USD/CAD	6.7%	2.1%	32.6%
Latin America	1,005	Various	8.2%-56.4%	1.5%-52.9%	36.2%
Europe	3,643	Various	5.9%-13.9%	1.0%-5.0%	22.6%
Asia, Middle East & Africa[3]	995	Various	6.6%-45.2%	1.5%-39.4%	30.0%
Solutions & Products[4]	3,729	Various	6.2%-8.3%	1.6%-2.5%	23.1%
Others	21	USD	5.9%	1.0%	n.a
Total	**13,589**				

[1] With the development and growth of the segment Solutions & Products, Holcim's segment reporting was changed in 2023 and adapted to our "Strategy 2025 – Accelerating Green Growth". The four regional operating segments of North America, Latin America, Europe and Asia, Middle East & Africa only include the products cement, aggregates and ready-mix concrete. The separate segment of Solutions & Products is reported globally.
[2] The discount rates, long-term growth rates and Recurring EBITDA margin are determined on the relevant market level normally country- or product-related, and thus disclosed as a range at the operating segment level.
[3] Including a post-tax discount rate of 9.5% for China.
[4] Including goodwill of CHF 630 million resulting from the acquisition of Duro-Last in 2023.

In 2024 and in 2023, no goodwill impairment charge was recognized.

Sensitivity analysis

With regard to the assessment of value-in-use of the different operating segments, management concluded that a reasonably possible change in the post-tax discount rate or in the long-term Recurring EBITDA margin, would not cause their carrying amounts to exceed their recoverable amounts.

12. Financial investments and other financial assets

12.1 Accounting principles

Financial investments and other financial assets consist of:

a) "Financial investments – third parties" are strategic equity investments which are classified at fair value through other comprehensive earnings.

b) "Long-term receivables – associates and joint ventures" are classified as receivables at amortized cost, as the Group intends to hold the assets to maturity to collect contractual cash flows.

c) "Long-term receivables – third parties" are classified as receivables at amortized cost, as the Group intends to hold the assets to maturity to collect contractual cash flows.

d) "Other long-term assets" are classified as receivables at amortized cost and notably comprise various deposits in connection with ongoing legal and tax cases.

Financial assets at amortized cost are measured using the effective interest method.

All purchases and sales of long-term financial assets are recognized on trade date, which is the date that the Group commits to purchase or sell the asset. The purchase cost includes transaction costs, except for derivative instruments.

Strategic equity investments are investments where the Group generally owns less than 20% of the shares and where it does not exercise control, joint control or significant influence and which it intends to hold for long-term strategic purposes. Gains and losses arising from changes in the fair value of strategic equity investments at fair value through other comprehensive earnings are included in other reserves until the asset is disposed of, at which time the cumulative gain or loss previously recognized in other reserves is transferred to retained earnings.

Financial assets measurement

At initial recognition, in the case of a financial asset not at fair value through profit or loss, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

a) Debt instruments
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Loans and receivables at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of income when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Financial assets at fair value through profit or loss: Assets that do not meet the criteria for amortized cost and are held for trading are measured at fair value through profit or loss. Gains and losses on debt investments that are subsequently measured at fair value through profit or loss and are not part of a hedging relationship are recognized in the statement of income and presented net in the statement of income in the period in which they arise. Interest income from these financial assets is included in financial income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Equity instruments at fair value
The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on strategic equity investments at fair value through other comprehensive earnings, there is no subsequent reclassification of fair value gains and losses to the statement of income. Dividends from such investments continue to be recognized in the statement of income when the Group's right to receive payments is established.

12.2 Long-term financial investments and other long-term assets

Million CHF	2024	2023
Financial investments – third parties	**152**	155
Financial investments – unconsolidated group companies	**46**	98
Long-term receivables – associates and joint ventures	**25**	78
Long-term receivables – third parties	**136**	78
Deferred charges	**47**	33
Other long-term assets	**131**	101
Total	**538**	**542**

Long-term receivables and other long-term assets are primarily denominated in NGN, USD and EUR. The repayment dates vary between one and 26 years (2023: one and 26 years).

In 2024, “Financial investments – unconsolidated Group companies” related to the acquisition of Ghielmicementi SA in Switzerland, which is subject to the provisional purchase price allocation exercise to be completed in 2025 (see Note 2.3).

In 2023, “Financial investments – unconsolidated Group companies” related to three subsidiaries in Europe (W.A.T.T. Recycling in Greece, majority stake in Artepref in Spain and Eco-Readymix in the UK) consolidated in the first quarter of 2024 (see Note 2.3).

12.3 Current financial receivables

Million CHF	2024	2023
Marketable securities	**5**	5
Current financial receivables – associates and joint ventures	**13**	13
Current financial receivables – third parties	**119**	109
Total	**137**	**128**
Of which pledged/restricted	**56**	25

13. Assets and related liabilities classified as held for sale

13.1 Accounting principles

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

13.2 Assets and related liabilities classified as held for sale

The assets and related liabilities classified as held for sale as of 31 December 2024 relate to a cement plant in China.

Million CHF	2024	2023
Inventories	0	33
Other current assets	0	87
Property, plant and equipment	58	94
Intangible assets	23	26
Assets classified as held for sale	**81**	**239**
Current liabilities	0	71
Long-term liabilities	0	32
Liabilities directly associated with assets classified as held for sale	**0**	**104**
Net assets classified as held for sale	**81**	**136**

The assets and related liabilities classified as held for sale as of 31 December 2023, included mainly assets and liabilities of Russia, which were disposed of in the first quarter 2024 (see Note 2.3).

14. Net financial debt

14.1 Accounting principles

Cash and cash equivalents

Cash and cash equivalents are financial assets. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents is presented net of bank overdrafts.

Derivative instruments and hedging

The Group mainly uses derivative financial instruments to reduce its exposure to changes in interest rates, foreign currency exchange rates and commodity prices. The Group enters into foreign exchange contracts and interest rate swaps and options to hedge certain exposures relating to debt, into foreign exchange contracts to hedge firm commitments for the acquisition of certain property, plant and equipment, and into swaps and options to manage its exposure to commodity risks.

Derivatives are regarded as hedging instruments under hedge accounting relationships, unless they are not designated as hedges, in which case they will be classified as held for trading. Financial derivatives expected to be settled within twelve months after the end of the reporting period are classified as current liabilities or current assets. For cash flow hedges, gains and losses are recorded in the cash flow hedging reserve, a separate component of equity, and recycled to the statement of income or as a basis adjustment to inventory or property, plant and equipment as the hedged transaction occurs.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss is dependent on the nature of the item being hedged. On the date a derivative contract is entered into, the Group designates certain derivatives as either (a) a hedge of the fair value of a recognized asset or liability (fair value hedge), or (b) a hedge of a particular risk associated with a recognized asset or liability, such as future interest payments on floating rate debt (cash flow hedge), or (c) a hedge of a foreign currency risk of a firm commitment or highly probable forecast transaction (cash flow hedge), or (d) a hedge of a net investment in a foreign entity (accounted for similarly to a cash flow hedge).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective are recorded in the statement of income, along with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income.

Where the firm commitment results in the recognition of an asset, for example, property, plant and equipment, or a liability, the gains or losses previously deferred in the cash flow hedging reserve are transferred from equity and included in the initial measurement of the non-financial asset or liability. Otherwise, amounts deferred in equity are transferred to the statement of income and classified as income or expense in the same periods during which the cash flows, such as hedged firm commitments or interest payments, affect the statement of income.

On inception of a hedge, the Group documents the economic relationship between hedging instruments and hedged items, including whether the hedging instrument is expected to offset changes in cash flows of hedged items as well as its risk management objective and strategy.

Long-term financial liabilities

Bank loans acquired and bonds issued are initially recognized at fair value (i.e., the proceeds received), net of transaction costs incurred. Subsequently, bank loans and bonds are stated at amortized cost, using the effective interest method, with any difference between proceeds (net of transaction costs) and the redemption value recognized in the statement of income over the term of the borrowings.

Financial liabilities that are due within twelve months of the end of the reporting period are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for more than twelve months after the reporting period.

The repayment of the current portion of such liabilities is shown in the statement of cash flows in the line “Repayment of long-term financial liabilities”.

14.2 Net financial debt

Million CHF	31.12.2023	Cash flows	Non cash flows	31.12.2024
Current financial liabilities[1]	1,416	116	310	**1,842**
Long-term financial liabilities	12,665	(1,294)	642	**12,014**
Gross financial debt	**14,081**	**(1,178)**	**952**	**13,856**
Derivative assets	(103)	0	42	**(61)**
Cash and cash equivalents	(6,082)	748	(13)	**(5,347)**
Net Financial Debt	**7,896**	**(430)**	**982**	**8,448**

[1] Including bank overdraft cash flow movement for CHF -9 million.

Million CHF	2024	2023
Net Financial Debt as of 1 January	**7,896**	**6,032**
Cash flow from operating activities	**(5,667)**	(5,470)
Cash flow from investing activities	**2,037**	3,469
Payout on ordinary shares	**1,570**	1,414
Dividends paid to non-controlling interests	**164**	91
Coupon paid on subordinated fixed rate resettable notes	**13**	27
Net movement of treasury shares[1]	**951**	1,609
Increase in participation in existing Group companies	**12**	64
Repayment from subordinated fixed rate resettable notes[2]	**490**	200
Total cash effective movements as per statement of cash flows	**(430)**	**1,404**
Change in scope[3]	**36**	142
Currency translation effects	**211**	(293)
Increase in long-term lease liabilities	**600**	477
Others	**134**	134
Total non cash effective movements	**982**	**460**
Net Financial Debt as of 31 December	**8,448**	**7,896**

[1] Net movement of treasury shares includes cash out of CHF 1,000 million in 2024 and CHF 1,609 million in 2023 related to the share buyback programs (see note 17.2).
[2] For more information, see note 17.1.
[3] Change in scope predominantly relates to acquisitions (see note 2.3).

14.3 Cash and cash equivalents

Million CHF	2024	2023
Cash at banks and on hand	**3,190**	2,808
Short-term deposits[1]	**2,157**	3,274
Total	**5,347**	**6,082**
Bank overdrafts	**(13)**	(31)
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	**5,334**	**6,052**

[1] Of which CHF 396 million (2023: CHF 373 million) relates to investments in money market funds.

14.4 Financial liabilities

Million CHF	2024	2023
Current financial liabilities – associates and joint ventures	**29**	32
Current financial liabilities – third parties	**150**	125
Current portion of long-term financial liabilities	**1,630**	1,177
Derivative liabilities (note 14.5)	**33**	82
Total current financial liabilities	**1,842**	**1,416**
Long-term financial liabilities – associates and joint ventures	**0**	1
Long-term financial liabilities – third parties	**11,113**	11,784
Derivative liabilities (note 14.5)	**900**	880
Total long-term financial liabilities	**12,014**	**12,665**
Total	**13,856**	**14,081**

Details of total financial liabilities

Million CHF	2024	2023
Loans from financial institutions	**290**	277
Bonds and private placements	**10,941**	11,424
Total loans and bonds	**11,231**	**11,701**
Lease liabilities (note 14.7)	**1,692**	1,419
Derivative liabilities (note 14.5)	**934**	962
Total	**13,856**	**14,081**

"Loans from financial institutions" include amounts due to banks and other financial institutions. Repayment dates vary between one and ten years (2023: one and eleven years). As per the loan agreements, the Group is required to comply with certain provisions or covenants. As of 31 December 2024, the Group complied with its debt covenants in all respects.

As of 31 December 2024, the unused committed credit lines totaled CHF 4,883 million (2023: CHF 5,148 million).

Financial liabilities by currency

	2024			2023		
Currency	Million CHF	In %	Interest rate[1]	Million CHF	In %	Interest rate[1]
EUR	**6,633**	**47.9**	**+2.1%**	6,902	49.0	+2.4%
USD	**4,435**	**32.0**	**+5.5%**	4,084	29.0	+5.4%
CHF	**1,476**	**10.7**	**+0.7%**	1,883	13.4	+1.2%
GBP	**738**	**5.3**	**+2.5%**	677	4.8	+2.5%
CAD	**243**	**1.8**	**+4.7%**	230	1.6	+4.4%
AUD	**82**	**0.6**	**+5.1%**	63	0.4	+5.3%
PLN	**67**	**0.5**	**+3.8%**	61	0.4	+3.1%
Others	**182**	**1.2**	**+6.2%**	181	1.4	+7.2%
Total	**13,856**	**100.0**	**+3.2%**	**14,081**	**100.0**	**+3.2%**

[1] Weighted average nominal interest rate on financial liabilities as of 31 December.

Information on the maturity of financial instruments is disclosed in Note 14.6.

Bonds and private placements as of 31 December

Nominal value		Nominal interest rate	Term	Description[1]	Net book value in CHF[2]	Net book value in CHF[2]
Million					**2024**	2023
Holcim Ltd						
CHF	150	1.00%	2015–2025	Bonds	**150**	150
CHF	440	1.00%	2018-2024	Bonds	**0**	440
Lafarge S.A.						
USD	483	7.13%	2006–2036	Bonds	**483**	454
Holcim Finance (Luxembourg) S.A.						
EUR	320	3.00%	2014–2024	Bonds guaranteed by Holcim Ltd	**0**	297
EUR	33	2.00%	2016–2026	Schuldschein loan guaranteed by Holcim Ltd	**31**	30
EUR	1,150	2.25%	2016–2028	Bonds guaranteed by Holcim Ltd, swapped into floating interest rates in 2019	**1,000**	957
EUR	750	1.75%	2017-2029	Bonds guaranteed by Holcim Ltd	**701**	692
EUR	500	0.50%	2019-2026	Bonds guaranteed by Holcim Ltd	**455**	442
EUR	500	2.38%	2020-2025	Bonds guaranteed by Holcim Ltd	**470**	464
EUR	850	0.50%	2020-2031	Bonds guaranteed by Holcim Ltd (sustainability-linked), swapped into USD and floating interest rate	**674**	639
EUR	500	0.13%	2021-2027	Bonds guaranteed by Holcim Ltd, swapped into USD and floating interest rate	**438**	417
EUR	650	0.63%	2021-2033	Bonds guaranteed by Holcim Ltd, swapped into USD	**497**	471
EUR	500	0.63%	2021-2030	Bonds guaranteed by Holcim Ltd	**466**	460
EUR	1,000	0.50%	2021-2030	Bonds guaranteed by Holcim Ltd, partially swapped into floating interest rate	**878**	853
EUR	300	1.38%	2021-2036	Private placement guaranteed by Holcim Ltd	**279**	276
EUR	500	1.50%	2022-2025	Bonds guaranteed by Holcim Ltd	**470**	464
EUR	150	1.63%	2022-2026	Private placement guaranteed by Holcim Ltd (sustainability-linked)	**141**	139
Holcim US Finance (Luxembourg) S.A.						
USD	50	4.20%	2013–2033	Bonds guaranteed by Holcim Ltd	**45**	42
USD	100	2.24%	2021-2031	Private placement guaranteed by Holcim Ltd (sustainability-linked)	**90**	84
USD	50	7.65%	2001-2031	Private placement guaranteed by Holcim Ltd	**45**	42
USD	250	6.88%	2009–2039	Bonds guaranteed by Holcim Ltd	**220**	205
USD	250	6.50%	2013–2043	Bonds guaranteed by Holcim Ltd	**220**	205
Holcim Sterling Finance (Netherlands) B.V.						
GBP	300	3.00%	2017–2032	Bonds guaranteed by Holcim Ltd	**337**	318
GBP	250	2.25%	2021-2034	Bonds guaranteed by Holcim Ltd, partially swapped into CHF and floating interest rate	**240**	231
Subtotal					**8,330**	**8,774**

1 With fixed rates unless indicated.
2 Includes adjustments for fair value hedge accounting, where applicable.
Sustainability-linked instrument.

Nominal value		Nominal interest rate	Term	Description[1]	Net book value in CHF[2]	Net book value in CHF[2]
Million					**2024**	2023
Subtotal					**8,330**	**8,774**
Holcim International Finance Ltd						
USD	38	4.38%	2018-2024	Schuldschein loan guaranteed by Holcim Ltd	**0**	32
USD	60	4.59%	2018-2025	Schuldschein loan guaranteed by Holcim Ltd	**54**	50
USD	65	5.34%	2022-2025	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rate (sustainability-linked)	**59**	55
USD	58	5.49%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rate (sustainability-linked)	**52**	48
USD	25	5.74%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rate (sustainability-linked)	**23**	21
Holcim Finance US LLC						
USD	400	3.50%	2016–2026	Bonds guaranteed by Holcim Ltd	**361**	336
USD	590	4.75%	2016–2046	Bonds guaranteed by Holcim Ltd	**521**	485
Holcim Continental Finance Ltd						
EUR	109	1.32%	2018-2024	Schuldschein loan guaranteed by Holcim Ltd	**0**	101
EUR	5	1.68%	2018-2025	Schuldschein loan guaranteed by Holcim Ltd	**5**	5
EUR	2	2.22%	2018-2028	Schuldschein loan guaranteed by Holcim Ltd	**1**	1
EUR	55	3.37%	2022-2025	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rates (sustainability-linked)	**52**	51
EUR	42	2.11%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	**39**	38
EUR	250	3.52%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rates (sustainability-linked)	**235**	232
EUR	59	2.53%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	**55**	54
EUR	86	3.77%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd, with floating interest rates (sustainability-linked)	**80**	79
EUR	24	2.99%	2022-2032	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	**23**	22
Holcim Helvetia Finance Ltd						
CHF	300	0.25%	2021-2027	Bonds guaranteed by Holcim Ltd	**300**	300
CHF	145	0.13%	2021-2027	Bonds guaranteed by Holcim Ltd	**145**	145
CHF	185	0.50%	2021-2031	Bonds guaranteed by Holcim Ltd, swapped into floating interest rates	**183**	171
CHF	325	0.38%	2022-2026	Bonds guaranteed by Holcim Ltd (sustainability-linked)	**323**	321
CHF	100	1.00%	2022-2032	Bonds guaranteed by Holcim Ltd (sustainability-linked)	**100**	101
Total					**10,941**	**11,424**

1 With fixed rates unless indicated.
2 Includes adjustments for fair value hedge accounting, where applicable.
Sustainability-linked instrument.

14.5 Derivative financial instruments

Derivative liabilities are included in financial liabilities (Note 14.4) and derivative assets are separately disclosed in the consolidated statement of financial position. The Group assessed the effects of existing netting arrangements in place for financial instruments and these were considered to be immaterial.

Derivative assets and liabilities

Million CHF	Fair value assets 2024	Fair value liabilities 2024	Nominal amount 2024	Fair value assets 2023	Fair value liabilities 2023	Nominal amount 2023
Fair value hedges						
Interest rate	**0**	**460**	**3,776**	0	578	4,053
Total fair value hedges	**0**	**460**	**3,776**	**0**	**578**	**4,053**
Cash flow hedges						
Interest rate	**1**	**0**	**470**	82	0	664
Currency	**4**	**2**	**235**	1	5	231
Cross-currency	**0**	**365**	**2,348**	0	225	2,201
Commodity	**25**	**103**	**877**	19	124	816
Total cash flow hedges	**30**	**471**	**3,930**	**102**	**354**	**3,913**
Held for trading						
Currency	**31**	**3**	**2,698**	1	30	1,919
Total held for trading	**31**	**3**	**2,698**	**1**	**30**	**1,919**
Total	**61**	**934**	**10,403**	**103**	**962**	**9,884**

14.6 Financial risks associated with operating activities

Group Risk Management

Group Risk Management supports the Board of Directors, the Executive Committee and the countries' management teams in analyzing overall risk exposure. Group Risk Management aims to systematically identify, monitor and manage major risks encountered by the Group. All types of risks from industrial, operational, financial and legal risks, up to risks associated with the external business environment, are considered, including compliance, sustainability and reputational aspects. Risks are understood as the effect of uncertainty on business objectives, which can present an opportunity or a threat. The risk horizon includes long-term strategic risks but also short- to medium-term business risks. Potential risks are identified and evaluated at an early stage and monitored. Mitigating actions are proposed and implemented at the appropriate level, so that risk management remains a key management responsibility.

The Group's risk map is established by strategic, operational and topical risk assessments, which are combined into a Group risk report. Besides the countries, the Board of Directors, the Executive Committee and the corporate function heads are involved in the risk assessment during the Group's management cycle. The results of the annual Group risk process are presented to the Executive Committee and the conclusions reported to the Board of Directors and the Audit Committee.

Country risk

Holcim operates in many countries across the world and is exposed, directly or indirectly, to the effects of economic, political and social instability such as trade protectionism, foreign exchange volatility, geopolitical tensions, terrorism, civil war and unrest. Holcim's broad geographic footprint exposes the Group to the adverse consequences of shifts in the geopolitical dynamics, which can spark social unrest, government interventionism leading to reduced access to utilities and raw materials, changes in the sanctions environment and supply chain disruptions.

Financial risk management

The Group's activities expose it to a variety of financial risks, including liquidity, interest rate, foreign exchange, commodity and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts, commodity and interest rate swaps and options to hedge certain exposures. The Group does not enter into derivative or other financial transactions which are unrelated to its business needs or for speculative purposes.

Financial risk management within the Group is governed by policies approved by key management personnel. It provides principles for overall risk management as well as policies covering specific areas such as interest rate risk, foreign exchange risk, credit risk, use of derivative financial instruments and the investment of cash.

Liquidity risk

Group companies need liquidity to meet their obligations. Individual companies are responsible for raising internal and external credit lines to cover their liquidity needs, subject to guidance from the Group.

The Group monitors its liquidity risk by using a recurring liquidity planning tool and maintains cash, readily realizable marketable securities and unused committed credit lines to meet its liquidity requirements. In addition, the strong creditworthiness of the Group allows it to access international financial markets for financing purposes.

Cash is primarily invested with highly rated banks or money market funds and is readily accessible in the respective entities.

Contractual maturity analysis

Million CHF	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	Total	Carrying amount
	Contractual undiscounted cash flows							
2024								
Trade accounts payable and others[1]	**4,612**	**0**	**0**	**0**	**0**	**0**	**4,612**	**4,612**
Loans from financial institutions	**206**	**59**	**13**	**5**	**2**	**6**	**290**	**290**
Bonds, private placements and commercial paper notes	**1,259**	**1,328**	**1,241**	**1,083**	**863**	**5,634**	**11,408**	**10,941**
Interest payments	**235**	**208**	**183**	**175**	**148**	**1,154**	**2,103**	**108**
Lease liability payments	**397**	**324**	**277**	**226**	**149**	**570**	**1,943**	**1,692**
Derivative financial instruments, net[2]	**130**	**189**	**243**	**104**	**101**	**474**	**1,242**	**873**
Total	**6,840**	**2,108**	**1,956**	**1,593**	**1,263**	**7,838**	**21,598**	
2023								
Trade accounts payable and others[1]	4,314	0	0	0	0	0	4,314	4,314
Loans from financial institutions	176	53	36	5	3	5	277	277
Bonds, private placements and commercial paper notes	870	1,241	1,296	1,229	1,070	6,307	12,013	11,424
Interest payments	248	229	204	178	168	1,222	2,248	122
Lease liability payments	326	281	226	188	126	436	1,583	1,419
Derivative financial instruments, net[2]	233	201	180	213	106	443	1,376	859
Total	**6,167**	**2,005**	**1,942**	**1,813**	**1,473**	**8,413**	**21,812**	

[1] Trade accounts payable and others include trade accounts payable and payables related to the purchase of property, plant and equipment included in other current liabilities.
[2] The contractual cash flows include both cash inflows and outflows.

The maturity profile is based on contractual undiscounted amounts, including both interest and principal cash flows, and is based on the earliest date on which Holcim could be required to pay. Contractual interest cash flows relating to a variable interest rate are calculated based on the rates prevailing as of year-end.

The table below shows outflows (inflows) for net and gross settled derivatives entered into for the purpose of managing financial risks. Additional information is disclosed in Note 14.5.

Cash outflows / (inflows) for derivative financial instruments

	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	Total	Carrying amount
2024								
Net settled derivatives	**117**	**136**	**119**	**66**	**63**	**181**	**682**	**538**
Gross settled derivatives	**14**	**53**	**124**	**38**	**38**	**293**	**560**	**335**
– of which inflows	**(3,047)**	**(74)**	**(545)**	**(59)**	**(59)**	**(1,734)**	**(5,519)**	
– of which outflows	**3,061**	**127**	**668**	**97**	**97**	**2,027**	**6,078**	
Total	**130**	**189**	**243**	**104**	**101**	**474**	**1,242**	**873**
2023								
Net settled derivatives	161	157	136	131	74	215	874	601
Gross settled derivatives	72	43	44	82	32	228	501	258
– of which inflows	(2,221)	(99)	(99)	(564)	(77)	(1,831)	(4,891)	
– of which outflows	2,293	142	142	646	109	2,058	5,391	
Total	**233**	**201**	**180**	**213**	**106**	**443**	**1,376**	**859**

Interest rate risk

Interest rate risk arises from movements in interest rates, which could affect the Group's financial result and the market value of its financial instruments. The Group is primarily exposed to fluctuations in interest rates on its financial liabilities at floating rates, which could influence the Group's financial result. This exposure is mainly addressed through the management of the fixed/floating ratio of financial liabilities. To manage this mix, the Group may enter into interest rate swap and options agreements, whereby it exchanges periodic payments based on notional amounts and agreed-upon fixed and floating interest rates. The Group is also exposed to the evolution of interest rates and credit markets for its future refinancing, which could result in a lower or higher cost of financing. The Group constantly monitors credit markets and its financing strategy aims to achieve a well-balanced maturity profile to reduce both the refinancing risk and significant fluctuations in its financing costs.

The Group's risk management policy with regard to interest rate risk is to keep the risk at an acceptable level, while minimizing the interest expense over the long term, in accordance with the Group's funding strategy. Consequently, under the Group's risk management policy, the Group may enter into derivative contracts which are designated as either cash flow hedges or fair value hedges, as appropriate and also include the hedging of forecasted transactions.

Interest rate sensitivity

The Group's sensitivity analysis has been determined based on the interest rate exposure relating to the Group's financial liabilities at a variable rate on a post hedge basis corresponding to CHF 4,213 million as of 31 December 2024.

A one percentage point change is used when the interest rate risk is reported internally to key management personnel and represents management's assessment of a reasonably possible change in interest rates.

As of 31 December 2024, a one percentage point shift in interest rates, with all other assumptions held constant, would result in approximately CHF 44 million (2023: CHF 39 million) of annual additional/lower financial expenses before tax on a post hedge basis.

Foreign exchange risk

The Group's global footprint exposes it to foreign exchange risks.

The translation of foreign operations into the Group reporting currency leads to currency translation effects. The Group may hedge certain net investments in foreign entities with foreign currency borrowings or other instruments. To the extent that the net investment hedge is effective, all foreign exchange gains or losses are recognized in equity and included in currency translation adjustments.

Due to the local nature of the construction materials business, foreign exchange risk is limited. However, for many Group companies, income is primarily in local currency, whereas debt servicing and a significant proportion of capital expenditures may be in foreign currencies. Consequently, under the Group's risk management policy, the Group may enter into derivative contracts which are designated as either cash flow hedges or fair value hedges and may also include the hedging of forecasted transactions.

Foreign exchange sensitivity

The Group's sensitivity analysis is performed based on the Group's net transaction exposure arising on monetary financial assets and liabilities denominated in foreign currencies as of 31 December. The Group's net foreign currency transaction risk mainly arises from CHF, USD and EUR against the respective currencies the Group operates in.

A 5% change is used when the net foreign currency transaction risk is reported internally to key management personnel and represents the management's assessment of a reasonably possible change in foreign exchange rates.

A 5% change in CHF, USD and EUR against the respective currencies the Group operates in would have an immaterial impact on foreign exchange (loss) gains on a post hedge basis in both the current and prior year.

The impact on equity of derivative instruments is considered immaterial in relation to the Group's shareholders' equity.

Commodity risk

The Group is primarily subject to commodity risk with respect to price changes in the electricity, natural gas, petcoke, coal, oil, refined products and sea freight markets. In accordance with the Group's risk management policy, the Group uses derivative instruments to hedge part of its exposure to these risks. Derivative instruments are generally limited to swaps and options.

Effects of hedge accounting

Hedge effectiveness is determined at the inception of the hedging relationship as well as through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

Ineffectiveness is recognized on hedges where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. Ineffectiveness may arise if there is a difference in the principal terms of the hedging instrument and designated hedged risk, from credit valuation of the hedging instrument or timing of the transaction changes from what was originally estimated.

The effects of applying hedge accounting on the Group's financial position with regard to cash flow, fair value and net investment hedge accounting relationships are as follows:

a) Cash flow hedge accounting

In 2024, the change in fair value of hedging instruments under cash flow hedge accounting was CHF 76 million (2023: CHF 25 million). The change in related hedged items was CHF -76 million (2023: CHF -25 million) and no ineffectiveness was recorded in the consolidated statement of income in 2024 and 2023.

Cash flow hedge – hedging instruments: maturity analysis	2024	2023
Foreign exchange forwards	2025	2024
Interest rate swaps and options	2033	2033
Commodity swaps and options	2025–2037	2024–2037
Cross currency swaps	2027–2034	2027–2034

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss deferred in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as property, plant and equipment or inventory against which the cumulative gains and losses are adjusted. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to the consolidated statement of income.

The closing balance in the cash flow hedge reserve for hedges that are accounted for as cash flow hedge was CHF -25 million (2023: CHF -51 million).

b) Fair value hedge accounting

In 2024, the change in fair value of hedging instruments under fair value hedge accounting was CHF 112 million (2023: CHF 283 million). The change in related hedged items was CHF -112 million (2023: CHF -283 million) and no ineffectiveness was recorded directly in the consolidated statement of income in 2024 or 2023 for fair value hedges.

Fair value hedge – hedging instruments: maturity analysis	2024	2023
Interest rate swaps	2027–2034	2026–2034

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss recorded in the carrying value of the hedged item is amortized over the life of the hedged item using the effective interest rate. When the hedged item is sold or terminated, the cumulative gains and losses recorded in the carrying value are recognized in financial income (expense).

c) Net investment hedge accounting

No outstanding hedging instruments as of 31 December 2024 or 31 December 2023.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss deferred in equity remains in equity and will be reclassified to profit (loss) on disposal when the forecast transaction occurs (i.e., disposal of a subsidiary).

The closing balance in the foreign currency translation reserve for hedges that are accounted for as net investment hedge was CHF -1 million (2023: CHF 19 million).

Credit risk

Credit risk arises in part from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses its customers' financial reliability.

Credit risk, or the risk of counterparties defaulting, is constantly monitored. Counterparties to financial instruments consist of a large number of established financial institutions. The Group does not expect any counterparty to be unable to fulfil its obligations under its respective financing agreements. At year-end, Holcim had no significant concentration of credit risk with any single counterparty or group of counterparties.

The Group considers the probability of default on initial recognition of accounts receivable, based on lifetime expected credit losses, by considering available, reasonable and supportable historical and forward-looking information.

The Group considers the probability of default on initial recognition of long-term loans and receivables, and assesses whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period, by considering available reasonable and supportable historical and forward-looking information.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated statement of financial position.

The following credit risk modelling is applied to financial assets:

a) Accounts receivable

For accounts receivable, the Group applies the IFRS 9 simplified approach to calculating expected lifetime credit losses (ECL).

b) Long-term loans and receivables

The Group uses three categories for long-term loans and receivables, reflecting their credit risk and how the loan loss provision is determined for each of those categories.

The assumptions underpinning the Group's expected credit loss model are summarized below:

Category	Definition
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows
Non-performing	Interest and/or principal repayments are past due and credit risk level shows an increase
Write-off	Based on observable data, the payments will not be collected

Each exposure is allocated to a credit risk category on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk category.

Over the term of the loans, the Group accounts for its credit risk by providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the company considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data. No significant changes to estimation techniques or assumptions were made during the reporting period.

Capital structure

The Group's objectives when managing capital are to secure the Group's financial needs as a going concern, as well as to cater to its growth targets, enabling it to provide returns to shareholders and benefits to other stakeholders as well as to maintain a solid investment grade rating.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, business activities, investment and expansion programs as well as the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, increase debt or sell assets to reduce debt.

Fair value estimation

The fair value of publicly traded financial instruments is generally based on quoted market prices at the end of the reporting period.

For non-publicly traded financial instruments, the fair value is determined by using a variety of methods, such as the discounted cash flow method and option pricing models. The valuation methods seek to maximize the use of observable market data available at the end of the reporting period.

The fair value of current financial assets and liabilities at amortized cost is assessed to approximate their carrying amounts due to the short-term nature of these financial instruments.

Fair values as of 31 December 2024

		Carrying amount (by measurement basis)					
Million CHF	IFRS 9 category	Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	Total	Comparative fair value
Current financial assets							
Cash and cash equivalents	Financial assets	**5,347**				**5,347**	
Trade accounts receivable	Receivables at amortized cost	**2,613**				**2,613**	
Current financial receivables	Receivables at amortized cost	**137**				**137**	
Short-term derivative assets	Held for hedging at fair value			**24**		**24**	
Short-term derivative assets	Held for trading at fair value			**31**		**31**	
Long-term financial assets							
Long-term receivables	Loans at amortized cost	**161**				**161**	**163** [1]
Financial investments third parties	Strategic equity investments at fair value through other comprehensive earnings			**152**		**152**	
Long-term derivative assets	Held for hedging at fair value			**6**		**6**	
Current financial liabilities							
Trade accounts payable and others[2]	Financial liabilities at amortized cost	**4,612**				**4,612**	
Current financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	**1,809**				**1,809**	
Derivative liabilities	Held for hedging at fair value			**31**		**31**	
Derivative liabilities	Held for trading at fair value			**3**		**3**	
Long-term financial liabilities							
Long-term financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	**11,113**				**11,113**	**10,857** [3]
Derivative liabilities	Held for hedging at fair value[4]			**871**	**29**	**900**	

[1] The comparative fair value for long-term receivables consists of level 2 fair value measurements.
[2] Trade accounts payable and others include payables related to the purchase of property, plant and equipment included in other liabilities.
[3] The comparative fair value for long-term financial liabilities consists of CHF 8,813 million level 1 and CHF 2,044 million level 2 fair value measurements.
[4] In 2024, the derivatives held for hedging classified as level 3 are linked to long-term virtual power purchase agreements.

Fair values as of 31 December 2023

Million CHF	IFRS 9 category	Carrying amount (by measurement basis) Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	Total	Comparative fair value
Current financial assets							
Cash and cash equivalents	Financial assets	6,082				6,082	
Trade accounts receivable	Receivables at amortized cost	2,723				2,723	
Current financial receivables	Receivables at amortized cost	128				128	
Short-term derivative assets	Held for hedging at fair value			12		12	
Short-term derivative assets	Held for trading at fair value			1		1	
Long-term financial assets							
Long-term receivables	Loans at amortized cost	156				156	156 [1]
Financial investments third parties	Strategic equity investments at fair value through other comprehensive earnings			155		155	
Long-term derivative assets	Held for hedging at fair value			90		90	
Current financial liabilities							
Trade accounts payable and others[2]	Financial liabilities at amortized cost	4,314				4,314	
Current financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	1,334				1,334	
Derivative liabilities	Held for hedging at fair value			52		52	
Derivative liabilities	Held for trading at fair value			30		30	
Long-term financial liabilities							
Long-term financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	11,785				11,785	11,533 [3]
Derivative liabilities	Held for hedging at fair value[4]			850	30	880	

[1] The comparative fair value for long-term receivables consists of level 2 fair value measurements.
[2] Trade accounts payable and others include payables related to the purchase of property, plant and equipment included in other liabilities.
[3] The comparative fair value for long-term financial liabilities consists of CHF 9,397 million level 1 and CHF 2,137 million level 2 fair value measurements.
[4] In 2023, the derivatives held for hedging classified as level 3 are linked to long-term virtual power purchase agreements.

The table above shows the carrying amounts and fair values of financial assets and liabilities.

The levels of fair value hierarchy used are defined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets;
- Level 2 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are observable market data, either directly or indirectly. Such valuation techniques include the discounted cash flow method and option pricing models. For example, the fair value of interest rate and currency swaps is determined by discounting estimated future cash flows, and the fair value of forward foreign exchange contracts is determined using the forward exchange market at the end of the reporting period; and
- Level 3 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are not based on observable market data. In 2024 and 2023, the hedging derivative instruments classified as level 3 are linked to long-term virtual power purchase agreements.

There were no transfers between the different hierarchy levels in 2024 or 2023.

14.7 Leases

At the inception of a contract, the Group assesses whether it contains a lease under IFRS 16 Leases and accordingly recognizes a right-of-use asset and a lease liability if it meets the definition of a lease, with the exception of short-term leases and leases of low-value assets.

The lease liability is measured as of the commencement date at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's respective incremental borrowing rate. Future lease payments include in-substance fixed payments, variable lease payments depending on an index or rate, and payments under termination and extension options when these are reflected in the lease term. The lease term comprises the noncancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. Non-lease components in contracts are separated from lease components and accordingly accounted for in operating profit on a cost-incurred basis.

The right-of-use asset is recognized at the commencement date at cost, which includes the amount of the lease liability recognized, any lease payments made on or before the commencement date of the lease, initial direct costs incurred, and an estimate of costs to be incurred in dismantling and removing the underlying asset or restoring the asset to the condition agreed with the lessor. Unless the Group is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to the impairment requirements under IAS 36 Impairments of Assets. The right-of-use assets recorded as of 31 December 2024 are outlined in Note 11.2.

In the event that the tax base of a right-of-use asset is not the same as its carrying amount for IFRS purposes, on initial recognition of a lease contract, the Group recognizes the deferred tax impact arising on the temporary difference between the carrying amount of the right-of-use asset and its tax base. The above treatment is also applied to the initial recognition of the lease liability.

As of 31 December 2024, the current portion of the long-term lease liability included in current financial liabilities amounted to CHF 343 million (2023: CHF 289 million) and the long-term lease liabilities included in long-term financial liabilities amounted to CHF 1,349 million (2023: CHF 1,130 million).

Various contracts entered into by the Group include extension options, which provide the Group with greater flexibility in terms of the future procurement of assets and services. Extension options are included in the lease liability only if they are assessed by management as being reasonably certain to be exercised. The undiscounted future lease payments relating to periods covered by extension options not included in the lease liability at year-end amount to CHF 168 million (2023: CHF 88 million).

Additional information related to leases

Million CHF	2024	2023
Statement of income		
Expenses for short-term lease payments	**(105)**	(107)
Expenses for variable lease payments	**(27)**	(42)
Cash outflow for leases		
Cash outflow for short-term, low value and variable leases[1]	**(134)**	(151)
Payment of interest[1]	**(78)**	(63)
Payment of lease liabilities[2]	**(389)**	(357)
Total	**(601)**	**(571)**

[1] Included within cash flow from operating activities.
[2] Included within cash flow from financing activities.

In certain lease agreements for machinery, equipment and vehicles, variable lease payments are included based on operating hours used, kilometers traveled or output. These leases provide greater flexibility in terms of usage, such as for certain types of trucks and vehicles where operating levels depend on production capacity and demand.

The contractual undiscounted future cash outflows for leases included in lease liabilities as of 31 December 2024 are disclosed in Note 14.6.

15. Employee benefits and share compensation plans

15.1 Accounting principles

Employee benefits – Defined benefit plans

Some Group companies provide defined benefit pension (pension) or other post-employment benefit plans for employees. The Group uses professionally qualified independent actuaries to value the defined benefit obligations on a regular basis. The obligation and costs of pension benefits are determined using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs, which comprise plan amendments and curtailments, and gains or losses on the settlement of pension benefits, are recognized immediately in the statement of income when they occur.

Remeasurements, which comprise actuarial gains and losses on the pension and other post-employment obligations, the return on plan assets and changes in the effect of the asset ceiling excluding amounts in net interest, are recognized directly in other comprehensive earnings and are not reclassified to the statement of income in a subsequent period. The pension and other post-employment obligations are measured as the present value of estimated future cash flows using discount rates that are determined by reference to the interest rates on high-quality corporate bonds, with the currency and terms of the corporate bonds consistent with the currency and estimated terms of the pension and other post-employment obligations.

A net pension asset is recorded only to the extent that it does not exceed the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of pension and other post-employment plans charged to the statement of income consists of service cost (current service cost, past service cost and curtailments as well as gains or losses on settlements) and the net interest expense. The service costs are recorded in “Production cost of goods sold”, “Distribution and selling expenses” or “Administration expenses” based on the beneficiaries of the plans; the net interest expense is recorded in “Financial expenses” (Note 7.3).

Employee benefits – Defined contribution plans

In addition to the defined benefit plans described above, some Group companies sponsor defined contribution plans based on local practices and regulations. The Group’s contributions to defined contribution plans are charged to the statement of income in the period to which the contributions relate.

Employee benefits – Other long-term employment benefits

Other long-term employment benefits include long-service leave or sabbatical leave, medical aid, jubilee or other long-service benefits, long-term disability benefits and, if they are not expected to be settled fully within twelve months after the year-end, profit sharing, variable and deferred compensation.

The measurement of these obligations differs from defined benefit plans in that all remeasurements are recognized immediately in the statement of income.

Employee benefits – Share compensation plans

The Group operates various equity-settled share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options or shares is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted. The amounts are charged to the statement of income over the relevant vesting periods and adjusted to reflect actual and expected levels of vesting.

15.2 Group risk management

The Group operates a range of defined benefit pension schemes and similar contingent obligation schemes across various countries. The assets and liabilities of these schemes may experience significant volatility based on prevailing market conditions.

These unforeseen deficits may require cash contributions to fund unrecoverable amounts, which could vary significantly from year to year due to external factors. These contributions may in turn impact the Group's financial results.

To mitigate these risks, where possible, the Group has taken measures to close, freeze, and terminate these defined benefit pension schemes and has deployed scheme-appropriate asset allocations in order to mitigate volatility and optimize investment returns.

The Group participates in several union-sponsored multi-employer pension plans in the U.S. These plans are susceptible to substantial deficits arising from market conditions, business decisions, trustee decisions, plan failures, and the actions and decisions of other contributing employers. The Group, however, has minimal control over the management of these plans. There is a material risk that substantial cash contributions could be required in the future to meet outstanding obligations under these plans. Fulfilling the Group's obligations may have a material impact on the Group's reported financial results. Currently, the financial condition of these plans is not disclosed in the Group's financial reports.

The Group continuously reviews these plans with the primary objective of gaining a thorough understanding of their financial circumstances. The aim is to explore all available options to mitigate risks as well as to reduce the Group's actual and potential financial obligations. It is important to note that the Group's ability to take action is constrained, as participation in these plans is contingent upon negotiations with bargaining unions.

15.3 Employee benefits

Personnel expenses and number of employees

The Group's total personnel expenses, including social charges, are recognized in the relevant expenditure line by function in the consolidated statement of income, amounting to CHF 4,781 million (2023: CHF 4,493 million). As of 31 December 2024, the Group employed 63,665 FTEs (2023: 63,448 FTEs).

Defined benefit pension plans

Oversight of the Group's pension plans is conducted by the Pension and Benefits Governance team, an interdisciplinary team comprising representatives from the Finance, Human Resources and Legal functions. This team, which makes recommendations to the Group Chief Financial Officer (CFO), serves as a center of expertise for all issues relating to pension and other post-employment benefits. A documented directive is used as the foundation for management actions and decisions.

The Group's principal defined benefit pension plans are situated in the UK, Switzerland and North America. They respectively represent 54% (2023: 53%), 30% (2023: 24%) and 8% (2023: 15%) of the Group's total defined benefit obligation for pensions. These main plans are funded through legally separate trustee-managed funds. The cash funding of these plans, which may sometimes include special payments, is designed to ensure that past, present and future contributions should be sufficient to meet future liabilities.

Where feasible, defined benefit pension schemes have been closed and frozen. Given the potential for substantial volatility in the assets and liabilities of these plans, several strategic actions are continuously under consideration and implementation to mitigate and eliminate, where possible, the associated risks. These include, for example, employing investment strategies that consider the benefit obligations and selective settlements.

Unfunded pension plans are mainly those which do not require advanced funding, often plans outside of the qualification limits of tax regimes or mandatory retirement indemnity schemes.

United Kingdom (UK)

The companies operate three defined benefit pension plans in the UK: the Lafarge UK pension plan, the Aggregate Industries pension plan and the Ronez 2000 pension plan. Pensions payable to employees are determined by the average final salary and length of service. Independent boards of Trustees manage the plans, with the Lafarge UK pension plan and Aggregate Industries pension plans registered under UK tax law, while the Ronez 2000 pension plan is located in the Channel Islands. All three plans are closed to new entrants and are frozen to future accrual. Funding deficits within these plans, if any, are addressed through employer contributions. These contributions are negotiated every three years based on plan valuations carried out by independent actuaries.

For the Lafarge UK pension plan, based on the 30 June 2021 funding valuation, no deficit repair contributions were required, as the plan had a funding surplus at this date. The funding valuation as of 30 June 2024 is currently underway.

For the Aggregate Industries pension plan, based on the 5 April 2021 funding valuation and in recognition of contributions of GBP 85 million being paid in after the valuation date, a contribution schedule was agreed with no further contributions until 30 June 2025, with monthly deficit repair contributions then payable until 31 March 2027 to remove the funding deficit. The funding valuation as of 31 March 2024 is currently underway.

As of the 31 December 2021 funding valuation for the Ronez 2000 pension plan, no deficit repair contributions were required, as the plan had a funding surplus at this date.

In relation to risk management and asset allocation, the Boards of Trustees aim to ensure that they can fulfil their obligations to the beneficiaries of the plans, both in the short and long-term. While prioritizing this primary objective, the Boards of Trustees target to maximize the long-term investment return while appropriately minimizing risk and volatility. The Boards of Trustees are responsible for the plans' long-term investment strategies but usually delegate strategy design and monitoring to Investment Committees.

There was a High Court ruling in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others in June 2023, and subsequent appeal outcome on 25 July 2024, which make void any amendment to the rules of a contracted out pension scheme without required actuarial confirmation under Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996, for the pension plans in question. This confirmed that actuarial confirmations should have been provided for amendments made to contracted-out schemes in the period between 6 April 1997 and 5 April 2016. The Trustees of the Plans and the Directors work closely together and take appropriate legal and professional advice when making amendments to the Plans' rules. Since the appeal ruling, the Company has engaged its legal advisers as well as the Plans' Trustee in order to consider the matter further in the context of the Scheme's particular circumstances and that work is ongoing at this stage. As a result, it is not currently possible to reliably estimate if there is any potential impact on the defined benefit obligations of the Pension Schemes should any such amendments be found to be not in accordance with section 37 of the Pension Schemes Act 1993 requirements.

Switzerland

In Switzerland, the pension plans of the Swiss entities are structured as cash balance benefit plans and are accounted for as a defined benefit plans. Contributions, from both employer and employees, are determined in the various pension fund rules based on age-related sliding scales of percentages of salary. Under Swiss law, the pension fund guarantees the vested benefit amount to its members. Additionally, interest above legal requirements may be added to member balances at the discretion of the Board of Trustees (composed of half employer and half employees' representatives). Upon reaching retirement date, members have the right to take their retirement benefit as a lump sum, an annuity, or a combination of both, with the balance converted to a fixed annuity at the rates defined in the fund rules. The Board of Trustees may also increase the annuity at their discretion, contingent on the plan's funded status and the availability of sufficient free funds, as determined according to Swiss statutory valuation rules. These Swiss pension plans comply with the regulatory framework, ensuring a minimum level of benefits.

Consolidated Swiss entities maintain pension plans in nine pension funds. The two primary pension funds for the Swiss entities are Holcim Pension Fund and Pension Fund of Holcim Switzerland. These funds exclusively cover Holcim employees, accounting for around 95% of the consolidated plan assets and liabilities in Switzerland.

North America (U.S. and Canada)

The companies operate both defined contribution plans and defined benefit pension plans. The majority of the defined benefit pension plans are closed to new entrants and frozen to future accruals. Under defined benefit pension plans, pensions payable to employees depend on average final salary and length of service within the Group. For defined contribution plans, benefits depend on accrued contributions with returns at retirement.

The Group companies are obligated to contribute a minimum amount annually to the defined benefit pension plans, which are determined actuarially and are comprised of service costs, if any, but also of administrative expenses, as well as payments toward any existing deficits.

In North America, the Group companies generally meet the minimum required contributions as prescribed under applicable pension legislation. Occasionally, additional voluntary amounts are considered and remitted as advanced contributions.

Various responsibilities are delegated to Pension Committees. These committees are tasked with defining and managing long-term investment strategies aimed at mitigating risks, including interest rate risks and longevity risks.

Assets in North America include a certain proportion which hedge the liability swings against interest rate movements. These assets primarily invested in fixed income investments, particularly intermediate and longer-term securities.

Canadian Salaried Defined benefit plan

In 2022, a buy-in contract was acquired from an insurer. This contract reimburses the defined benefit plan for future benefit payments not covered under one of the previous buy-in contracts. Under this arrangement, the plan retains the responsibility for paying the benefits to all participants, with the insurance company reimbursing the plan for the covered portion of the benefits when they are disbursed. Consequently, there is no net ongoing cash flow to the plans for the covered portion of benefits, as the buy-in contract funds the cost of providing these benefits. This effectively fixes the cost of the covered benefits and eliminates future volatility of the covered benefit obligation. The purchase of the buy-in contract utilized assets from the pension trust and is accounted for at fair value as an investment of the trust. Since 2021, buy-in contracts were secured from an insurance company.

On 28 February 2023, the Group decided to terminate the Canadian Salaried defined benefit plan leading to freeze of pay-linkage. Following regulatory approval, the plan is obligated to settle benefits, and the liquidation process led to a net curtailment gain of CAD 15 million (CHF 10 million) in 2023.

The buy-in contracts were converted to buy-out contracts in conjunction with the plan termination. All liabilities were transferred to the insurer with Holcim holding no further benefit obligation.

Canadian Non-Salaried defined benefit plan

In September 2024, a buy-in contract was acquired from an insurer relating to all retired and beneficiaries' liabilities.

LafargeHolcim U.S. Pension Plan

The Group participates in several union-sponsored multi-employer pension plans in the U.S. These plans are susceptible to substantial deficits arising from market conditions, business decisions, trustee decisions, plan failures, and the actions and decisions of other contributing employers. The Group however, has minimal control over the management of these plans, which are accounted for as defined contribution plans. A comprehensive review of all these plans has been initiated with the primary objective of fully understanding their financial circumstances. The aim is to explore all options available to mitigate risks and reduce the Group's actual and potential financial obligations.
It is important to note that the Group's ability to take action is constrained, as participation in these plans is contingent upon negotiations with bargaining unions.

Status of the Group's defined benefit plans

The status of the Group's defined benefit plans, based on actuarial assumptions, is determined in accordance with IAS 19 Employee Benefits rules. The tables provide reconciliations of defined benefit obligations and plan assets, as well as the funded status for the defined benefit pension plans, to the amounts recognized in the statement of financial position.

Reconciliation of post-employment defined benefit plans to the statement of financial position

Million CHF	2024	2023
Net liability arising from defined benefit pension plans	**27**	143
Net liability arising from other post-employment defined benefit plans	**142**	147
Net liability	**169**	**291**

Million CHF	2024	2023
Present value of funded obligations	**4,306**	4,816
Fair value of plan assets	**(4,643)**	(5,174)
Plan surplus of funded obligations	**(337)**	**(358)**
Present value of unfunded obligations	**503**	507
Effect of asset ceiling	**4**	142
Net liability from funded and unfunded plans	**169**	**291**
Reflected in the statement of financial position as follows:		
Pension assets	**(378)**	(296)
Provision for pensions and other post-employment defined benefit plans	**548**	587
Net liability	**169**	**291**

	Defined benefit pension plans		Other post-employment defined benefit plans	
Million CHF	2024	2023	2024	2023
Amounts recognized in the statement of income are as follows:				
Current service costs	**(49)**	(41)	**(1)**	(2)
Past service costs (including curtailments)	**5**	19	**0**	0
Settlements	**0**	(7)	**1**	1
Net interest expense	**(14)**	0	**(7)**	(7)
Special termination benefits	**0**	(2)	**0**	0
Total recorded in the statement of income	**(59)**	**(31)**	**(7)**	**(8)**
Amounts recognized in other comprehensive earnings are as follows:				
Actuarial gains (losses) arising from changes in demographic assumptions	**12**	35	**(3)**	2
Actuarial gains (losses) arising from changes in financial assumptions	**229**	(125)	**5**	(9)
Actuarial gains (losses) arising from experience adjustments	**(63)**	(197)	**2**	3
Return on plan assets excluding interest income	**(238)**	(129)	**0**	0
Change in effect of asset ceiling excluding interest income	**140**	135	**0**	0
Total recorded in other comprehensive earnings	**79**	**(280)**	**5**	**(4)**

Reconciliation of present value of funded and unfunded obligations

	Defined benefit pension plans		Other post-employment defined benefit plans	
Million CHF	**2024**	2023	**2024**	2023
Opening balance as of 1 January	**5,176**	**5,708**	**147**	**160**
Change in scope	**47**	28	**0**	0
Current service costs	**49**	41	**1**	2
Interest expense	**193**	242	**7**	7
Contribution by the employees	**20**	17	**0**	0
Actuarial (gains) losses	**(178)**	286	**(5)**	4
Benefits paid	**(808)**	(416)	**(12)**	(13)
Past service costs (including curtailments)	**(5)**	(19)	**0**	0
Settlements	**0**	(519)	**(1)**	(1)
Special termination benefits	**0**	2	**0**	0
Currency translation effects and reclassifications	**173**	(193)	**5**	(12)
Closing balance as of 31 December	**4,667**	**5,176**	**142**	**147**
Of which:				
UK	**2,619**	2,813	**0**	0
North America (U.S. and Canada)	**263**	696	**107**	110
Switzerland	**1,419**	1,302	**0**	0
Others	**366**	365	**35**	37

Reconciliation of fair value of plan assets

	Defined benefit pension plans		Other post-employment defined benefit plans	
Million CHF	**2024**	2023	**2024**	2023
Opening balance as of 1 January	**5,174**	**6,053**	**0**	**0**
Change in scope	**43**	2	**0**	0
Interest income	**181**	247	**0**	0
Return on plan assets excluding interest income	**(238)**	(129)	**0**	0
Contribution by the employer	**100**	98	**12**	13
Contribution by the employees	**20**	17	**0**	0
Benefits paid	**(808)**	(416)	**(12)**	(13)
Settlements	**0**	(526)	**0**	0
Currency translation effects and reclassifications	**173**	(173)	**0**	0
Closing balance as of 31 December	**4,643**	**5,174**	**0**	**0**
Of which:			**0**	
UK	**2,691**	2,899	**0**	0
North America (U.S. and Canada)	**155**	561	**0**	0
Switzerland	**1,674**	1,603	**0**	0
Others	**123**	110	**0**	0

Reconciliation of asset ceiling

	Defined benefit pension plans		Other post-employment defined benefit plans	
Million CHF	**2024**	2023	**2024**	2023
Opening balance as of 1 January	**142**	**271**	**0**	**0**
Interest expense on asset ceiling	**2**	6	**0**	0
Change in asset ceiling	**(140)**	(135)	**0**	0
Closing balance as of 31 December	**4**	**142**	**0**	**0**

Plan asset allocation

	Defined benefit pension plans	
Million CHF	**2024**	2023
Equity instruments	**25%**	19%
Real estate investments	**20%**	18%
Debt instruments	**38%**	38%
Insurance contracts	**7%**	13%
Cash and cash equivalents	**3%**	5%
Other assets	**7%**	6%
Total plan assets	**100%**	**100%**

Plan assets based on non-quoted prices represent 27% (2023: 31%) of the total plan assets and mainly consist of insurance policies and real estate investments.

In some of the plans, Liability-Driven Investment (LDI) strategies are in place and consists in using index-linked government bonds and swaps to hedge the plans against liquidity risk and change in interest rates or inflation yields.

The value of insurance contracts is determined based on the membership and benefit payable under the contract using the IAS 19 Employee Benefits assumptions.

The other assets mainly consist of hedge funds and various other hedging instruments.

Principal actuarial assumptions (weighted average) used at the end of the reporting period for defined benefit pension plans

	Total Group		UK		North America		Switzerland	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Discount rate in %	**4.0%**	3.8%	**5.5%**	4.6%	**4.9%**	4.7%	**1.0%**	1.4%
Life expectancy in years after the age of 65	**23.0**	23.0	**23.5**	23.4	**24.2**	24.0	**23.6**	23.5

Weighted average duration of defined benefit pension plans

	Total Group		UK		North America		Switzerland	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Weighted average duration in years	**12.0**	11.9	**12.2**	12.7	**10.9**	9.6	**12.8**	12.3

Sensitivity analysis as of 31 December 2024 on defined benefit pension plans

Impact on the defined benefit obligation	Total Group		UK		North America		Switzerland	
Million CHF	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (±0.5% change in assumption)	**(252)**	**276**	**(144)**	**155**	**(13)**	**15**	**(80)**	**90**
Life expectancy (±1 year change in assumption)	**173**	**(177)**	**116**	**(118)**	**6**	**(7)**	**46**	**(47)**

Sensitivity analysis as of 31 December 2023 on defined benefit pension plans

Impact on the defined benefit obligation	Total Group		UK		North America		Switzerland	
Million CHF	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (±0.5% change in assumption)	(277)	307	(164)	177	(30)	37	(69)	77
Life expectancy (±1 year change in assumption)	191	(193)	124	(126)	19	(19)	41	(42)

The sensitivity analysis above may not be representative of the actual change in the defined benefit pension plans, as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Moreover, it is worth considering that, for most funded plans, liability hedging strategies (such as LDI investments) are used to mitigate the impact of changes in financial assumptions on the net pension liability.

15.4 Share compensation plans

The total personnel expense arising from Holcim share compensation plans amounted to CHF 34.8 million in 2024 (2023: CHF 34.3 million), as presented in the following table:

Million CHF	Personnel expenses 2024	Personnel expenses 2023
Employee share purchase plan	**0.6**	0.6
Restricted shares	**6.9**	7.1
Performance Share Plan and Performance Option Plan	**27.3**	26.6
Total	**34.8**	**34.3**

All shares granted under these plans are either purchased from the market or derived from treasury shares.

Description of plans

Employee share purchase plan

Holcim offers an employee share ownership plan. This plan entitles employees to acquire a limited number of discounted Holcim Ltd shares, namely 50 shares at 50% of the market value and further shares at 70% of the market value based on the average share price of the previous month. The shares cannot be sold for a period of two years from the purchase date.

Restricted shares

Half of the annual incentive amount for the Executive Committee is paid out in blocked Holcim Ltd shares in the first quarter of the following financial year. The share price used to convert the annual incentive amount into shares is the average of the three closing share prices preceding the award date. The shares are blocked for a period of three years from the award date.

Restricted share awards are also granted to senior management upon hire, compensating for share awards forfeited from previous employer. The vesting of these restricted shares reflects the vesting dates of forfeited awards.

Board compensation consists of an annual retainer which is paid half in shares subject to a five-year restriction period.

Performance share plan and performance option plan

Performance shares and/or options are granted to executives and senior management for their contribution to the continuing success of the business. These shares and options are delivered after a three-to-five-year vesting period following the grant date and are subject to internal and external performance conditions. Performance options have a maturity of ten years.

Information related to awards granted through the plans is presented below:

	2024		2023	
	Performance shares	Performance options	Performance shares	Performance options
1 January	**1,583,636**	**5,035,616**	**1,693,752**	**4,975,608**
Granted	**536,032**	**490,393**	624,896	669,649
Forfeited	**(293,691)**	**(356,077)**	(190,086)	(609,641)
Delivered	**(352,979)**	**(964,200)**	(544,926)	0
31 December	**1,472,998**	**4,205,732**	**1,583,636**	**5,035,616**

- 536,032 (2023: 624,896) performance shares at a weighted average fair value of CHF 73.50 per share (2023: CHF 57.92) were granted in 2024. Performance shares are subject to a three-year vesting period. Internal performance conditions are attached to the shares and are based on earnings per share before impairment and divestments, Group return on invested capital (ROIC) and sustainability indicators (CO_2 emitted, construction demolition materials, freshwater withdrawn).
- 490,393 (2023: 669,649) performance options at a fair value of CHF 4.02 (2023: CHF 3.77) were granted in 2024. Performance options are subject to a five-year vesting period. External conditions are attached to the options and are based on Holcim's relative total shareholder return (TSR) compared with a group of peer companies. The valuation of the performance options is based on the Enhanced American Model (calculation of the fair value without considering the performance condition) and a Monte Carlo simulation (estimation of the expected achievement factor).

Performance option plan

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

		Weighted average exercise price	Number 2024	Number 2023
1 January	**CHF**	**48.93**	**5,048,216**	**5,208,931**
Granted	CHF	71.21	**490,393**	669,649
Forfeited	CHF	54.12	**(356,077)**	(609,641)
Exercised	CHF	49.92	**(976,800)**	(28,420)
Expired	CHF	0.00	**0**	(192,303)
31 December	**CHF**	**50.85**	**4,205,732**	**5,048,216**
Of which exercisable at the end of the year			**0**	12,600

Underlying assumptions for the fair value of the performance options granted in 2024 and 2023 are presented below:

Grant date	01 March 2024
Share price at grant date	**73.50**
Exercise price	**71.21**
Expected dividend yield (continuous)[1]	**+3.9%**
Expected volatility of stock[2]	**+23.8%**
Risk-free interest rate	**+1.1%**
Expected life of the options	**7.5 years**

[1] Continuously compounded dividend yield based on expected future dividend payments according to Refinitiv (formerly Thomson Reuters).
[2] Based on historical volatility over the most recent period that is commensurate with the expected term of the options.

Grant date	01 March 2023
Share price at grant date	57.92
Exercise price	57.59
Expected dividend yield (continuous)[1]	+4.0%
Expected volatility of stock[2]	+26.8%
Risk-free interest rate	+2.0%
Expected life of the options	7.5 years

[1] Continuously compounded dividend yield based on expected future dividend payments according to Thomson Reuters.
[2] Based on historical volatility over the most recent period that is commensurate with the expected term of the options.

Outstanding options

In 2024, 976,800 options were exercised. Options outstanding at the end of the year have the following expiry dates and give the right to acquire one registered share of Holcim Ltd at the exercise prices listed below:

Option grant date	Expiry date		Exercise price	Number 2024	Number 2023
2015	2025	CHF	50.19	**0**	12,600
2019	2029	CHF	49.92	**0**	1,071,329
2020	2030	CHF	45.62	**1,669,835**	1,684,944
2021	2031	CHF	51.07	**723,975**	748,368
2022	2032	CHF	46.14	**831,895**	906,671
2023	2033	CHF	57.59	**546,961**	624,304
2024	2034	CHF	71.21	**433,066**	0
Total				**4,205,732**	**5,048,216**

16. Provisions and contingencies

16.1 Accounting principles

Site restoration and other environmental provisions

The Group provides for the costs of site restoration where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. The cost of raising a provision before exploitation of the raw materials has commenced is included in property, plant and equipment and depreciated over the life of the site. The effect of any adjustments to the provision due to further environmental damage caused by exploitation activities is recorded through operating costs over the life of the site, in order to reflect the best estimate of the expenditure required to settle the obligation at the end of the reporting period. Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the cost of the related asset to the extent that they relate to the asset's installation, construction or acquisition. All provisions are discounted to their present value.

Climate-related matters may affect the level of provisions recognized, such as site restoration provisions, as a result of levies imposed by governments for failure to meet climate-related targets or new regulations and requirements to remediate environmental damages on Holcim's sites.

Specific business risks provisions

Specific business risks comprise litigation provisions, provisions for contractual risks recorded in connection with purchase price allocations and service-type warranties. Provisions for litigation mainly relate to antitrust and commercial disputes, environmental claims and product liabilities and are set up to cover legal and administrative proceedings.

Service-type warranties are provided by the Group in the form of separately priced extended warranties covering roofing systems, generally ranging from five to 30 years. Revenues from such activities are deferred and recognized in in the Financial Statement of Income over the life of the warranty on a straight-line basis.

The timing of cash outflows to settle provisions for litigation is uncertain, since this will largely depend on the outcome of administrative and legal proceedings.

The sensitivity associated with certain provisions led management to limit the extent of the disclosure discussed above, as it believes this could seriously prejudice the position of the Group.

Restructuring provisions

The provision for restructuring only includes direct expenditures arising from the restructuring, notably severance payments, early retirement costs, costs for notice periods not worked and other costs directly linked largely to the closure of facilities.

Other provisions

Other provisions include liabilities with cash flows of uncertain timing or amount that cannot be included in the above categories.

Contingent liabilities

Contingent liabilities arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within Holcim's control. Accordingly, they are disclosed in the notes to the financial statements.

16.2 Provisions

Million CHF	Site restoration and other environmental provisions	Specific business risks provisions	Restructuring provisions	Other provisions	Total 2024	Total 2023
1 January	**715**	**480**	**36**	**825**	**2,056**	**2,117**
Change in scope	2	1	0	11	**14**	85
Reclassification	0	1	0	(1)	**0**	0
Provisions recognized	62	113	34	251	**460**	284
Provisions used during the year	(57)	(36)	(22)	(32)	**(147)**	(130)
Provisions reversed during the year	(31)	(28)	(4)	(151)	**(214)**	(170)
Unwinding of discount and discount rate changes	24	0	0	4	**28**	8
Currency translation effects	19	20	1	16	**56**	(138)
31 December	**734**	**551**	**45**	**923**	**2,253**	**2,056**
Of which short-term provisions	67	89	28	203	**387**	348
Of which long-term provisions	667	462	17	720	**1,866**	1,708

As of 31 December 2024, other provisions of CHF 923 million mainly comprise indemnification provisions, insurance claims reserves, severance pay obligations, provisions for health insurance and pensions schemes which do not qualify as benefit obligations.

16.3 Contingencies, guarantees and commitments

Contingencies

In the ordinary course of its business, the Group is involved in lawsuits, claims of various natures, investigations and proceedings, including product liability, commercial, competition, environmental, health and safety matters, among others. The Group operates in countries where political, economic, social and legal developments could have an impact on the Group's operations.

In connection with disposals of businesses, the Group provided customary indemnification warranties, notably related to accounting, tax, legal compliance, litigation, labor and environmental matters. Holcim and its subsidiaries have received or may in the future receive notices of claims arising from such indemnification warranties.

The Group is exposed to varying degrees of uncertainty related to tax matters as well as regulatory reviews and audits. The Group accounts for its income taxes on the basis of its own internal analyses, supported by external advice, if appropriate. The Group continuously monitors its global tax position. and whenever uncertainties arise, the Group assesses the potential consequences and either accrues the liability or discloses a contingent liability in its financial statements, depending on the strength of the Group's position and the resulting risk of loss.

As of 31 December 2024, the Group's contingencies amounted to CHF 600 million (2023: CHF 706 million).

Except for what has been provided for as disclosed in Note 16.2, the Group has concluded that due to the uncertainty with some of the matters mentioned below, the potential losses from some of these cases cannot be reliably estimated. There are no further single matters pending that the Group expects to be material in relation to the Group's business, financial result or results of operations.

The following is a description of the material legal and tax matters currently ongoing.

Legal and tax matters with new developments since last reporting period

The criminal proceedings in France against Lafarge S.A. related to its legacy operations in Syria during the country's civil war in 2013 and 2014 are still pending in Paris. Lafarge S.A. was placed under formal investigation on 28 June 2018 for complicity in crimes against humanity, financing of terrorism, deliberate endangerment of life of others and customs violations. On 16 January 2024, the Supreme Court decided to uphold the charge of complicity in crimes against humanity and to drop the charge of deliberate endangerment of life of others. On 16 October 2024, the investigating judges referred Lafarge S.A., along with eight individuals, to the criminal court to be judged for the offenses of financing terrorism and customs violations. The hearings are scheduled from 4 November 2025 to 16 December 2025. The investigation is still ongoing for the offense of complicity in crimes against humanity. These decisions are not rulings on the merits of the case and Lafarge S.A. continues to cooperate fully with the French judicial authorities.

On 28 May 2014, the Administrative Council for Economic Defense ("CADE") ruled that Holcim Brazil (subsequently LafargeHolcim (Brasil) S.A., now under the control of CSN Cimentos S.A.) along with other cement producers had engaged in price collusion and other anti-competitive behavior. The ruling includes behavioral remedies prohibiting certain greenfield projects, divestment of a ready-mix plant, and M&A activities and fines against the defendants. This order became enforceable on 21 September 2015 and applies to LafargeHolcim Brazil, which has been fined CHF 122 million (BRL 509 million) as at the date of the order. In September 2015, LafargeHolcim Brazil filed an appeal against the order, offering a cement plant as guarantee to support its appeal. The fine and the behavioral remedies imposed by CADE were suspended by two decisions of the court of first instance on 29 September 2016 and 21 October 2016. In 2024, CADE's request to challenge the guarantee offered was granted by the Superior Court of Justice. An appeal may be filed against this decision. Regardless of this recent procedural development, CADE's decision remains suspended for now. On the substantive proceedings, a decision on the merits of the case by the court of first instance is expected within 1 to 2 years, and the decision may be subject of appeal to the Federal Court of Appeals, and, subsequently, to the Superior Courts. Following the divestment of LafargeHolcim Brazil to CSN, the Group provided an indemnification guarantee for the fine including interests which as of the closing date of 6 September 2022 was CHF 163 million (BRL 849 million).

Previously disclosed legal matters with no developments since last reporting period

Between January 2023 and March 2024, five civil lawsuits were commenced in the U.S. District Court for the Eastern District of New York against Lafarge S.A. by individuals who were injured or killed in terrorist attacks in Syria, Iraq, Libya, Jordan, France, Spain, Turkey, and Niger from 2012 to 2017, or their heirs and family members. Lafarge Cement Holding Limited and Lafarge Cement Syria SA have also been named defendants in all five lawsuits. The lawsuits assert claims under the U.S. Antiterrorism Act, including allegations that Lafarge S.A. aided and abetted the terrorist organizations that committed, planned or authorized these attacks. None of the lawsuits have specified the amount of the damages claimed. It is difficult to predict at this early stage the outcome of these matters, including the timing or any possible impact on Lafarge S.A.. There is also a risk that additional plaintiffs will join these lawsuits or commence separate actions based on the same conduct. Lafarge S.A., Lafarge Cement Holding Limited, and Lafarge Cement Syria S.A. are aggressively defending the actions. They have brought motions to dismiss in the first three lawsuits and also intend to bring a motion to dismiss in the fourth and fifth lawsuits. As of the present date, the court has not ruled on these motions.

There has been litigation in Hungary for a number of years related to the ownership of assets and damage compensation in the context of the privatization of one of the former Holcim cement plants in Hungary. The plant was closed a number of years ago and remains inactive and the Group believes the plant is illegally occupied by the counterparty in the litigation. The litigation related to the ownership of assets was closed in 2023. The litigation regarding damage compensation is ongoing in courts in Hungary and Holcim will continue to defend its legal position.

In July 2016, LafargeHolcim (Brasil) S.A. received an assessment from the Brazilian Internal Revenue Service, claiming the reversal of deducted goodwill for the years 2011 and 2012. The amount in dispute is CHF 75 million (BRL 431 million). After challenging the assessment, the company received a favorable decision from the Administrative Tax Appeals Council in August 2018. The Brazilian Internal Revenue Service (BRA IRS) has appealed this decision before the Superior Administrative Chamber, still pending a judgment. In November 2018, LafargeHolcim (Brasil) S.A. received a further assessment from the Brazilian Internal Revenue Service, again claiming reversal of deducted goodwill for the years 2013 and 2014. The amount in dispute for this case is CHF 61 million (BRL 351 million). The company challenged it and received a favorable decision at the 1st Administrative Level. The BRA IRS appealed to the CARF (Administrative Tax Appeals Council), and its merit judgment is still pending. In December 2019, LafargeHolcim (Brasil) S.A. received a third assessment on the same topic, referring to the year 2015. The amount in dispute for this year is CHF 5 million (BRL 28 million). The company has challenged it at 1st Administrative Level, had an unfavorable decision and appealed in November 2020 to the Administrative Tax Appeals Council. In 2022, the Group divested LafargeHolcim (Brasil) S.A., but will continue to be liable for these assessments.

The Competition Commission of India ("CCI") issued in June 2012 and, after a successful appeal, again in August 2016 an order imposing a penalty of CHF 60 million (INR 4,900 million) as of the closing date 15 September 2022 on the divested subsidiary Lafarge India for which the Group provided an indemnification guarantee. The order found Lafarge India together with other cement producers in India to have engaged in price coordination and imposed penalties on the cement companies and their trade association. The company appealed the order before the Competition Appellate Tribunal ("COMPAT"). As per the interim order passed by COMPAT in 2016, the company placed a deposit of 10% of the penalty amounts with a financial institution with a lien in favor of COMPAT. In May 2017, all matters pending before COMPAT were transferred to the National Company Law Appellate Tribunal ("NCLAT"). In July 2018, the NCLAT dismissed the appeal of Lafarge India (now known as Nuvoco Vistas Corporation) against the CCI order and upheld the fine imposed. The company filed an appeal with the Supreme Court, which was admitted on 5 October 2018, and the interim order passed by COMPAT was directed to be continued. The tentative next date of hearing before the Supreme Court will possibly be during 2025.

Guarantees

At 31 December 2024, the Group's guarantees issued in the ordinary course of business amounted to CHF 1,028 million (2023: CHF 942 million).

Commitments

In the ordinary course of business, the Group enters into purchase commitments for goods and services including power purchase agreements, buy and sell investments, associated companies and Group companies or portions thereof. It is common practice for the Group to make offers or receive call or put options in connection with such acquisitions and divestments. As part of its strategy to decarbonize its energy mix, the Group enters into power purchase agreements to secure sourcing of power from renewable energy.

At 31 December 2024, the Group's commitments amounted to CHF 2,578 million (2023: CHF 2,202 million) and included CHF 1,943 million (2023: CHF 1,737 million) related to the purchase of various products, inventories and services and CHF 635 million (2023: CHF 464 million) related to the purchase of property, plant and equipment and intangible assets. The variance in commitments from 2023 is primarily related to higher CapEx commitments for decarbonization projects in Europe and an increase in commodity volumes.

17. Shareholders' information

17.1 Equity

On 28 May 2024, Holcim exercised the redemption option on the EUR 500 million (CHF 490 million) subordinated fixed rate resettable perpetual notes issued on 5 April 2019 at an initial fixed coupon of 3.0%.

On 7 December 2023, Holcim exercised the redemption option on the CHF 200 million subordinated fixed rate resettable perpetual notes issued on 28 November 2018 at an initial fixed coupon of 3.5%.

There were no outstanding subordinated fixed rate resettable perpetual notes carried in equity as of 31 December 2024 (2023: CHF 550 million).

In accordance with the provisions of IAS 32 Financial Instruments – Presentation, and given their characteristics, these instruments were recognized in equity in the Group's consolidated financial statements.

The redemption of the subordinated fixed rate resettable perpetual notes is disclosed in "Repayment from subordinated fixed rate resettable notes" in the consolidated statement of cash flows.

Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects. Treasury shares (own equity instruments held by the Group) are accounted for as a reduction of equity at acquisition cost and are not subsequently remeasured. When shares are sold out of treasury shares, the resulting profit or loss is recognized in equity, net of tax.

17.2 Information on share capital

Number of registered shares 31 December	2024	2023
Total outstanding shares	**551,015,549**	**561,823,424**
Treasury shares		
Share buyback program	**12,249,093**	0
Other treasury shares	**15,859,964**	17,301,182
Total treasury shares	**28,109,057**	**17,301,182**
Total issued shares	**579,124,606**	**579,124,606**
Shares out of conditional share capital		
Reserved for convertible bonds	**1,422,350**	1,422,350
Total shares out of conditional share capital	**1,422,350**	**1,422,350**
Total shares	**580,546,956**	**580,546,956**

The par value per share is CHF 2.00. The share capital amounts to nominal CHF 1,158 million (2023: CHF 1,158 million) and the carrying amount of the treasury shares amounts to CHF 1,744 million (2023: CHF 811 million).

In March 2024, Holcim initiated a share buyback program of up to CHF 1 billion. Through this program, Holcim repurchased 12,249,093 shares – equivalent to 2.1% of its share capital – for a total amount of CHF 1 billion at an average purchase price of CHF 81.6 per share. Cancellation of the repurchased shares will be subject to approval at the Annual General Meeting to be held on 14 May 2025. As a result, the share capital of Holcim Ltd will be reduced to CHF 1,133,751,026 and divided into 566,875,513 shares.

Swiss tax regulations prescribe to use at least 50% from the capital contribution reserves for shares purchased back for cancellation. The nominal value of CHF 2.00 per share is tax-exempt. For the shares bought back as of 31 December 2024, the domestic capital contribution reserves are affected by a reduction of CHF 488 million.

In May 2023, Holcim completed its share buyback program initiated on 14 November 2022. Through this program, Holcim repurchased 36,804,453 shares – equivalent to 6.0% of its share capital – for a total amount of CHF 2 billion at an average purchase price of CHF 54.3 per share. Cancellation of the repurchased shares was approved at the Annual General Meeting held on 4 May 2023. As a result, the share capital of Holcim Ltd reduced to CHF 1,158 million divided into 579,124,606 shares.

For the shares bought back and canceled as of 30 June 2023, the domestic capital contribution reserves are affected by a reduction of CHF 963 million (CHF 747 million in the first half of 2023; CHF 216 million in the 2022 financial year).

Number of registered shares 31 December	2024	2023
Total issued shares as of 1 January	**579,124,606**	**615,929,059**
Share buyback program	**0**	(36,804,453)
Total issued shares as of 31 December	**579,124,606**	**579,124,606**

18. Related party transactions

The main related parties are associates and joint ventures, the members of the Board of Directors and the members of the Executive Committee.

Key management compensation

Board of Directors

In 2024, eleven non-executive members of the Board of Directors received in total compensation of CHF 4.8 million (2023: CHF 3.4 million) of which CHF 2.7 million was paid in cash (2023: CHF 1.9 million), CHF 0.03 million in the form of social security contributions (2023: CHF 0.02 million), and CHF 2.0 million in shares (2023: CHF 1.3 million). Other compensation paid totaled CHF 0.1 million (2023: CHF 0.1 million).

Executive Committee

The total annual compensation for the ten members of the Executive Committee for 2024 amounted to CHF 27.0 million (2023: CHF 33.6 million). This amount comprises base salaries, other fixed pay and annual incentive of CHF 17.3 million (2023: CHF 21.9 million), equity-based long-term incentive of CHF 7.2 million (2023: CHF 8.4 million) as well as employer contributions to social security and pension plans of CHF 2.5 million (2023: CHF 3.3 million).

Compensation for former members of governing bodies

In 2024, a former member of the Executive Committee received total compensation of CHF 0.9 million (2023: CHF 0.2 million).

In 2024 and 2023, no payments were made to parties closely related to members of the governing bodies.

Loans granted to members of governing bodies

There were no loans granted to members of the Executive Committee, members of the Board of Directors or to parties closely related to members of governing bodies outstanding on 31 December 2024 or 2023.

Other transactions

As part of the employee share purchase plan, Holcim manages employees' shares. It sells Holcim Ltd shares to employees and purchases shares in the open market. In 2024 and 2023, the company did not purchase any Holcim Ltd shares from members of the Executive Committee.

Transactions with associates and joint ventures

The Group's transactions and outstanding balances with associates and joint ventures are summarized in the table below:

Million CHF	**2024**	2023
Net sales	**191**	259
Purchase of goods	**(242)**	(263)
Trade accounts receivable	**42**	61
Other current receivables	**10**	10
Current financial receivables	**13**	13
Long-term financial receivables	**25**	78
Trade accounts payable	**141**	116
Other current liabilities	**3**	3
Current financial liabilities	**29**	32
Long-term financial liabilities	**0**	1

19. Cash flow from investing activities

Million CHF	Notes	2024	2023
Purchase of property, plant and equipment, net			
Replacements		**(1,051)**	(1,017)
Proceeds from sale of property, plant and equipment		**173**	96
Capital expenditures on property, plant and equipment to maintain productive capacity and to secure competitiveness		**(878)**	**(921)**
Expansion investments		**(599)**	(487)
Total purchase of property, plant and equipment, net (a)		**(1,477)**	**(1,408)**
Acquisition of participation in Group companies (net of cash and cash equivalents acquired)	**2.3**	**(984)**	**(1,975)**
Disposal of participation in Group companies (net of cash and equivalents disposed of)	**2.3**	**472**	**6**
Purchase of financial assets, intangible and other assets			
Purchase of financial investments including associates and joint ventures		**(9)**	(16)
Purchase of other financial assets, intangible and other assets		**(239)**	(235)
Total purchase of financial assets, intangible and other assets		**(248)**	**(251)**
Disposal of financial assets, intangible and other assets			
Disposal of financial investments including associates and joint ventures		**6**	6
Disposal of other financial assets, intangible and other assets		**194**	153
Total disposal of financial assets, intangible and other assets		**200**	**159**
Total (purchase) disposal of Group companies, financial assets, intangible and other assets, net (b)		**(560)**	**(2,061)**
Total cash flow from investing activities (a + b)		**(2,037)**	**(3,469)**

20. Events after the reporting period

There were no significant events after the reporting period.

21. Authorization of the financial statements for issuance

The consolidated Financial Statements were authorized for issuance by the Board of Directors of Holcim Ltd on 27 February 2025 and are subject to shareholder approval at the Annual General Meeting of shareholders scheduled for 14 May 2025.

TO THE GENERAL MEETING OF HOLCIM LTD, ZUG

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Shape the future with confidence

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To the General Meeting of
Holcim Ltd, Zug

Zurich, 27 February 2025

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Holcim Ltd and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of income, Consolidated statement of comprehensive earnings, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 264 to 346) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Impairment of goodwill and long-lived assets

Area of focus	As described in note 6 and note 11 of the consolidated financial statements, the Group has CHF 14'594m of goodwill and CHF 26'018m long-lived assets subject to impairment test (property, plant and equipment, intangible assets, as well as investments in associates and joint ventures), the sum of which represents 75% of total assets. Management performed annual impairment tests for all Cash Generating Units ("CGUs") to which goodwill has been allocated as of 31 December 2024. Management also reviewed all CGUs and operating segments for their design. In addition, the fair value of the investment in Huaxin Cement Co. Ltd. based on the quoted market price, was 39% lower than the carrying value in Holcim Group's statement of financial position as of 31 December 2024. Therefore, an impairment test has also been performed for the equity-accounted investment in Huaxin, to compare the carrying amount of the investment with the higher of value-in-use or fair value less cost of disposal as per IAS 28. The value-in-use approach to calculate the recoverable amount of Huaxin Cement Co. Ltd. follows the same methodology and relies on the same key assumptions as the one used for goodwill and long-lived assets, and which is further described in note 11.1. The impairment assessment requires management to estimate future cash flows based on several assumptions related to future profitability, including revenue growth, Recurring EBITDA margins, the determination of an appropriate discount rate and long-term growth rate. The outcome of the impairment assessments could vary significantly based on the judgments applied on the different assumptions. In the year ended 31 December 2024, net impairment charges of CHF 202m have been recorded against long-lived assets. Management has performed a sensitivity analysis and concluded that a reasonably possible change in the key assumptions, particularly, post-tax discount rate, or in the Recurring EBITDA margin, would not lead to an impairment in goodwill and long-lived assets.
Our audit response	Our audit procedures included obtaining an understanding of the Group's impairment testing process, the controls implemented by

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management in testing for impairment and the determination of key assumptions used in the impairment valuation tests.

We confirmed that the value-in-use approach to calculate the recoverable amount of Huaxin Cement Co. Ltd. follows the same methodology and relies on the same key assumptions as the one used for goodwill and long-lived assets.

Therefore, we performed the below procedures consistently between all asset groups.

We recalculated the mathematical accuracy of the discounted cash flow models and compared the extracted inputs to the source documents.

We performed an independent assessment of impairment indicators, including challenging management's sensitivity analysis by performing an independent sensitivity analysis utilizing management's models.

We considered management's determination of CGUs for long-lived assets' impairment testing and management's determination that goodwill is monitored at the operating segment level for goodwill impairment testing. We considered whether there existed any contradictory evidence by reviewing internal financial reporting presented to the Board of Directors, CEO and executive committee and other information included in the Annual Report. We held discussions with the CEO and Regional Executives to understand both the process of evaluating results, monitoring performance and how decisions are made on the allocation of capital. In addition, we obtained an understanding of how the performance of members of the Group's management is monitored, and bonuses determined.

We agreed the underlying cash flow forecasts to the Board-approved plans.

We held discussions with management to identify areas where Holcim's 2030 sustainability targets will impact future cash flows. We have performed procedures to confirm that the impact of these projects had been appropriately taken into consideration.

We validated whether the Group's goodwill and long-lived assets impairment methodology was appropriate and tested the clerical accuracy of the impairment models.

We assessed management's historical forecasting accuracy as well as any revisions made to improve the accuracy.
We assessed whether estimates have been determined on a consistent basis across the Group and where relevant, compared management's prior year models for testing impairment with the current year models.

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We considered the adequacy of management's disclosures in respect of long-lived assets and goodwill impairment testing and whether they appropriately disclose the sensitivities and the impacts of the change in the level at which goodwill impairment testing is undertaken.

Further, we performed the following substantive procedures on the key assumptions:

Recurring EBITDA margin
We analyzed the individual components of the Recurring EBITDA margin, including market growth, cement prices and cost components, and benchmarked these against external sources.
We performed a lookback analysis on the historical trends as well as held discussions with regional and country management to corroborate their views on the market developments on the four-year forecast.

Discount rates
We involved internal valuation specialists to develop an independent estimate of the relevant discount rates and compared these to discount rates used by management.

Long-term growth
We performed a reconciliation to confirm that the long-term growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the combination of long-term inflation rate and Gross Domestic Product growth rate for the relevant market.

Our audit procedures did not lead to any reservations regarding the valuation, presentation and disclosure of goodwill and long-lived assets.

Contingent Liabilities

Area of focus The group is involved in lawsuits, claims of various natures, investigations and proceedings, as disclosed in note 16.3 to the consolidated financial statements.

In particular, the criminal proceedings in France against Lafarge SA related to legacy operations in Syria during the country's civil war are still ongoing. The courts' decisions at this stage are not rulings on the merits of the case and Lafarge SA continues to cooperate fully with the French judicial authorities.

In addition, and pertaining to the same legacy operations, five civil lawsuits were commenced in the U.S. District Court for the Eastern District of New York against Lafarge SA, and its subsidiaries Lafarge Cement Syria and Lafarge Cement Holding Limited, by individuals who were injured or killed in terrorist attacks in Syria, Iraq, Libya, Jordan, France, Spain, Turkey and Niger from 2012 to 2017, or their heirs and family members.

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	Management has concluded, considering all available evidence, including advice from both external and internal legal counsels, that the outcome of the above-mentioned legal proceedings cannot be reliably estimated. Consequently, no liabilities have been recognized, and an estimate of the contingent liability in relation to these matters cannot be quantified and therefore disclosed as of 31 December 2024.
Our audit response	We gained an understanding of the Group's design and implementation of processes and controls for the identification and evaluation of legal proceedings and regulatory investigations at the different levels of management, including those charged with governance, as well as for the continuous assessment and recording of the related contingent liabilities and provisions required by IAS 37 Provisions, contingent liabilities and contingent assets. We enquired the Group General Counsel and the Group's external legal counsels as to the current status of the proceedings and their professional assessment of their outcome and obtained written legal opinions when deemed necessary. We obtained minutes of meetings of the Board of Directors. We assessed whether any of the evidence obtained contradicted management's assessment. We assessed the adequacy of the related disclosures made in the consolidated financial statements. Our audit procedures did not lead to any reservations regarding the valuation, presentation and disclosure of contingent liabilities.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Board of Directors' responsibilities for the consolidated financial statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Jacques Pierres	Daniel Zaugg
Licensed audit expert (Auditor in charge)	Licensed audit expert

HOLDING COMPANY RESULTS

Statement of income Holcim Ltd

Million CHF	Notes	2024	2023
Dividend income – Group companies		**791**	1,137
Financial income – Group companies	2	**470**	265
Financial income – third parties		**44**	18
Other income	3	**742**	328
Total income		**2,047**	**1,748**
Financial expenses – Group companies		**(205)**	(175)
Financial expenses – third parties		**(14)**	(14)
Other expenses	4	**(360)**	(806)
Impairment of financial investments and financial receivables – Group companies	5	**(145)**	(28)
Total expenses		**(724)**	**(1,023)**
Net income before taxes		**1,323**	**725**
Income taxes		**(39)**	(38)
Net income		**1,284**	**687**

Statement of financial position Holcim Ltd

Million CHF	Notes	2024	2023
Cash and cash equivalents		**229**	371
Current financial receivables – Group companies		**226**	162
Current financial receivables – third parties		**248**	228
Other current receivables – Group companies		**151**	150
Other current receivables – third parties		**8**	6
Total current assets		**862**	**917**
Non-current financial receivables – Group companies	6	**5,106**	4,828
Financial investments – Group companies	7	**31,227**	32,779
Other non-current assets		**18**	0
Total non-current assets		**36,351**	**37,607**
Total assets		**37,213**	**38,524**
Current interest-bearing liabilities – Group companies		**553**	284
Current interest-bearing liabilities – third parties	8	**150**	440
Other current liabilities – Group companies		**67**	73
Other current liabilities – third parties		**173**	151
Total current liabilities		**943**	**948**
Non-current interest-bearing liabilities – Group companies		**4,672**	4,591
Non-current interest-bearing liabilities – third parties	9	**0**	150
Other non-current liabilities – third parties		**95**	113
Total non-current liabilities		**4,767**	**4,854**
Total liabilities		**5,710**	**5,802**
Share capital	14	**1,158**	1,158
Capital reserves from tax capital contributions			
– Domestic	10	**63**	551
– Foreign		**10,584**	12,154
Statutory retained earnings		**2,531**	2,531
Retained earnings		**17,627**	16,452
Net income		**1,284**	687
Treasury shares	10	**(1,744)**	(811)
Total shareholders' equity		**31,503**	**32,722**
Total liabilities and shareholders' equity		**37,213**	**38,524**

Holcim Ltd, with registered office in Zug, is the ultimate holding company of Holcim Group, which comprises subsidiaries, associated companies and joint ventures around the world. During the reporting period, Holcim Ltd employed fewer than ten employees (2023: fewer than ten employees).

1. Accounting Policies

Basis of preparation

The financial statements of Holcim Ltd comply with the requirements of the Swiss accounting legislation of the Swiss Code of Obligations (SCO). Holcim Ltd is presenting consolidated financial statements according to IFRS® Accounting Standards. As a result, these financial statements and notes do not include additional disclosures, a cash flow statement or a management report.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

As of 1 January 2024 Holcim Ltd merged with its subsidiary, Holcim IP Ltd.

Accounting principles applied

Other income and expenses

Non-monetary assets and liabilities are carried at historical rates. Monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Realized exchange gains and losses and all unrealized exchange losses arising from these as well as those from business transactions are recorded as other income or other expenses. Unrealized exchange gains on non-current assets and liabilities are deferred.

Cash and cash equivalents

Cash and cash equivalents are bank accounts and short-term deposits, highly liquid and readily convertible to known amounts of cash with maturities of three months or less from the date of acquisition.

Financial receivables

Financial receivables are valued at acquisition cost less any impairment of value.

The CO_2 certificates are classified as current financial receivables and valued at acquisition costs less impairment of the value. The result of the sales of the CO_2 certificates is recorded in other income and other expenses.

Financial investments

Financial investments are initially recognized at cost. Investments in Holcim Group subsidiaries are assessed annually and in case of an impairment adjusted to their recoverable amount.

Other assets

Other assets contain goodwill and other intangible assets, which are capitalized and amortized over a period between three and seven years.

Interest-bearing liabilities

Interest-bearing liabilities are valued at nominal value. Any bond premium is accrued over the duration of the bond so that at maturity the balance sheet amount will equal the amount that is due to be paid.

Provisions

Provisions are made to cover general business risks.

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from equity. Gains and losses on the sale are recognized in the statement of income.

2. Financial income – Group companies

The financial income – Group companies amounts to CHF 470 million (2023: CHF 265 million), of which CHF 154 million financial income related to prior year transactions.

3. Other income

The other income contains intangible property related fees of CHF 309 million (2023: CHF 259 million), net foreign exchange gains of CHF 397 million (2023: CHF 0 million) and other income of CHF 36 million (2023: CHF 69 million).

4. Other expenses

The other expenses contain stewardship, project and litigation expenses of CHF 323 million (2023: CHF 363 million), administrative expenses of CHF 16 million (2023: CHF 15 million), other expenses of CHF 21 million (2023: CHF 83 million) and net foreign exchange losses of CHF 0 million (2023: CHF 345 million).

5. Impairment of financial investments and financial receivables – Group companies

In the reporting period there have been impairments on financial investments and financial receivables in the amount of CHF 145 million (2023: CHF 28 million).

6. Non-current financial receivables – Group companies

The non-current financial receivables amount to CHF 5,106 million (2023: CHF 4,828 million). Holcim Ltd granted a subordinated loan of USD 3,500 million to a fully owned subsidiary.

7. Financial investments – Group companies

The principal direct and indirect subsidiaries and other holdings of Holcim Ltd are shown in Note 2.4 to the Group's Consolidated Financial Statements.

8. Current interest-bearing liabilities – third parties

Million CHF	**2024**	2023
1.00% fixed, Bond, 2018-2024	**0**	440
1.00% fixed, Bond, 2015-2025	**150**	0
Total	**150**	**440**

9. Non-current interest-bearing liabilities – third parties

Million CHF	**2024**	2023
1.00% fixed, Bond, 2015-2025	**0**	150
Total	**0**	**150**

10. Treasury shares movements in equity

		Number held by Holcim Ltd	Million CHF	Average price per share in CHF	Number held by subsidiaries	Reserve for treasury shares held by subsidiaries in Million CHF	Average price per share in CHF
01.01.2024	Opening	**17,301,182**	**811**	**46.9**	**0**	**0**	**0.0**
2024	Purchases share buyback program	**12,249,093**	**1,000**	**81.6**	**0**	**0**	**0.0**
2024	Sales and delivery for remuneration plans	**(1,441,218)**	**(67)**	**46.9**	**0**	**0**	**0.0**
31.12.2024	**Closing**	**28,109,057**	**1,744**	**62.0**	**0**	**0**	**0.0**
01.01.2023	Opening	27,364,975	1,297	47.4	0	0	0.0
2023	Purchases share buyback program	27,503,069	1,550	56.4	0	0	0.0
2023	Cancellation of shares from share buyback program	(36,804,453)	(2,000)	54.3	0	0	0.0
2023	Sales and delivery for remuneration plans	(762,409)	(36)	46.9	0	0	0.0
31.12.2023	**Closing**	**17,301,182**	**811**	**46.9**	**0**	**0**	**0.0**

In March 2024, Holcim initiated a share buyback program of up to CHF 1 billion. Through this program, Holcim repurchased 12,249,093 shares – equivalent to 2.1% of its share capital – for a total amount of CHF 1 billion at an average purchase price of CHF 81.6 per share. Cancellation of the repurchased shares will be subject to approval at the Annual General Meeting to be held on 14 May 2025.

Swiss tax regulations prescribe to use at least 50% from the capital contribution reserves for shares purchased back for cancellation. The nominal value of CHF 2.00 per share is tax-exempt. For the shares bought back as of 31 December 2024, the domestic capital contribution reserves are affected by a reduction of CHF 488 million.

In May 2023, Holcim completed its share buyback program initiated on 14 November 2022. Through this program, Holcim repurchased 36,804,453 shares – equivalent to 6.0% of its share capital – for a total amount of CHF 2 billion at an average purchase price of CHF 54.3 per share. Cancellation of the repurchased shares was approved at the Annual General Meeting held on 4 May 2023.

For the shares bought back and canceled as of 30 June 2023, the domestic capital contribution reserves are affected by a reduction of CHF 963 million (CHF 747 million in the first half of 2023; CHF 216 million in 2022 financial year).

11. Contingent liabilities

Million CHF	2024	2023
Guarantees in favor of subsidiaries to cover capital and interest of bonds, private placements, Schuldschein loans, credit facilities and commercial paper programs	**11,916**	12,643
Guarantees for committed credit lines, utilization CHF 0 million (2023: CHF 0 million)	**4,576**	5,104
Other guarantees and commitments	**275**	0
Total	**16,767**	**17,747**

Holcim Ltd is part of a value added tax group and therefore jointly liable to the Swiss Federal Tax Administration for the value added tax liabilities of the other members.

Holcim Ltd guarantees Holcim Finance (Luxembourg) S.A. any amount needed to fulfill its obligations from financing agreements.

12. Share interests of the Board of Directors and Executive Committee

Shares owned by the Board of Directors

On 31 December 2024, the members of the Board of Directors held a total of 624,101 (2023: 669,873) registered shares in Holcim Ltd. This number comprises privately acquired shares and those allotted under the Group's participation and compensation schemes.

Name	Position	Shares held as of 31 December 2024	Shares held as of 31 December 2023
Jan Jenisch	Chairman	**540,000**	600,000
Hanne B. Sørensen	Vice-Chairwoman	**23,176**	20,105
Philippe Block	Member	**6,575**	5,039
Kim Fausing	Member	**6,575**	5,039
Leanne Geale	Member	**2,638**	1,102
Catrin Hinkel	Member (since 8 May 2024)	**0**	0
Naina Lal Kidwai	Member	**8,542**	7,006
Ilias Läber	Member	**11,043**	9,102
Michael McGarry	Member (since 8 May 2024)	**0**	0
Jürg Oleas	Member	**17,010**	15,474
Claudia Sender Ramirez	Member	**8,542**	7,006
Total		**624,101**	**669,873**

Ownership of shares and options: Executive Committee

As of 31 December 2024, the members of the Executive Committee held a total of 308,626 (2023: 951,339) registered shares in Holcim Ltd. This figure includes both privately acquired shares and those allocated under participation and the Group's compensation schemes.

Furthermore, at the end of 2024, the Executive Committee held a total of 749,916 (2023: 1,994,360) performance options (at target) and 136,132 (2023: 301,600) performance shares (at target); these arose as a result of the participation and compensation schemes of various years. Options are issued solely on registered shares in Holcim Ltd. One option entitles the holder to buy one registered share in Holcim Ltd.

Number of shares and options held by Executive Committee members as of 31 December 2024

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Miljan Gutovic	CEO	107,040	218,731	437,461	35,466	70,932
Nollaig Forrest	Member	4,370	23,246	46,491	10,254	20,508
Jamie Gentoso	Member	30,997	99,869	199,738	23,235	46,470
Steffen Kindler	Member	7,455	38,267	76,534	15,631	31,262
Martin Kriegner	Member	108,764	183,961	367,922	25,535	51,070
Oliver Osswald	Member	50,000	185,842	371,683	26,011	52,022
Total		**308,626**	**749,916**	**1,499,829**	**136,132**	**272,264**

Number of shares and options held by Executive Committee members as of 31 December 2023

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Jan Jenisch	CEO	600,000	1,023,681	2,047,362	129,445	258,890
Nollaig Forrest	Member	0	5,581	11,162	6,745	13,490
Mathias Gaertner	Member	21,463	n/a	n/a	n/a	n/a
Jamie Gentoso	Member	22,139	79,703	159,405	24,646	49,292
Feliciano González Muñoz	Member	69,506	193,205	386,409	26,673	53,346
Miljan Gutovic	Member	84,909	201,503	403,005	28,724	57,448
Steffen Kindler	Member	1,000	17,005	34,009	9,241	18,482
Martin Kriegner	Member	91,124	210,462	420,923	28,428	56,856
Oliver Osswald	Member	50,000	208,066	416,132	28,724	57,448
Toufic Tabbara	Member	11,198	55,154	110,308	18,974	37,948
Total		**951,339**	**1,994,360**	**3,988,715**	**301,600**	**603,200**

13. Significant shareholders

According to the share register and disclosed through notifications filed with Holcim Ltd and the SIX Swiss Exchange, shareholders owning 3% or more are as follows:

Percentage of shares outstanding	**2024**	2023
Thomas Schmidheiny[1]	**6.5**	6.4
UBS Fund Management (Switzerland) AG[2]	**5.6**	3.0
BlackRock Inc.[3]	**5.2**	5.2
Holcim Ltd[4]	**4.9**	< 3.0
Martin and Rosmarie Ebner[5]	**3.1**	3.1
Dodge & Cox[6]	**< 3.0**	3.2

[1] Excluding the shares of the family members; Thomas Schmidheiny directly and indirectly held 6.5% as of 31 December 2024.
[2] UBS Fund Management (Switzerland) AG declared holdings of 5.6% as of 9 May 2024.
[3] BlackRock Inc. declared holdings of 5.2% as of 24 June 2023.
[4] Holcim Ltd held 4.9% as of 31 December 2024.
[5] Martin and Rosmarie Ebner declared holdings of 3.1% as of 17 June 2023.
[6] Dodge & Cox's participation fell under 3.0% as of 30 August 2024.

The individual reports can be accessed on the reporting and publication platform of the Disclosure Office of SIX Swiss Exchange under: *ser-ag.com/significant-shareholders*

14. Share capital

As of 31 December 2024, Holcim Ltd's share capital amounts to CHF 1,158 million (2023: CHF 1,158 million) and consists of 579,124,606 registered shares (2023: 579,124,606) with a nominal value of CHF 2.00 each.

APPROPRIATION OF AVAILABLE EARNINGS AND RESERVES

Special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd (including appropriation of available earnings)

Million CHF	**2024**	2023
Capital reserves from tax capital contributions:		
– Domestic	**63**	551
– Foreign	**10,584**	12,154
Total available capital reserves from tax capital contributions	**10,647**	**12,705**
Available earnings:		
Retained earnings	17,627	16,452
Net income of the year	1,284	687
Total available earnings	**18,911**	**17,139**
Appropriation proposed by the Board of Directors (special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd)[1]	(7,473)	0
Proposed distribution from foreign capital reserves from tax capital contributions as part of the special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd	(1,774)	0
Total foreign capital reserves from tax capital contributions after appropriation of dividend-in-kind (but before payment of the cash dividend)	**8,810**	**0**
Total available earnings after appropriation of dividend-in-kind[1]	**11,438**	**17,139**
Balance to be carried forward[1]	**11,438**	**17,139**

[1] Based on currently estimated book value of the Spin-off Distribution of approximately CHF 9,247 million. Depending on the final book value of the Spin-off Distribution, this amount may be subject to change, but in any case, it will not exceed the sum of CHF 1,774 million and available earnings of Holcim Ltd (of CHF 18,911 million).

The Board of Directors proposes to the Annual General Meeting to distribute, by way of a dividend-in-kind, of 1 share in Amrize Ltd (an “Amrize Share”) for every dividend-bearing share of Holcim Ltd (the “Spin-off Distribution”). On the statutory stand-alone balance sheet of Holcim Ltd, the Spin-off Distribution shall be made at the book value of Amrize Ltd (“Amrize”), amounting immediately prior to the Spin-off Distribution to a total of approximately CHF 9,247 million (estimated), but in any case not exceeding the sum of CHF 1,774 million and available earnings of Holcim Ltd (of CHF 18,911 million), and shall be booked in the amount of CHF 1,774 million against foreign capital reserves from tax capital contribution and in the remaining amount against available earnings of CHF 18,911 million (comprising retained earnings of CHF 17,627 million carried forward from the previous year and net income for 2024 of CHF 1,284 million). The Board of Directors shall determine in its discretion the treatment of holders of physical share certificates (“Heimverwahrer”) that do not timely deposit their share certificates to receive Amrize Shares (it being understood that respective Amrize Shares shall generally be sold and net cash proceeds shall be delivered to such holders in lieu of Amrize Shares) as well as measures that may be required or advisable under applicable sanctions laws. No distribution will be made with respect to treasury shares held by Holcim Ltd at the time of the Spin-off Distribution.

The Spin-off Distribution is subject to the following conditions precedent:

1. The U.S. Securities and Exchange Commission (“SEC”) shall have declared effective the registration statement on Form 10 filed by Amrize with the SEC pursuant to the U.S. Securities Act of 1933, as amended, for the registration of the Amrize Shares and no stop order relating to the registration statement shall be in effect, and no proceedings for that purpose shall be pending before or threatened by the SEC;

2. The New York Stock Exchange shall have approved the listing of the Amrize Shares, subject to official notice of issuance;

3. The SIX Swiss Exchange shall have approved the listing of the Amrize Shares, subject to customary formal requirements;

4. The registration statement on Form 10 shall have been approved by the SIX Prospectus Office for the purpose of the listing on the SIX Swiss Exchange in accordance with article 54 of the Swiss Federal Act on Financial Services dated 15 June 2018 (SR 950.1);

5. Holcim shall have received tax opinions from Skadden, Arps, Slate, Meagher & Flom LLP and a nationally recognized accounting firm, substantially to the effect that, among other things, the Spin-off Distribution, together with certain internal reorganization transactions undertaken in anticipation of the Spin-off Distribution, will qualify as a reorganization within the meaning of Section 368(a)(1)(D) and Section 355 of the Internal Revenue Code of 1986, as amended;

6. All actions, filings, permits, registrations and consents necessary or appropriate under applicable federal, state or other securities laws or “blue sky” laws and the rules and regulations thereunder with respect to Amrize shall have been taken or made and, where applicable, become effective or accepted;

7. No order, injunction or decree issued by any governmental authority of competent jurisdiction or other legal restraint or prohibition preventing consummation of the separation of the Amrize business, the spin-off of Amrize, the Spin-off Distribution or any of the related transactions shall be in effect, and no other event outside the control of Holcim shall have occurred or failed to occur that prevents the consummation of the separation of the Amrize business or the spin-off of Amrize (including, but not limited to, Holcim not being able to complete the internal transactions to separate the business currently constituting the Amrize business of Holcim from the other businesses, due to elements outside of its reasonable control);
8. No other events or developments shall have occurred or exist prior to the ex-dividend date of the Spin-off Distribution that, in the reasonable judgment of the Board of Directors, would result in the separation of the Amrize business, the spin-off of Amrize, the Spin-off Distribution or the related transactions having a material adverse effect (including, but not limited to, material adverse tax consequences or risks) on Holcim or its shareholders.

The Board of Directors shall (i) determine whether these conditions precedent are satisfied and, to the extent legally permissible, have authority to waive the afore-mentioned conditions precedent if such waiver is, in the judgment of the Board of Directors, in the best interest of Holcim and its shareholders; and (ii) set the record, ex-dividend and settlement dates of the Spin-off Distribution, which shall occur as soon as practicable following the satisfaction (or waiver) of these conditions precedent.

The remaining amount of available earnings that is not used for the Spin-off Distribution shall be carried forward to the new accounts.

Distribution of cash dividend payable out of foreign capital reserves from tax capital contributions

Million CHF	2024	2023
Capital reserves from tax capital contributions:[1]		
– Domestic	**63**	551
– Foreign[1]	**8,810**	12,154
Total available capital reserves from tax capital contributions[1]	**8,873**	**12,705**
Proposed distribution of a cash dividend from foreign capital reserves from tax capital contributions (gross dividend of CHF 3.10 (2023: CHF 2.80) per dividend-bearing share)[2]	**(1,716)**	(1,573)
Balance to be carried forward	**7,157**	**11,132**

[1] Assuming that the Annual General Meeting approves the special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd (including appropriation of available earnings).
[2] Dividend-bearing shares are all shares except for treasury shares held by Holcim Ltd as of the record date. The amount of CHF 1,716 million is presented based on the total estimated number of outstanding shares at the time of the distribution of the cash dividend.

The Board of Directors proposes to the Annual General Meeting of shareholders to distribute a cash dividend from the foreign reserves from tax capital contributions of CHF 3.10 (2023: CHF 2.80) per registered share of CHF 2.00 par value up to an amount of CHF 1,716 million.

No distribution will be made with respect to treasury shares held by Holcim Ltd at the time of the distribution of the cash dividend.

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To the General Meeting of
Holcim Ltd, Zug

Zurich, 27 February 2025

Report of the statutory auditor

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Holcim Ltd (the Company), which comprise the statement of financial position as of 31 December 2024, the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 354 to 360) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

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Financial investments – Group companies	
Area of focus	Holcim Ltd holds financial investments in Group companies with a carrying amount of CHF 31,227m as at 31 December 2024, which represents 84% of the Company's total assets. The Company's note in respect of the accounting policies on financial investments is included in Note 1 of the statutory financial statements. The principal direct and indirect subsidiaries and other holdings of Holcim Ltd are disclosed on pages 281 to 284 of the consolidated financial statements. The assessment of the carrying value of investments includes certain complexity and judgement. It is related to the value of the underlying assets held by each investment which themselves depends on the value of other underlying assets. Management has developed valuation models that depend on estimation of the future earnings and the discount rates applied. Due to this complexity and judgment in relation to whether the carrying amount of the financial investments is supported through their value in use calculated on the basis of budgeted future cash flows, this area represents a key audit matter.
Our audit response	We assessed the Company's accounting policy in respect of financial investments valuation. We obtained an understanding of the internal controls surrounding the valuation process for financial investments valuation and assessed their design and implementation. We assessed, with involvement of our valuation specialists, the valuation methodology, the underlying assumptions and the mathematical accuracy of the valuation models. Our procedures included assessment of the assumptions and methodologies used by the Company in its value-in-use calculation and discount rates applied. We analyzed, for each financial investment, the excess of the recoverable amount over carrying amount. We compared the amount of investment impairment recognized in the financial statements with impairment assessment in the valuation models. Our audit procedures did not lead to any reservations concerning the valuation, presentation and disclosure of investments in group companies.

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Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposals of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Jacques Pierres	Daniel Zaugg
Licensed audit expert (Auditor in charge)	Licensed audit expert

5-YEAR-REVIEW HOLCIM GROUP

		2024	2023	2022	2021	2020
Statement of income						
Net sales	Million CHF	**26,407**	27,009	29,189	26,834	23,142
Gross profit	Million CHF	**11,676**	11,498	11,614	11,536	9,689
Recurring EBITDA after leases	Million CHF	**6,677**	6,378	6,554	6,562	5,616
Recurring EBIT	Million CHF	**5,049**	4,760	4,752	4,612	3,676
Recurring EBIT margin	%	**19.1**	17.6	16.3	17.2	15.9
Operating profit (EBIT)	Million CHF	**4,642**	4,577	3,221	4,401	3,371
Depreciation, amortization and impairment of operating assets	Million CHF	**(2,219)**	(2,076)	(2,845)	(2,337)	(2,515)
Income taxes	Million CHF	**981**	999	1,027	963	717
Tax rate	%	**24**	24	23	26	26
Net income	Million CHF	**3,042**	3,176	3,528	2,681	2,002
Net income – shareholders of Holcim Ltd	Million CHF	**2,926**	3,060	3,308	2,298	1,697
Statement of cash flows						
Cash flow from operating activities	Million CHF	**5,667**	5,470	4,562	5,045	4,618
Free Cash Flow after leases	Million CHF	**3,801**	3,705	2,765	3,264	3,249
Investments in property, plant and equipment for maintenance net	Million CHF	**(878)**	(921)	(865)	(829)	(647)
Investments in property, plant and equipment for expansion	Million CHF	**(599)**	(487)	(570)	(591)	(379)
(Purchase) Disposal of financial assets, intangible and other assets and businesses net	Million CHF	**(560)**	(2,061)	3,516	(3,291)	(205)
Statement of financial position						
Current assets	Million CHF	**12,187**	12,842	16,784	13,696	10,886
Non-current assets	Million CHF	**42,098**	39,844	40,819	46,188	42,338
Total assets	Million CHF	**54,285**	52,686	57,603	59,885	53,224
Current liabilities	Million CHF	**9,754**	8,904	8,857	9,745	8,178
Non-current liabilities	Million CHF	**16,575**	16,999	19,132	19,666	16,422
Total shareholders' equity	Million CHF	**27,956**	26,783	29,614	30,473	28,625
Shareholders' equity as % of total assets	%	**51.5**	50.8	51.4	50.9	53.8
Non-controlling interests	Million CHF	**716**	786	940	2,788	2,553
Net financial debt	Million CHF	**8,448**	7,896	6,032	9,977	8,483
Personnel						
Number of personnel (FTE)		**63,665**	63,448	60,422	69,672	67,409

Cautionary statement regarding forward-looking statements

This document contains forward-looking statements relating to the Group's future business, development and economic performance. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions and services, their development and potential. Although Holcim believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions as at the time of publishing this document, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements made in this document as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Holcim, including but not limited to the risks described in this Annual Report and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward-looking statements. Holcim assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Disclaimer

The complete Annual Report for Holcim Ltd is published in English and is available on holcim.com. A printed extract of the Annual Report will be available in English and German from April 2025. The English version is legally binding.

Financial reporting calendar

	Date
Results for the first quarter	25 April 2025
Annual General Meeting of shareholders	14 May 2025

DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES USED IN THIS REPORT

Organic growth
Organic growth information factors out changes in the scope of consolidation (such as divestments and acquisitions occurring in the current year and the prior year) and currency translation effects (current-year figures are converted with prior-year exchange rates in order to calculate the currency effects).

Growth in local currency
Growth in local currency factors in organic growth and acquisitions and divestments by excluding currency translation effects.

Recurring operating costs
The recurring operating costs indicator represents all recurring costs. It is defined as:

+/− Recurring EBITDA after leases
− Net sales
− Share of profit of joint ventures

Recurring EBITDA
The Recurring EBITDA (earnings before interest, tax, depreciation and amortization) measures the performance of the Group excluding the impacts of non-recurring items. It is defined as:

+/− Operating profit/loss (EBIT)
− Depreciation, amortization and impairment of operating assets
− Restructuring, litigation and other non-recurring costs

Recurring EBITDA margin
The Recurring EBITDA margin measures the profitability of the Group excluding the impacts of non-recurring items. It is defined as the Recurring EBITDA divided by net sales.

Recurring EBITDA after leases
The Recurring EBITDA after leases (earnings before interest, tax, depreciation and amortization) measures the performance of the Group including the impacts of lease depreciation and excluding the impacts of non-recurring items. It is defined as the Recurring EBITDA less the depreciation of right-of-use assets.

Recurring EBIT
The Recurring EBIT is defined as operating profit/loss (EBIT) adjusted for restructuring, litigation, other non-recurring costs and for impairment of operating assets.

Recurring EBIT margin
The Recurring EBIT margin measures the profitability of the Group excluding the impacts of restructuring, litigation and other non-recurring costs. It is defined as the Recurring EBIT divided by net sales.

Restructuring, litigation and other non-recurring costs
Restructuring, litigation and other non-recurring costs relate to significant items that, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing performance, such as strategic restructuring, major items relating to antitrust fines and other business-related litigation cases.

Profit (loss) on disposals and other non-operating items
Profit and loss on disposals and other non-operating items comprise gains or losses on the disposals of Group companies, associates and joint ventures, other non-operating items that are not directly related to the Group's operating activities such as revaluation gains or losses on previously held equity interests, indemnification provisions and disputes with minority shareholders.

Operating profit/loss (EBIT) before impairment
The operating profit/loss (EBIT) before impairment measures the profit earned from the Group's core business activities excluding impairment charges which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

+/− Operating profit/loss
− Impairment of goodwill and long-term assets

Net income/loss before taxes, impairment and divestments
Net income/loss before taxes, impairment and divestments excludes impairment charges and capital gains and losses arising on disposals of investments which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

+/− Net income/loss before taxes
− Gains and losses on disposals of Group companies
− Impairment of goodwill and long-term assets

Net income/loss before impairment and divestments

Net income/loss before impairment and divestments excludes impairment charges and capital gains and losses arising on disposals of investments which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. This indicator is net of taxation and is defined as:

+/− Net income/loss
− Gains and losses on disposals of Group companies, net of taxation
− Impairment of goodwill and long-term assets, net of taxation

Earnings per share (EPS) before impairment and divestments

Earnings per share (EPS) before impairment and divestments measures the theoretical profitability per share of stock outstanding based on a net income/loss before impairment and divestments. It is defined as net income/loss before impairment and divestments attributable to the shareholders of Holcim Ltd divided by the weighted average number of shares outstanding.

CapEx or net CapEx (net maintenance and expansion CapEx)

CapEx or net CapEx (net maintenance and expansion CapEx) measures the cash spent to maintain or expand the Group's asset base. It is defined as:

+ Expenditure to increase existing or create additional capacity to produce, distribute or provide services for existing products (expansion) or to diversify into new products or markets (diversification)
+ Expenditure to sustain the functional capacity of a particular component, assembly, equipment, production line or the whole plant, which may or may not generate a change of the resulting cash flow
− Proceeds from the sale of property, plant and equipment.

Employee benefits and other operating items

Employee benefits and other operating items reflect the non-cash impact on the operating profit of employee benefits schemes net of any cash payments, the non-cash impact of the specific business risks provisions net of any cash payments, the non-cash share-based compensation expenses and any other non-cash operating expenses.

Change in other receivables and liabilities

Change in other receivables and liabilities includes the net change of other receivables and liabilities that are not already disclosed separately in the consolidated statement of cash flows or that are not of a tax or of a financial nature.

Free Cash Flow after leases

The Free Cash Flow after leases (also referred as Free Cash Flow) measures the level of cash generated by the Group after spending cash to maintain or expand its asset base. It is defined as:

+/− Cash flow from operating activities
− Net maintenance and expansion CapEx
− Repayment of long-term lease liabilities

Free Cash Flow margin

The Free Cash Flow margin measures the efficiency of the Group to converting net sales into cash. It is defined as Free Cash Flow after leases divided by net sales.

Net financial debt ("Net debt")

The Net financial debt ("Net debt") measures the financial debt of the Group after deduction of the cash. It is defined as:

+ Financial liabilities (short- and long-term) including derivative liabilities
− Cash and cash equivalents
− Derivative assets (short- and long-term)

Debt leverage

The Net financial debt to Recurring EBITDA ratio is used as an indicator of financial risk and shows the number of years it would take the Group to repay its debt if Recurring EBITDA and net debt are held constant.

Working Capital days on sales (count-back)

The Working Capital days on sales is an efficiency ratio measuring the level of trade accounts receivable, trade accounts payable and inventories in comparison to sales of the current month and the previous months until the respective balance is covered. It is defined as:

+ Days sales outstanding
+ Days inventories outstanding
− Days payables outstanding

Invested Capital
The Invested Capital measures total funds invested by shareholders, lenders and any other financing sources. It is defined as:

+ Total shareholders' equity
+ Net financial debt
− Assets classified as held for sale
+ Liabilities classified as held for sale
− Current financial receivables
− Long-term financial investments and other long-term assets

Net Operating Profit/loss After Tax ("NOPAT")
It is defined as:

+/− Net operating profit (loss) (i.e., Recurring EBIT and share of profit of associates)
− Income taxes (determined by applying the Group's effective tax rate to the net operating profit/loss as defined above)

Return on Invested Capital (ROIC)
Return on Invested Capital (ROIC) measures the Group's ability to efficiently use Invested Capital. It is defined as Net Operating Profit (loss) After Tax (NOPAT) divided by the average Invested Capital. The average is calculated by adding the Invested Capital at the beginning of the period to that at the end of the period and dividing the sum by two (based on a rolling 12-month calculation). In case of a material change in scope during the year, the average Invested Capital is adjusted pro rata temporis.

Cash conversion
Cash conversion measures the Group's ability to convert profits into available cash. It is defined as Free Cash Flow after leases divided by Recurring EBITDA after leases.

Personnel (FTE)
Personnel (FTE) measures the number of full-time equivalent own personnel (FTE) assigned to functions and tasks.

Employees (headcount)
Employees (headcount) refers to the number of individuals on Holcim's payroll with an active employment contract during the reference time period and regardless of employment contract type (full-time, part-time, student contracts, trainees, apprentices and interns), as well as employees on garden leave, maternity/parental leave and sick leave.

Net CO_2 emissions (kilogram per ton of cementitious material)
Net CO_2 emissions are CO_2 emissions from the calcination process of the raw materials and the combustion of traditional kiln and non-kiln fuels. Cementitious materials refer to clinker production volumes, mineral components consumed in cement production and mineral components processed and sold externally.

CO_2 per net sales
The absolute CO_2 (thousand metric tons) emissions Scope 1 and Scope 2 divided by millions of net sales.

ECOPact
ECOPact is Holcim's low-carbon concrete product range that delivers equal or better performance than conventional concrete and has at least 30% lower CO_2 emissions compared with a local concrete using Ordinary Portland Cement (OPC, alternatively known as CEM I) in the same strength class.

ECOPlanet
ECOPlanet is Holcim's range of low-carbon cement that delivers equal or better performance than conventional cement and has at least at 30% lower CO_2 emissions compared to Ordinary Portland Cement (OPC, alternatively known as CEM I).

Advanced branded solutions
Brands that meet ambitious customer needs, serve multiple markets and account for at least CHF 1 billion in net sales.

Specific Freshwater withdrawal (liter per ton of cementitious material)
Total volume of freshwater withdrawn by the cement plant divided by the total production of cementitious material.

Lost time injury frequency rate (LTIFR)
Number of on-the-job injuries that require a person to stay away from work for a day or more per one million hours worked.

Green CapEx
The Sustainability Capital Expenditures with significant positive impact on Process Decarbonization, Clean Energy, Carbon Efficient Construction, Circular Economy, Biodiversity, Air & Water and Communities such as but not limited to carbon capture, waste heat recovery, 3D printing, electrical fleet, calcined clay technology, alternative fuels & raw materials installations.

Waste derived resources
Waste derived resources is the sum of all waste raw materials and fuels consumed in the production processes as well as recycled materials processed sold externally. This includes alternative raw materials, alternative fuels, industrial mineral components, returned concrete, recycled aggregates and asphalt. Construction demolition materials are included in waste derived resources.

Construction demolition materials (CDM)
CDM recycled volume is generated from construction, renovation, repair and demolition of houses, large building structures, roads, bridges, piers and dams. This includes alternative raw materials, recycled aggregates, asphalt and return concrete reused in cement, aggregates, ready-mix concrete, asphalt and concrete products. CDM is equivalent to construction and demolition waste (CDW) as defined by the EU Waste Framework Directive.

Contribution in Social Initiatives
Any initiatives Holcim puts in place to address social issues and to contribute to society that are not primarily motivated by generating a direct financial return to the Group’s business such as but not limited to housing & infrastructure, health, education & skills, environment, cultural and recreational.

Sustainable financing
Any committed financing instrument drawn and undrawn with a sustainability feature which includes performance-based (sustainability KPI, ESG linked) or use-of-proceed-based products (green, social, transition bonds) incurred by the parent company or consolidated entities.

Green bond
Green bond is a fixed-income instrument which enables the funding of green eligible projects as defined by the Green Bond Principles and endorsed by the International Capital Markets Association (ICMA). A green bond has a dedicated use of proceeds in projects that are sustainable and socially responsible such as projects in the field of renewable energy, carbon capture, clean transportation, and circular economy.

Thermal Substitution Rate (TSR)
Thermal substitution rate (TSR) corresponds to the relation of thermal energy consumption of alternative fuels to the total amount of thermal energy consumption in the cement kiln system.

Ton
Refers to a Metric ton, or 1,000 kg.

This set of definitions can be found on the Group's website:
holcim.com/alternative-performance-measures

Reconciliation of Alternative Performance Measures

Reconciling measures of Profit and Loss to the Consolidated statement of income

Million CHF	2024	2023
Net sales	**26,407**	**27,009**
Recurring operating costs	**(19,994)**	(20,935)
Share of profit of joint ventures	**264**	304
Recurring EBITDA after leases	**6,677**	**6,378**
Depreciation and amortization of property, plant and equipment, intangible and other long-term assets	**(1,628)**	(1,618)
Recurring EBIT	**5,049**	**4,760**
Restructuring, litigation and other non-recurring costs	**(205)**	(84)
Impairment of operating assets	**(202)**	(99)
Operating profit	**4,642**	**4,577**

Million CHF	2024	2023
Recurring EBITDA after leases	**6,677**	**6,378**
Depreciation of right-of-use assets	**389**	359
Recurring EBITDA	**7,066**	**6,737**

Million CHF	2024	2023
Net income before taxes, impairment and divestments	**4,299**	**4,218**
Impairment of goodwill and long-term assets	**(202)**	(99)
Gain (loss) on disposals of Group companies	**(75)**	55
Net income before taxes	**4,022**	**4,174**

Million CHF	2024	2023
Net income before impairment and divestments Group share	**3,185**	3,089
Net income before impairment and divestments Non-controlling interests	**112**	116
Net income before impairment and divestments	**3,297**	**3,205**
Impairment of goodwill and long-term assets, net of taxation	**(160)**	(82)
Gain (loss) on disposals of Group companies, net of taxation	**(95)**	53
Net income	**3,042**	**3,176**
EPS before impairment and divestments in CHF	**5.70**	**5.42**

Reconciling measures of Free Cash Flow to the Consolidated statement of Cash Flows

Million CHF	2024	2023
Cash flow from operating activities	**5,667**	**5,470**
Purchase of property, plant and equipment	**(1,650)**	(1,505)
Disposal of property, plant and equipment	**173**	96
Repayment of long-term lease liabilities	**(389)**	(357)
Free Cash Flow after leases	**3,801**	**3,705**

Reconciling measures of Net financial debt to the Consolidated statement of financial position

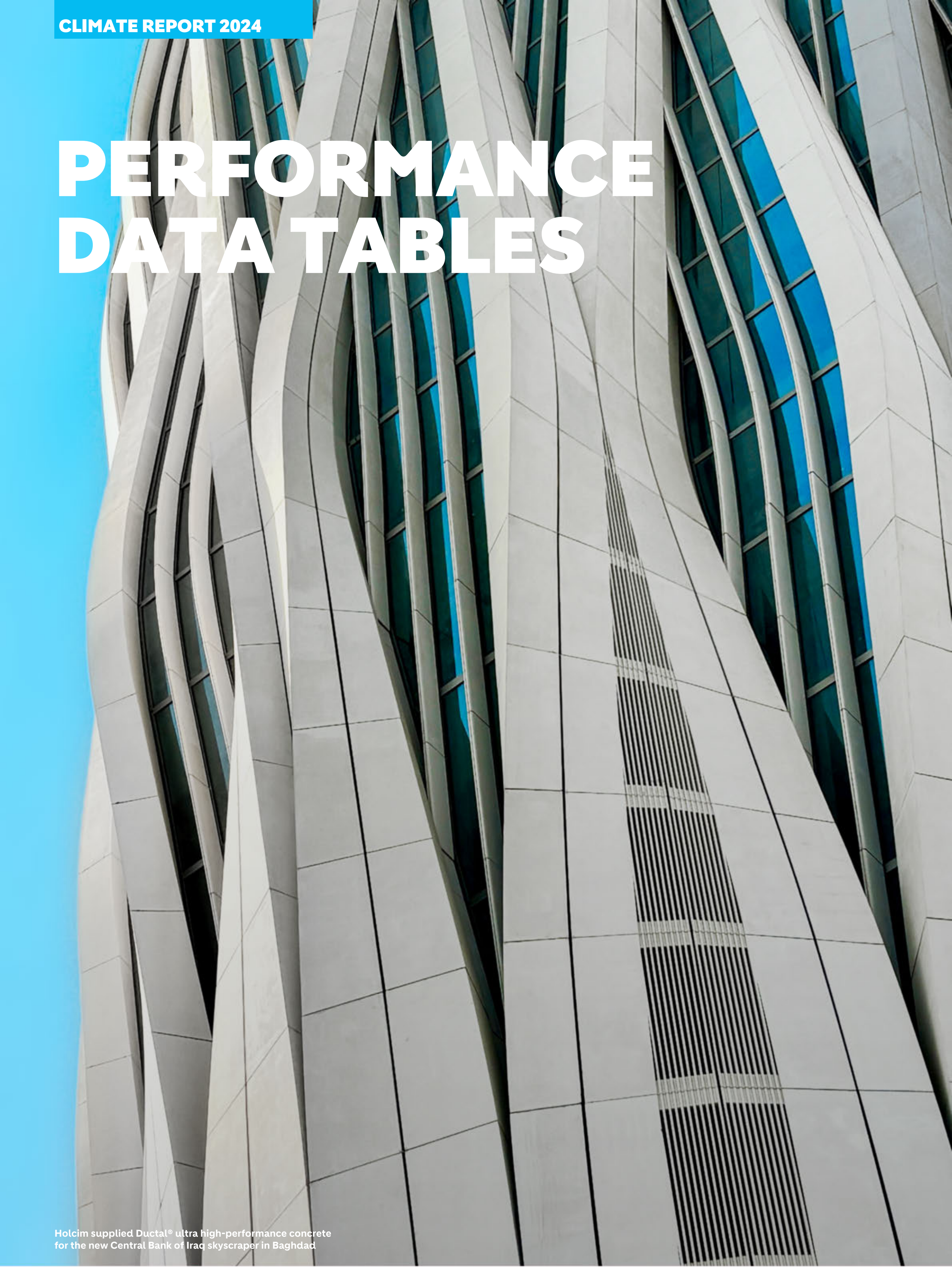
Million CHF	2024	2023
Current financial liabilities	**1,842**	1,416
Long-term financial liabilities	**12,014**	12,665
Cash and cash equivalents	**(5,347)**	(6,082)
Short-term derivative assets	**(55)**	(13)
Long-term derivative assets	**(6)**	(90)
Net financial debt	**8,448**	**7,896**

SUSTAINABILITY PERFORMANCE REPORT 2024

Alpentherme Gastein in Bad Hofgastein, Austria, built using Holcim Elevate GeoGard EPDM membrane

IN THIS SECTION

PERFORMANCE DATA TABLES



Holcim supplied Ductal® ultra high-performance concrete for the new Central Bank of Iraq skyscraper in Baghdad

PERFORMANCE AGAINST TARGETS

Unit key		
NR – Not reported	Mt – million tons	Mm^3 – million cubic meters
$kgCO_2/t$ – kilograms of carbon dioxide per ton	ton – metric ton	L/t – liters per ton
M GJ – million gigajoules	g – grams	L/m^3 – liters per cubic meter
MJ/t – million joules per ton	g/t – grams per ton	ha – hectares
CHF – Swiss francs	mg/t – milligrams per ton	km – kilometers
CHFm – million Swiss francs	# – number	% – percentage

	Unit	Base Year	Baseline	2023 Performance	2024 Performance	2024 vs. 2023	2030 Target	Achieved to Date
Specific CO_2 emissions – Net (Scope 1) – cement only[1]	$kgCO_2/t$	2018	590	549	538	-2%	420	-9%
Specific CO_2 emissions – Gross (Scope 1) – cement only[1]	$kgCO_2/t$	2018	623	591	582	-2%	-23 %	-7%
CO_2 emissions – electricity (Scope 2) – cement only[1]	$kgCO_2/t$	2018	46	35	32	-8%	-65 %	-30%
CO_2 indirect emissions from purchased fuels (Scope 3)[1]	$kgCO_2e/t$ purchased	2020	286	285	285	–	-20 %	–
CO_2 indirect emissions from purchased clinker and cement (Scope 3)[1]	$kgCO_2e/t$ purchased	2020	710	709	705	-1%	-25 %	-1%
CO_2 indirect emissions from downstream transportation (Scope 3)[1]	$kgCO_2e/t$ transported	2020	11	9	9	3%	-24 %	-19%
Cement Specific freshwater withdrawal[1]	L/t	2018	377	301	277	-8%	-33 %	-27%
Aggregates Specific freshwater withdrawal	L/t	2018	225	192	184	-4%	-20 %	-18%
Ready-mix Specific freshwater withdrawal	L/m^3	2018	212	206	200	-3%	-15 %	-6%
Waste derived resources – all segments[1]	Mt	2018	n/a	35	38	8%	70	55%
Construction demolition materials (CDM)	Mt	2020	6.6	8.4	10.2	20%	20	54%
Recycling ratio – Cement (waste used / production volumes)[1]	%	2020	22	21	22	5%	30	1%
High ESG impact suppliers qualified (% spend)	%	2017	n/a	93	88	-5%	100 %	88%
Specific dust emissions	g/t	2018	121	64	38	-40%	75	-68%
Specific NO_x emissions	g/t	2016	1,513	1,189	1,154	-3%	1,100	-24%
Specific SO_2 emissions	g/t	2016	357	230	235	2%	230	-34%
Cumulative contribution to create positive social impact	CHFm	2021	n/a	91	115	27%	350	33%

[1] 2023 data is restated as per 2024 Consolidation.

PERFORMANCE DATA TABLES

ENVIRONMENT

ENERGY[1]	Unit	2022	2023	2024
Total energy consumption	M GJ	435	425	419
Total energy consumption from fossil sources	M GJ	389	375	367
Total energy consumption from renewable sources	M GJ	47	50	52
Thermal energy consumption	M GJ	370	361	356
Thermal energy consumption fossil fuels – coal	M GJ	67	51	47
Thermal energy consumption fossil fuels – petcoke	M GJ	78	79	76
Thermal energy consumption fossil fuels – oil	M GJ	29	29	26
Thermal energy consumption fossil fuels – gas	M GJ	94	98	99
Thermal energy consumption fossil fuels – other traditional fossil fuels	M GJ	8	7	6
Thermal energy mix of clinker production – alternative fuels (ex biomass)	M GJ	60	61	63
Thermal energy mix of clinker production – biomass	M GJ	33	37	39
Electrical energy consumption	M GJ	65	64	63
Electrical energy consumption – renewable	M GJ	13	14	13
Electrical energy consumption – own generation – renewable	M GJ	1	1	1
Electrical energy consumption – renewable PPAs	M GJ	3	3	3
Electrical energy consumption – other renewable (grid)	M GJ	9	9	9
Electrical energy consumption – non-renewable	M GJ	52	50	49
Electrical energy consumption – own generation – non-renewable	M GJ	3	3	3
Electrical energy consumption – grid – non-renewable	M GJ	49	47	46

1 2022 and 2023 data is restated in line with 2024 Consolidation.

ENVIRONMENT

ABSOLUTE GHG EMISSIONS[1]

	Unit	2022	2023	2024
Absolute Scope 1 emissions – gross	Mt	77	74	**71**
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	29	28	**29**
Absolute Scope 2 emissions (market-based)	Mt	4	5	**4**
Percentage of electricity purchased with usage of bundled renewable energy attributes	%	NR	NR	**7**
Percentage of electricity purchased with usage of unbundled renewable energy attributes	%	NR	NR	**6**
Absolute Scope 3 emissions – total	Mt	48	46	**42**
Percentage of GHG Scope 3 calculated using primary data	%	49	51	**48**
Absolute S3 emissions – Cat 1 – Purchased goods and services	Mt	9.5	7.5	**7.3**
Absolute S3 emissions – Cat 2 – Capital goods	Mt	0.1	0.2	**0.1**
Absolute S3 emissions – Cat 3 – Fuel and energy-related activities	Mt	5.5	5.3	**5.1**
Absolute S3 emissions – Cat 4 – Upstream transportation and distribution	Mt	4.7	4.3	**4.2**
Absolute S3 emissions – Cat 5 – Waste generated in operations	Mt	0.1	0.1	**0.1**
Absolute S3 emissions – Cat 6 – Business travel	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 7 – Employee commuting	Mt	0.1	0.1	**0.1**
Absolute S3 emissions – Cat 8 – Upstream leased assets[2]	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 9 – Downstream transportation and distribution	Mt	2.5	2.2	**2.2**
Absolute S3 emissions – Cat 10 – Processing of sold products	Mt	1.5	1.8	**1.6**
Absolute S3 emissions – Cat 11 – Use of sold products	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 12 – End-of-life treatment of sold products	Mt	1.0	1.4	**1.3**
Absolute S3 emissions – Cat 13 – Downstream leased assets	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 14 – Franchises	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 15 – Investments	Mt	22.5	23.1	**19.6**
Absolute emissions (Scope 1, 2 & 3)	Mt	125	124	**117**

ABSOLUTE SCOPE 1 EMISSIONS BY SOURCE[1]

	Unit	2022	2023	2024
CO_2 emissions – Gross (Scope 1)	Mt	77	74	**71**
CO_2 emissions from raw materials	Mt	50	48	**47**
CO_2 emissions from fossil fuels	Mt	22	20	**19**
CO_2 emissions from alternative fuels (non-biomass)	Mt	5	5	**5**
CO_2 emissions from alternative fuels (biomass)	Mt	3	3	**4**

ABSOLUTE SCOPE 1 EMISSIONS BY REGION[1]

	Unit	2022	2023	2024
CO_2 emissions – Gross (Scope 1) – Asia, Middle East & Africa	Mt	28	27	**26**
CO_2 emissions – Gross (Scope 1) – Europe	Mt	22	20	**20**
CO_2 emissions – Gross (Scope 1) – LATAM	Mt	11	11	**10**
CO_2 emissions – Gross (Scope 1) – North America	Mt	16	16	**15**

SPECIFIC SCOPE 3 EMISSIONS[1]

	Unit	2022	2023	2024
CO_2 indirect emissions from purchased fuels	$kgCO_2e/t$ purchased	287	285	**285**
CO_2 indirect emissions from purchased clinker and cement	$kgCO_2e/t$ purchased	716	709	**705**
CO_2 indirect emissions from downstream transportation	$kgCO_2e/t$ transported	10	9	**9**

[1] 2022 and 2023 data is restated in line with 2024 consolidation.
[2] As per latest SBTi Guidelines, emissions from leased vehicles were reclassified as Scope 1 and leased spaces as Scope 2.

ENVIRONMENT

ENERGY & GHG (GCCA KPIs) – CEMENT PLANTS ONLY

ENERGY & GHG (GCCA KPIs) – CEMENT PLANTS ONLY	Unit	2022	2023	2024
Absolute Net Scope 1	Mt	71	67	**65**
Absolute Gross[3] Scope 1	Mt	76	72	**70**
Absolute Scope 2 – Market-based	Mt	4	4	**4**
Absolute Scope 2 – Location-based	Mt	4	4	**4**
Specific CO_2 emissions – Net[4] (Scope 1) – as reported	kgCO_2/t	562	545	**538**
Specific CO_2 emissions – Net (Scope 1) – 2024 consolidation	kgCO_2/t	567	549	**538**
Specific CO_2 emissions – Gross[3] (Scope 1) – as reported	kgCO_2/t	602	587	**582**
Specific CO_2 emissions – Gross (Scope 1) – 2024 consolidation	kgCO_2/t	607	591	**582**
Specific CO_2 emissions – Electricity (Scope 2) – market-based – as reported	kgCO_2/t	37	36	**32**
Specific CO_2 emissions – Electricity (Scope 2) – market-based – 2024 consolidation	kgCO_2/t	35	35	**32**
Specific heat consumption of clinker production – as reported	MJ/t	3,654	3,664	**3,702**
Specific heat consumption of clinker production – 2024 consolidation	MJ/t	3,647	3,663	**3,702**
Thermal Substitution Rate (TSR): alternative fuels plus biomass – as reported	%	28	30	**32**
Thermal Substitution Rate (TSR): alternative fuels plus biomass – 2024 consolidation	%	28	30	**32**
Thermal Substitution Rate (TSR): biomass – as reported	%	10	11	**12**
Thermal Substitution Rate (TSR): biomass – 2024 consolidation	%	10	11	**12**

3 Gross CO_2 emissions are the total emissions resulting from the calcination of limestone and the emissions resulting from the burning of fossil-based fuels and pre-treated waste-derived fuels. Compared with gross CO_2 emissions, net CO_2 emissions do not include CO_2 from alternative fuels.
4 Reported as kg/t cementitious material produced. See Note 11 for the definition of cementitious material.

ENVIRONMENT

WATER	Unit	2022	2023	2024
Cement, aggregates and ready-mix				
Cement Specific freshwater withdrawal – as reported	L/t	304	298	**277**
Cement Specific freshwater withdrawal – 2024 consolidation	L/t	308	301	**277**
Aggregates Specific freshwater withdrawal	L/t	218	192	**184**
Ready-mix Specific freshwater withdrawal	L/m^3	202	206	**200**
Sites in water risk areas[5]	%	24	28	**26**
Sites in water risk areas with recycling systems in place	%	76	76	**77**
Water-positive sites in water risk areas	%	4	4	**6**
Water discharge compliant with regulations	%	99	98	**99**
All segments (excluding captive power plants)				
Specific freshwater consumption (L/t of product)	L/t	141	129	**118**
Total water withdrawal	Mm^3	118	114	**108**
Total freshwater withdrawal	Mm^3	104	98	**89**
Total freshwater withdrawal from groundwater	Mm^3	34	32	**29**
Total freshwater withdrawal from surface water	Mm^3	45	41	**42**
Total freshwater withdrawal from municipal water supplies or third parties	Mm^3	11	12	**10**
Total freshwater withdrawal from quarries	Mm^3	14	14	**9**
Non-freshwater withdrawal	Mm^3	8	9	**10**
Rainwater harvested	Mm^3	6	7	**9**
Total water discharge	Mm^3	35	35	**34**
Water discharge to ground or soil infiltration	Mm^3	5	7	**6**
Water discharge to surface water	Mm^3	29	26	**27**
Water discharge to offsite treatment or third parties	Mm^3	0.8	0.9	**0.8**
Water discharge to seawater	Mm^3	0.3	1.7	**0.8**
Total water consumption	Mm^3	83	78	**72**
Total water consumption in areas at water risk, including areas of high water stress	Mm^3	NR	NR	**23**
Total water recycled and reused	Mm^3	NR	NR	**135**
Sites equipped with a water recycling system	#	1,331	1,347	**1,391**
Captive power plants				
Total water withdrawal	Mm^3	128	118	**120**
Total freshwater withdrawal	Mm^3	119	109	**112**
Total freshwater withdrawal from groundwater	Mm^3	0	0	**0**
Total freshwater withdrawal from surface water	Mm^3	119	109	**112**
Total freshwater withdrawal from municipal water supplies or third parties	Mm^3	0	0	**0**
Total freshwater withdrawal from quarries	Mm^3	0	0	**0**
Non-freshwater withdrawal	Mm^3	9	9	**8**
Rainwater harvested	Mm^3	0	0	**0**
Total water discharge	Mm^3	127	118	**120**
Water discharge to ground or soil infiltration	Mm^3	0	0	**0**
Water discharge to surface water	Mm^3	118	109	**111**
Water discharge to offsite treatment	Mm^3	0	0	**0**
Water discharge to seawater	Mm^3	9	9	**8**
Total water consumption	Mm^3	0	0	**0**
Total water consumption in areas at water risk, including areas of high-water stress	Mm^3	NR	NR	**0**
Total water recycled and reused	Mm^3	NR	NR	**10**
Sites equipped with a water recycling system	#	4	4	**4**

[5] Figures calculated using the Aqueduct Water Risk tool. Reflects sites in risk categories: medium-high, high and extremely high.

PERFORMANCE DATA TABLES CONTINUED

ENVIRONMENT

BIODIVERSITY	Unit	2022	2023	2024
Quarries assessed using BIRS methodology – active only[6]	%	51	67	**100**
Quarries assessed using BIRS methodology – active and non-active[6]	%	48	64	**100**
Quarries with rehabilitation plan in place[7]	%	100	100	**100**
Quarries with biodiversity importance[8]	#	256	294	**277**
Quarries with biodiversity importance with biodiversity management plans in place	%	100	100	**100**
Total rehabilitated area (active quarries)	ha	13,115	12,349	**11,233**
Total rehabilitated area (all areas)[9]	ha	17,448	14,855	**13,685**
Financing effects (direct and indirect costs) of biodiversity offsets	CHFm	NR	NR	**2**

RECYCLING WASTE	Unit	2022	2023	2024
Total materials consumed – excl. fuels	Mt	NR	NR	**456**
Raw materials consumed – excl. fuels and recycled materials	Mt	432	444	**424**
Reused or recycled materials consumed – excl. fuels	Mt	NR	NR	**32**
Percentage of materials used that are reused or recycled	%	NR	NR	**7**
Waste derived resources – all segments[10] – as reported	Mt	34	36	**38**
Waste derived resources – all segments – 2024 Consolidation	Mt	33	35	**38**
Alternative raw materials contained in cement	%	9	10	**11**
Alternative raw materials contained in concrete	%	3	4	**5**
Alternative raw materials contained in asphalt	%	19	20	**20**
Recycling ratio – cement (waste used / production volumes) – as reported	%	20	22	**22**
Recycling ratio – cement (waste used / production volumes) – 2024 consolidation	%	19	21	**22**
Recycling ratio – all segments (waste used / sales volumes)	%	7	7	**8**
Construction demolition materials (CDM)	Mt	6.8	8.4	**10.2**

INTERNAL WASTE (INCLUDING CAPTIVE POWER PLANTS)	Unit	2022	2023	2024
Total waste generated	Mt	1.99	2.09	**2.18**
Total amount of hazardous waste	Mt	0.03	0.05	**0.04**
Internal hazardous waste recycled or recovered	Mt	0.01	0.03	**0.03**
Internal hazardous waste disposed	Mt	0.02	0.03	**0.01**
Total amount of non-hazardous waste	Mt	1.96	2.04	**2.14**
Internal non-hazardous waste recycled or recovered	Mt	0.92	1.16	**1.21**
Internal non-hazardous waste disposed	Mt	1.04	0.88	**0.93**
Non-recycled waste	Mt	1.05	0.91	**0.94**
Percentage of non-recycled waste	%	53	43	**43**

ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS) AND COMPLIANCE	Unit	2022	2023	2024
Cement sites with ISO 14001 certification	%	77	75	**77**
Cement sites with an EMS equivalent to ISO 14001	%	94	94	**95**
Aggregates sites with ISO 14001 certification	%	16	18	**18**
Aggregates sites with an EMS equivalent to ISO 14001	%	66	66	**63**
RMX sites with ISO 14001 certification	%	20	22	**23**
RMX sites with an EMS equivalent to ISO 14001	%	59	59	**58**
Number of countries reporting severe non-compliance cases	#	3	5	**5**
Fines and penalties paid	CHFm	0.6	0.5	**1.1**

[6] Excluding quarries in process of divestment, such as all quarries in the U.S. and Canada.
[7] This refers to the number of quarries with a quarry rehabilitation plan compliant with Holcim's internal requirements.
[8] According to categorizations introduced in 2018 following Fauna & Flora International (FFI) recommendations, which we have been incrementally implementing.
[9] The decrease in rehabilitated area is due to the change in ownership of several quarries.
[10] Includes alternative raw material industrial mineral components (consumed and sold externally), alternative fuels, the volume of returned concrete recycled, secondary and/or recycled aggregates, and recycled asphalt.

ENVIRONMENT

AIR EMISSIONS

AIR EMISSIONS	Unit	2022	2023	2024
Clinker produced with continuous monitoring of dust, NO_x, and SO_2 emissions	%	93	93	**94**
Clinker produced with monitoring of dust, NO_x, and SO_2 emissions	%	99	100	**99**
Coverage				
Overall: production with comprehensive emission monitoring	%	79	92	**91**
Dust: production with dust measurement	%	99	100	**99**
NO_x: production with NO_x measurement	%	100	100	**100**
SO_2: production with SO_2 measurement	%	100	100	**100**
VOC: production with VOC measurement	%	92	97	**98**
Mercury: production with mercury measurement	%	86	100	**100**
Dioxins/furans: production with dioxins/furans measurement	%	90	95	**100**
HM1: production with HM1 measurement	%	89	96	**95**
HM2: production with HM2 measurement	%	90	96	**97**
Emissions				
Total dust emissions	ton	6,706	5,824	**3,338**
Total NO_x emissions	ton	111,005	108,033	**100,861**
Total SO_2 emissions	ton	21,870	20,875	**20,500**
Total VOC emissions	ton	4,096	4,208	**3,353**
Total mercury emissions	ton	1.1	1.6	**1.3**
Total dioxins/furans emissions	g	3.2	3.5	**2.2**
Total HM1 emissions	ton	1.0	1.6	**1.4**
Total HM2 emissions	ton	33.8	33.2	**25.5**
Specific emissions (clinker)				
Specific dust emissions	g/t	71	64	**38**
Specific NO_x emissions	g/t	1,177	1,189	**1,154**
Specific SO_2 emissions	g/t	232	230	**235**
Specific VOC emissions	g/t	43	46	**38**
Specific mercury emissions	mg/t	12	18	**15**
Specific dioxins/furans emissions	mg/t	34	39	**25**
Specific HM1 emissions	mg/t	11	17	**16**
Specific HM2 emissions	mg/t	358	365	**292**

PRODUCTS AND SOLUTIONS

PRODUCTS AND SOLUTIONS	Unit	2022	2023	2024
Clinker produced	Mt	94	91	**87**
Clinker consumed	Mt	90	87	**83**
Cement fillers consumed (limestone, gypsum, MIC, etc.)	Mt	31	31	**31**
Cement produced	Mt	121	118	**114**
Mineral components (slag, fly ash, etc) produced	Mt	3	3	**2**
Cementitious material produced[11]	Mt	128	125	**120**
Aggregates produced	Mt	252	265	**252**
Asphalt produced	Mt	10	10	**9**
RMX produced	Mm^3	45	44	**41**
Clinker factor (average % of clinker in cements)[12]	%	73.0	71.8	**71.7**
Production clinker factor	%	74.8	73.5	**72.9**
Net sales of sustainable solutions[13]	%	32	25	**28**

[11] Cementitious material is defined following the GCCA definition: Total clinker produced plus mineral components consumed for blending and production of cement substitutes, including clinker sold but excluding clinker bought.
[12] Cements is defined as total cements produced, excluding clinker sold, including clinker bought. It includes Portland, blended and slag cements and direct fly ash sales.
[13] Net sales of sustainable solutions follows our financial reporting consolidation scope including acquisitions and divestments. The decrease in 2023 is due to the divestments of India and Brazil.

PERFORMANCE DATA TABLES CONTINUED

SOCIAL

PEOPLE: SOCIAL INITIATIVES	Unit	2022	2023	2024
Total contribution to create positive social impact	CHFm	22.5	24.8	**24.2**
of which: contribution by partners to create positive social impact	%	8	8	**6**
Total contribution to:				
Housing and infrastructure	%	24	28	**33**
Community initiatives on health, education & skills and Other	%	57	55	**48**
Project management	%	19	17	**19**
Type of contribution:				
Social investment and inclusive business projects	%	78	79	**78**
Donations (cash and in kind)	%	22	21	**22**
Total number of beneficiaries[14]	Million	3	2	**3**
Rural roads renovated or built as part of our social initiatives	km	328	481	**330**
Hospitals owned and managed by Holcim, open for dependents and community members	#	18	13	**12**
Schools owned and managed by Holcim, open for dependents and community members	#	19	19	**18**
Volunteering	Hours	32,666	47,750	**67,609**
Volunteering during paid working hours	%	73	84	**83**

PEOPLE: HUMAN RIGHTS	Unit	2022	2023	2024
Human rights assessments conducted in the last three years – GRUs – cumulative[15]	%	100	100	**95**
Human rights assessments conducted in the last three years – sites	%	98	100	**97**
Human rights assessment and action plan status signed off by country Exco during the reporting year	%	98	98	**98**
People receiving training on human rights topics	#	12,566	18,654	**18,150**
Stakeholder engagement plans available and reviewed in last three years – cement, grinding sites	%	92	95	**96**

[14] A direct beneficiary is defined as a person who was directly involved in the project or benefited from its implementation. Whenever possible, we count the exact number of beneficiaries (number of community members trained). When precise measurement is not possible (e.g., beneficiaries of a new hospital or bridge built by Holcim), estimates are made based on scientific methods such as social research, expert interviews or the like.

[15] The decrease is due to the postponement of self assessments for U.S. GRUs until 2025 after the spin-off in order to involve the new management.

SOCIAL

HEALTH & SAFETY

	Unit	2022	2023	2024
Fatalities (activities under our direct control)				
By location				
On site	#	8	2	**2**
Offsite	#	0	0	**0**
By personnel category				
Employees	#	1	2	**2**
Contractors	#	7	0	**0**
Lost time injury frequency rate (LTIFR)				
LTIFR employees (# of LTIs per million work hours)	#	0.58	0.56	**0.40**
LTIFR contractors (# of LTIs per million work hours)	#	0.45	0.24	**0.38**
LTIFR employees and contractors on site (# of LTIs per million work hours)	#	0.53	0.43	**0.39**
Total injury frequency rate (TIFR)				
Total recordable injuries – employees	#	NR	NR	**504**
Total recordable injuries – employees and contractors on site	#	NR	NR	**716**
TIFR employees (# of injuries per million work hours)	#	4.06	4.45	**4.16**
TIFR contractors (# of injuries per million work hours)	#	2.30	2.57	**2.60**
TIFR employees and contractors on site (# of injuries per million work hours)	#	3.32	3.68	**3.53**
Occupational illness frequency rate (OIFR)				
Total recordable occupational illnesses – employees	#	NR	NR	**54**
OIFR employees (# of occupational illness per million work hours)	#	0.23	0.47	**0.45**
OIFR contractors (# of occupational illness per million work hours)	#	0.07	0.13	**0.15**
OIFR employees and contractors on site (# of occupational illness per million work hours)	#	0.16	0.33	**0.33**
Total recordable incidents (injuries and occupational illnesses) – employees[16]	#	NR	NR	**558**
Rate of recordable incidents employees (# of injuries and occupational illness per million work hours)	#	NR	NR	**4.61**
Other				
Percentage of employees and contractors on site covered by a health and safety management system that meets legal or recognized standards	%	NR	NR	**100**
On-site third-party fatalities (cement sites)	#	0	0	**0**
Workforce represented on health and safety committees	%	95	93	**92**
Number of employee fatalities per 10,000 directly employed	#	0.17	0.31	**0.31**
Number of Lost Time Injuries (LTIs) (directly employed)	#	68	68	**48**
Total number of LTIs – on site and off site	#	106	88	**79**
Cement sites with ISO 45001 certification	%	21	21	**21**
Cement sites with a management system equivalent to ISO 45001	%	36	37	**37**
Aggregates sites with ISO 45001 certification	%	14	17	**14**
Aggregates sites with a management system equivalent to ISO 45001	%	28	30	**31**
RMX sites with ISO 45001 certification	%	16	17	**17**
RMX sites with a management system equivalent to ISO 45001	%	34	34	**39**

[16] Incidents fall under two management control categories: direct control and indirect control. Only incidents under direct control are publicly reported. Direct control incidents occur when Holcim has direct responsibility or supervision.

PERFORMANCE DATA TABLES CONTINUED

SOCIAL

EMPLOYEES BY EMPLOYMENT CONTRACT AND AGE	Unit	2022	2023	2024
Total number of employees (FTE)[17]	#	60,422	63,448	**63,665**
Total number of employees (headcount)	#	NR	NR	**65,000**
Full-time employees	%	98	98	**98**
Part-time employees	%	2	2	**2**
Permanent employees	%	94	94	**94**
Fixed-term contract employees	%	6	6	**6**
Number of employees at senior management level[18]	#	NR	NR	**1,338**
Percentage of employees at senior management level[18]	%	NR	NR	**2**
Employees under the age of 30	%	14	15	**14**
Employees between 30 and 50	%	56	55	**54**
Employees above 50	%	30	31	**32**
Gender diversity (headcount)				
Women at senior management level	%	20	21	**21**
Women at all management levels	%	25	26	**27**
Women at non-management level	%	13	14	**14**
Women in total workforce	%	17	18	**18**
Turnover (headcount)				
Overall employee turnover rate	%	17	16	**18**
Number of employees who have left undertaking	#	NR	NR	**11,756**
Voluntary employee turnover rate	%	9	8	**9**
Hirings	%	20	19	**17**
Development (headcount)				
Hours of training per employee (management level)	#	29	30	**29**
Hours of training per employee (non-management level)	#	18	21	**21**
Managers who had an annual performance review	%	87	84	**89**
Non-managers who had an annual performance review	%	45	38	**37**

EMPLOYEES BY CONTRACT TYPE AND REGION	AMEA	Europe	LATAM	North America	Total
Number of employees (headcount)	11,817	24,285	10,747	18,151	**65,000**
Number of permanent employees	11,057	22,794	9,563	17,941	**61,355**
Number of temporary employees	760	1,491	1,184	210	**3,645**
Number of full-time employees	11,681	23,340	10,747	18,011	**63,779**
Number of part-time employees	136	945	0	140	**1,221**

EMPLOYEES BY GENDER	Female	Male	Other[19]	Not disclosed	Total
Number of employees (headcount)	11,681	53,319	0	0	**65,000**
Number of permanent employees	10,897	50,458	0	0	**61,355**
Number of temporary employees	784	2,861	0	0	**3,645**
Number of full-time employees	11,017	52,762	0	0	**63,779**
Number of part-time employees	664	557	0	0	**1221**

TRAINING HOURS & ANNUAL PERFORMANCE REVIEW	Female	Male	Other[19]	Not disclosed	Total
Training hours (headcount)					
Total hours of training (management level)	142,746	437,780	0	0	**580,527**
Average training hours per employee (management level)	26	29	0	0	**29**
Total hours of training (non-management level)	145,775	791,144	0	0	**936,918**
Average training hours per employee (non-management level)	23	21	0	0	**21**
Total hours of training (total)	288,521	1,228,924			**1,517,445**
Average training hours per employee (total)	25	23			**23**
Annual performance review (headcount)					
Managers who had an annual performance review %	88	89	0	0	**89**
Non-managers who had an annual performance review %	53	34	0	0	**37**

17 Full-time equivalent (FTE) data covers all fully consolidated companies as of 31 December 2024.
18 Senior management level is defined as all employees in specific job bands (leadership), regardless of whether or not they have direct or indirect reports.
19 Other: Gender as specified by the employees themselves.

GOVERNANCE

BOARD

	Unit	2022	2023	2024
Number of executive members	#	1	1	**0**
Number of non-executive members	#	10	8	**11**
Percentage of women board members	%	36	44	**45**
Percentage of independent board members	%	91	89	**91**

SOCIAL, GOVERNMENT AND ECONOMIC RELATIONS

Social relations	Unit	2022	2023	2024
Entities with strike action of more than one week's duration	#	2	1	**0**
Entities where employees are covered by collective agreements	%	72	70	**67**
Employees covered by collective agreements	%	88	87	**86**
Government relations				
Political donations[20]	CHF	0	60,000	**21,500**
In-kind political contributions made	CHF	NR	NR	**0**
Countries making political donations	#	1	2	**2**
Total subsidies[21]	CHFm	80	66	**36**
Entities receiving subsidies	#	15	13	**11**
Economic relations				
Membership of trade associations and chambers of commerce	CHFm	15	14	**12**

SUPPLY CHAIN DUE DILIGENCE

ESG risk identification	Unit	2022	2023	2024
Holcim GRUs with due diligence process in place[22]	%	100	95	**98**
Suppliers from national markets	%	91	90	**92**
Suppliers identified as having potential high ESG impact	%	35	36	**39**
Spend covered by suppliers with potential high ESG impact	%	58	60	**68**
Spend with "assessed" potential high ESG impact suppliers[23]	%	95	93	**88**
Suppliers non-compliant with Supplier Code of Conduct[24]	%	NR	1	**14**
ESG risk management				
Non-compliant suppliers with corrective action plans	%	NR	85	**83**
Non-compliant suppliers who have improved sustainability performance	%	NR	43	**68**
Non-compliant suppliers canceled due to non-compliance	%	NR	1	**16**

PRODUCING ASSETS INCLUDED IN EVALUATION

	Unit	2022	2023	2024
Cement producing sites including grinding and blending	#	147	148	**143**
Aggregates sites	#	474	499	**504**
Asphalt sites	#	86	83	**87**
Ready-mix sites	#	1,165	1,179	**1,212**
Quarries operated	#	647	648	**641**

20 Figures exclude Holcim US Employees Political Action Committee (PAC) and Holcim US Michigan Employees PAC contributions in the U.S.. These amounted to USD 22,200 in 2024. In 2024, Holcim Switzerland donated CHF 21,500 to one national political party, the FDP.The Liberals.
21 Total subsidies do not include EU funding under the EU Innovation Fund which was awarded but not yet disbursed.
22 In 2024, only one new acquisition has yet to implement Holcim due diligence processes.
23 In 2024, Holcim's risk profile was increased to comply with the latest regulations. Assessed high ESG impact suppliers increased by 7% on a like-for-like basis.
24 In 2024, Holcim expanded the assessment questionnaire used to verify our suppliers in order to comply with the latest regulations.

Consolidation rules for non-financial KPIs.

Scope of consolidation

The consolidation scope for non-financial reporting is aligned with financial reporting and includes Holcim Ltd and its subsidiaries. The list of principal consolidated entities is presented in Note 2.4 to the Consolidated Financial Statements.

Divestments and acquisitions

The data for business(es) divested during the year is excluded for the entire year. The data for business(es) acquired during the year is included for the entire year. In the 2024 Sustainability Performance Report, the most significant changes to the consolidated group were the divestments of South Africa, Tanzania and Uganda. The divestment of Kenya has not been taken into account in the 2024 Sustainability Performance report, since it was fully consolidated for the majority of 2024 (until November 2024). The 2023 and 2022 figures are restated in line with the 2024 consolidation in the Energy and Absolute GHG emissions tables. Unless stated otherwise, all prior year figures for other indicators are "as published in the reporting year." Key metrics are shown "as reported" and restated in line with "2024 consolidation" in separate lines.

When a new site is acquired by Holcim, its policies and procedures for non-financial reporting may not necessarily be consistent with Holcim's standards. Accordingly, new sites have until the second reporting year following the acquisition to meet and report performance in line with Holcim's standards.

Data collection methods and references to reporting protocols

Extrapolation

To accelerate the reporting process and align with the financial reporting timeline, some data is based on eleven months of data (as of 30 November) and extrapolated to estimate annual values. This includes:

- For employees, hours of training per employee
- For environmental data, including air emissions and non-cement CO_2 emissions

Other indicators are either based on 12 months of data or no extrapolation was required, as they do not necessarily change between November and December (for example, environmental certifications and hectares rehabilitated.)

Controls

Controls put in place to ensure data quality and robustness include:

- Principle sustainability KPIs, namely those relating to Holcim's cement business (Scope 1 and 2 emissions from cement activities, freshwater withdrawal) and circular economy volumes (waste derived resources), are reported monthly through Holcim's financial reporting process and are subject to a rigorous internal verification process. This includes an annual certification process to review the main action plans in progress and to confirm management's responsibility for the quality of internal controls and financial reporting at each relevant level of the Group organization.
- The Axiom digital reporting and analytics platform, as well as the internally developed proprietary spreadsheet-based import questionnaire templates used in 2024, include built-in validation rules to ensure robustness of the reported data. This involves flagging when a value is outside an expected range or deviates significantly from previously reported data, requiring an explanatory comment.
- A robust workflow process is in place, requiring validation of the data and explanations to be provided by two managers for each questionnaire.
- Validation dashboards have been developed to allow entities and subject matter experts to identify values that are out of range.
- Data (such as production, contribution to social initiatives and number of employees, etc.) is checked against other reporting streams such as SAP and technical reports, as well as for consistency.
- Scope 3 KPIs are available on a quarterly basis, leveraging a data lake to automate extraction from underlying data sources and calculations for each of the Scope 3 categories. The report includes automated controls and sensitivity analysis and is subject to sign-off by the functions responsible for the underlying data.

Economic indicators

- In 2024, data on net sales of sustainable solutions was collected through Holcim's financial reporting process on a monthly basis. This was supplemented by a country-specific annual survey of sales associated with affordable housing and water.
- Supplier assessment data was collected through proprietary spreadsheet-based import questionnaire templates and the respective protocols: the Holcim sustainable procurement questionnaire. Data is gathered at country/Group reporting unit level and covers all business segments and their industrial production sites. The sustainable procurement questionnaire was conducted covering 62 entities, representing more than 99% of our total procurement spend.

Environmental indicators

Environmental performance indicators follow the reporting guidelines of the GCCA (previously the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD CSI).

In 2024, environmental data was collected through the Axiom digital reporting and analytics tool as well as proprietary spreadsheet-based import templates. Reporting guidelines for environmental reporting were issued to ensure proper reporting, highlighting new and updated environmental indicators as well as changes in reporting scope as needed.

All sites that were active during the reporting year were considered eligible for inclusion in environmental reporting. The impacts of sites that were active for fewer than six months was estimated based on their production and Group averages. For environmental data, cement terminals are not considered material and can hence be excluded from the consolidation.

- Scope 1, Scope 2 CO_2 emissions and energy: We follow the Global Cement and Concrete Association (GCCA) Cement CO_2 and Energy Protocol version 3.1 for the monitoring and reporting of CO_2 emissions from cement manufacturing (previously the WBCSD CSI Cement CO_2 and Energy Protocol version 3.1) to calculate CO_2 emissions between the 1990 baseline and the reporting year. Wherever feasible, operations report site and/or material-specific emission factors. For Scope 2 emissions, we follow the GHG Protocol Scope 2 Guidance. Work to determine the most accurate available market-based emission factors is continuously under way. The reporting coverage for the CO_2 Scope 1 and 2 Topic data is 100%.
- Electrical energy: We utilize three types of contractual instruments for the purchase of renewable electrical energy.

  Power purchase agreements (PPAs) – PPAs are particularly valuable for Holcim's operations in regions like Europe and North America, where regulatory frameworks and market conditions support the development of renewable energy projects.

  Virtual power purchase agreements (VPPAs) – VPPAs offer flexibility and are particularly useful for Holcim's global operations, enabling the company to support renewable projects in strategic locations even if its facilities do not directly consume the generated electricity.

  Renewable energy certificates (RECs) and guarantees of origin (GOs). By purchasing and retiring RECs or GOs, Holcim can reduce Scope 2 CO_2 emissions associated with its use of electricity from the grid.

- Scope 3 emissions: We apply the GHG Protocol to estimate CO_2 emissions for all 15 categories. We select the GHG calculation methods that appropriately reflect the most material GHG emissions and support the decision-making process to achieve reduction targets. We apply the following criteria to select calculation methods: 1. Relative size of the emissions 2. Data availability 3. Data quality 4. Cost and effort required to apply each method.

Method per category:
Categories 1 and 3: We use the "average-data" method for the most material purchased goods and for all fuels, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from the LCA database (GaBi).

Category 1 purchased clinker and cement: We use the "average-data" method, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from the sector database GCCA-GNR, with national averages updated on an annual basis.

Category 3: We use the "average-data" method for electricity, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from IEA for WTT and T&D linked to the country grid.

Category 4 and 9: We use the "distance-based method" for transportation, combining primary data from our operating systems (e.g., volumes transported, kilometers driven, vehicle types, payload) with HBEFA fuel models and emission factors extracted from the LCA database (GaBi).

Category 5: We use the "average-data" method, combining primary data (volumes of waste generated in our operations, classified by waste type) with emission factors extracted from LCA database (GaBi) in relation to the waste treatment process (according to each waste type).

Category 7: We estimate CO_2 from employee commuting, modeling fuel consumption based on the number of employees per country and the average kilometers traveled per year (including a percentage of home working), assuming the use of an average car, with an emission factor extracted from the LCA database (GaBi).

Category 10: We use the "site-specific" method, combining primary data (volumes sold) with Scopes 1 and 2 from specific sites (reference sites processing sold goods) in each country.

Category 12: We use the "average-data" method, combining primary data (volumes sold) with emission factors extracted from the LCA database (GaBi) in relation to end-of-life waste treatment processes (according to each waste type).

Category 14: We estimate CO_2 emissions from our retail franchises, modeling energy consumption in commercial buildings per m², per country.

Category 15: We use "primary data", capturing Scope 1 and 2 emissions from our joint ventures and applying the percentage in relation to our equity ratio.

For all other categories (low impact), we use a "spend-based" method, combining primary data from spend for each category in each country and the kg CO_2 per Swiss franc extracted from a macroeconomic database (Exiobase).

Procurement spend and transportation volumes used for Scope 3 calculations are based on 12-month rolling data from November 2023 to October 2024.

- Air Emissions: We use the GCCA Sustainability Guidelines for the monitoring and reporting of emissions from cement manufacturing (previously the WBCSD CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry (2012)). Using annually calibrated sensors for continuously monitored pollutants and external laboratories for spot measurements, emission data is gathered locally. It is then consolidated and approved through a two-step process at country level. Finally, the data is validated and approved at both the kiln and country levels before being consolidated by the Group.

  If an emission component was not measured in 2024 due to travel or other restrictions, the 2023 measurement was used to estimate performance at kiln level. If no measurement was available in 2023, the 2024 Group average was used to estimate the Group's absolute impact.

- Percentage of production covered by measurement: The full production from a kiln is included in the coverage only when the emission of the respective pollutant(s) is monitored, otherwise the percentage of production from the kiln covered by measurement is considered zero. For the percentage of production with comprehensive emission monitoring, the full production from a kiln is included only when emissions of all pollutants (dust, NO_x, SO_2, VOC/THC, heavy metals (Hg, Cd, Tl, Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), PCDD/F) are monitored.

- Water: The GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing (previously the CSI Protocol for Water Reporting) was used as a reference to measure the Group's water performance. Holcim measures water withdrawal, consumption and discharge using one of the following three forms of water measurement: Firstly, the actual measurement of water, which involves directly measuring the water flow or volume at a specific point in time using instruments such as flow meters or gauges. Secondly, the quantification of water volume based on flow at a specific point (e.g., channel or pipe cross-section), which measures the water flow rate as it passes through a cross-section of a channel, pipe or other water conduit, and the flow is gauged instantaneously. It uses flow measurement devices to assess the volume of water moving through the system at that moment. And thirdly, water volume estimation based on system capacity or empirical formulas, which involves calculating the water volume based on estimated or rated capacities of systems (e.g., pumps) or by using empirical formulas. Examples include multiplying the rated capacity of a pump by operational hours or estimating evaporation and infiltration rates to assess water volume indirectly. Data from captive power plants is reported separately.
  The reporting coverage for water data is 100% of entities with production.

- Water discharge: As part of our water stewardship, water from our operations is filtered and treated to meet minimum threshold values in accordance with the Group water standard. Discharged water is analyzed quarterly, with any exceedances promptly reported and investigated.
  At each site, control measures are in place and monitored at corporate level to ensure full compliance with regulatory requirements.

- Waste and recycling: Waste comprises all forms of solid or liquid waste (excluding wastewater) and is defined as hazardous or non-hazardous based on the legislation of the country in which the site operates. Overburden from quarry activity is not classified as waste. Waste streams generated by Holcim's operations are mainly dust from dedusting equipment, sludges from wastewater treatment, parts and disposable materials used during plant maintenance and unsellable material such as unused cement and concrete. Data on internal waste at country level is collected in accordance with internal standards. It is then consolidated and validated centrally on an annual basis, for internal reviews and external disclosures.

- Waste derived resources: Materials sourced from by-products or waste streams primarily include, but are not limited to: Alternative raw materials (AR) in clinker, which includes all types of raw materials consumed up to and including clinker production, including decarbonated sources such as "fines" from construction and demolition materials. Alternative fuels (AF), encompassing all types of AF consumed in all process steps in clinker (CLC) production. Industrial mineral components (iMIC) used in cement, which is the sum of all mineral components sourced from industrial sources, for example, blast furnace slags, industrial ashes (fly ash, beneficiated fly ash, bottom ash), silica fumes, burnt oil shale, mixed rubble, artificial gypsum and dust (cement kiln dust, by-pass dust). And, lastly, construction demolition materials (CDM) such as reclaimed rail ballast, concrete slurries, bricks, pavements, walls, roofing, structures and concrete sludge.

- Biodiversity and quarries: Quarries that have been assessed using Biodiversity Indicator Reporting System (BIRS) and those with rehabilitation plans in place are aligned with the Holcim Directive on Quarry Rehabilitation and Biodiversity. The key requirements go far beyond legal compliance and include measures respecting the mitigation hierarchy (avoid, minimize, restore and offset) and a biodiversity management plan for sites assessed as of high biodiversity value.

Health and safety (H&S)

H&S performance indicators follow the GCCA Sustainability Guidelines for the monitoring and reporting of safety in cement and concrete manufacturing, issued in March 2023.

H&S data is gathered at site level and further consolidated at Country/Group Reporting Unit level, and covers all business segments and their industrial production sites, including corporate and above country, regional and service entities.

In 2024, H&S data was collected through Holcim's reporting system: iCare | HSE Incident management module. Data are segregated according to on-site and offsite incidents, and cover employees, contractors and third parties. The hours worked that are used to calculate incident rates for employees and contractors are calculated and/or estimated locally by business units.

Incidents are classified as Direct Control or Indirect Control, with only Direct Control incidents – where Holcim has direct responsibility or supervision – being publicly reported. To ensure clarity, Holcim applies a detailed framework to define non-work-related cases, examples include events unrelated to work such as sporting events and certain medical conditions.

Human Resources indicators

In 2024, People data was primarily collected through the HR software platform Success Factors and complemented where necessary with additional indicators collected through the People questionnaire part of the annual Sustainability reporting campaign.

The 2024 human resources data are derived from a survey covering 72 entities representing 96% of the total Group workforce.

Human resources reporting involves a thorough validation process of Success Factors (SF) data. Group reporting units confirm and formally approve their data. Any discrepancies are individually addressed, requiring updates in SF or detailed explanations for mismatches.

Data is gathered at Country/Group reporting unit level and covers all business segments and their industrial production sites, including corporate and above country, regional and service entities.

People and Social Initiatives indicators

In 2024, social impact data was collected through Holcim's reporting system and respective protocol: the annual human rights and social impact questionnaire. Information about spending on social initiatives was reported through Holcim's financial reporting process on a quarterly basis, at the Country/Group Reporting Unit level, and covers all business segments and their industrial production sites.

The 2024 human rights and social impact data are derived from a survey covering 62 entities representing 87% of the total Group workforce and include majority-owned entities and managed assets. We collect information on, among other aspects, the entities' implementation of the human rights approach, human rights assessment and action plans, stakeholder engagement activities and community engagement structures, specific impact indicators of social initiatives, volunteering activities, political donations and subsidies.

The total contribution to create positive social impact is a cumulative KPI from 2021 to 2030. In 2024, it is calculated by including the total spend on the social initiatives made by Holcim to implement social impact projects and donations. It also includes third-party contributions, which are the resources received through external partnerships to implement social initiatives led by Holcim in the countries.

Holcim differentiates four categories for the social initiatives, which are:

- Housing and Infrastructure: Initiatives that facilitate access to housing and infrastructure for the community, such as affordable housing solutions, building or improving community facilities (emergency relief shelters, sanitation, parks, rural roads, etc.).
- Health: Health awareness campaigns, vaccination programs, general healthcare services and building or improving hospital infrastructure.
- Education and Skills: Road safety, lectures in partnership with schools and universities, livelihood and income-generation programs, professional training targeting the community and building or improving school infrastructure.
- Other: Environmental management and awareness, cultural, recreational or other initiatives to contribute to positive social impact.

Under Human Rights and Social Impact reporting, data such as number of community advisory panels, number of engagements with key stakeholders at site level, and complaints related to human rights, environmental impact and other potential risks are recorded. Furthermore, any conflicts with stakeholders that sites may have or expect in the future, and how such conflicts are addressed, are captured. Also, countries report on the latest version of their human rights assessments and the status of implementation of their human rights action plans.

Reporting cycle

The Holcim Group will continue to report annually.

Independent verifier's limited assurance report on a selection of non-financial information for the year ended 31 December 2024.

To the Executive Committee,

Further to your request and in our quality as an independent verifier, member of the network of one of the statutory auditors of the entity Holcim Ltd (hereafter, the "Entity"), we present our report on a selection of non-financial information consisting in selected consolidated environmental, health & safety, social and taxonomy indicators (hereafter, the "Sustainability Indicators") that the Entity has chosen to prepare in accordance with its protocols consisting in external standards elaborated by the Global Concrete and Cement Association (previously the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD-CSI)) completed with Entity-specific procedures (hereafter the "Guidelines"), for the year ended on 31 December 2024, presented in its Integrated Annual Report (hereafter, the "Report") and listed in Appendix 1.

Our Limited Assurance conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" section and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Indicators, taken as a whole, are not prepared, in all material respects, in accordance with the Guidelines.

Understanding how Holcim Ltd has prepared the Sustainability Indicators

The absence of a commonly used generally accepted reporting framework or a significant body of established practice to draw on to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Sustainability Indicators need to be read and understood together with the Guidelines and the basis of preparation set out in the "Methodology and consolidation 2024" section of the Sustainability Performance Report chapter of the Report (together, "the Criteria"), which the Entity has used to prepare the Sustainability Indicators.

The Entity's responsibility

Management of Holcim Ltd is responsible for:

- Selecting or establishing suitable criteria for preparing the Sustainability Indicators.
- Preparing the Sustainability Indicators in accordance with the Criteria.
- Designing, implementing and maintaining internal control, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Indicators such that they are free from material misstatement, whether due to fraud or error.

Responsibility of the independent verifier

It is our role, in response to the Entity's request, based on our work, to:

- Plan and perform the engagement to obtain limited assurance about whether the Sustainability Indicators are free from material misstatement, whether due to fraud or error.
- Form an independent conclusion, based on the procedures we have performed and the evidence we have obtained.
- Report our conclusion to the Executive Committee of Holcim Ltd.

As we are engaged to form an independent conclusion on the Sustainability Indicators as prepared by management, we are not permitted to be involved in their preparation, as doing so may compromise our independence.

It is not our responsibility to report on the entire Report for the year ended 31 December 2024 or on the compliance with other applicable legal provisions.

Independence and quality management

Our independence is defined by the French Code of Ethics (Code de déontologie) of our profession and by the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Means and resources
Our work engaged the skills of 12 people between November 2024 and February 2025 and took place on a total duration of intervention of about 18 weeks.

Nature and scope of procedures
We performed a limited assurance engagement in accordance with international standard ISAE 3000 (revised)[1] (International Standard on Assurance Engagements).

We undertook interviews with people responsible for the preparation of the Sustainability Indicators in the Sustainable Development, Health & Safety, Human Resources and EU Taxonomy Project Management Departments, in charge of the data collection process and, when applicable, the people responsible for internal control processes and risk management, in order to:

- Assess the suitability of the Guidelines for reporting, in relation to their relevance, completeness, reliability, neutrality and understandability.
- Assess the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the Sustainability Indicators, and identify the procedures for internal control and risk management related to the preparation of the Sustainability Indicators.

We determined the nature and extent of our tests and inspections based on the nature and importance of the Sustainability Indicators, in relation to the characteristics of the Entity, its social and environmental issues and its strategy in relation to sustainable development.

- At the Entity level, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions, etc.), implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also assessed their coherence and consistency with the other information presented in the Report.
- At the level of the representative selection of sites and entities that we made , based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to challenge the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sites and entities selected represented on average 9% of the hours worked used for the calculation of safety indicators, 8% of the total number of employees (headcount), and between 8% and 17% of the environmental information.[3]

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Paris-La Défense
27 February 2025

The Independent Verifier
EY & Associés

Partner, Sustainable Development
Christophe Schmeitzky

1 ISAE 3000 (revised): “Assurance Engagements other than audits or reviews of historical information”.
2 Four cement plants: Bath (Eastern Canada), Milaki (Greece), El-Sokhna (Egypt), Nobsa (Colombia), and 4 Group Reporting Units (GRU): Eastern Canada, Greece, Egypt and Colombia.
3 On average 13% of production (cement produced (10%), aggregates produced (16%), RMX produced (13%)), 12% of absolute Scope 1 emissions – Gross, 9% of absolute scope 2 emissions (market-based), 9% of waste derived resources, 17% of air emissions, and 8% of cement freshwater withdrawal.

APPENDIX 1: SELECTION OF NON-FINANCIAL INFORMATION

The Sustainability Indicators

Products and solutions

- Clinker produced
- Cement produced
- Cementitious material produced
- Aggregates produced
- RMX produced
- Clinker factor (average % of clinker in cements)

Recycling waste and internal waste

- Total raw material consumed – excl. fuels
- Waste derived resources
- Construction and demolition materials (CDM)
- Internal hazardous waste recycled or recovered
- Internal hazardous waste disposed
- Internal non-hazardous waste recycled or recovered
- Internal non-hazardous waste disposed

Energy and GHG emissions

- Energy consumption total
- Thermal energy consumption
- Electrical energy consumption
- Absolute Scope 1 emissions – gross
- Absolute Scope 2 emissions (market-based)
- Absolute Scope 3 emissions – total
- Absolute Scope 3 emissions per category of emissions (as defined by the GHG Protocol)
  - Category 1 – Purchased goods and services
  - Category 2 – Capital goods
  - Category 3 – Fuel and energy-related activities
  - Category 4 – Upstream transportation and distribution
  - Category 5 – Waste generated in operations
  - Category 6 – Business travel
  - Category 7 – Employee commuting
  - Category 8 – Upstream leased assets
  - Category 9 – Downstream transportation and distribution
  - Category 10 – Processing of sold products
  - Category 11 – Use of sold products
  - Category 12 – End-of-life treatment of sold products
  - Category 13 – Downstream leased assets
  - Category 14 – Franchises
  - Category 15 – Investments
  - Specific CO_2 emissions – net (Scope 1) – cement plants only
  - Specific CO_2 emissions – gross (Scope 1) – cement plants only
  - CO_2 emissions – electricity (Scope 2) – cement plants only
  - CO_2 indirect emissions from purchased fuels (Scope 3)
  - CO_2 indirect emissions from purchased clinker and cement (Scope 3)
  - CO_2 indirect emissions from downstream transportation (Scope 3)

Water

- Cement Specific freshwater withdrawal
- Aggregates Specific freshwater withdrawal
- Ready-mix Specific freshwater withdrawal
- Total water withdrawal

Environmental management systems (EMS) and compliance

- Cement sites with ISO 14001 certification

Biodiversity

- Quarries assessed using BIRS methodology – active only
- Quarries with rehabilitation plan in place
- Quarries with biodiversity importance
- Quarries with biodiversity importance with biodiversity management plans in place

Air emissions

- Clinker produced with continuous monitoring of dust, NO_x and SO_2 emissions
- Clinker produced with monitoring of dust, NO_x and SO_2 emissions
- Total dust, NO_x, SO_2, VOC, mercury, dioxin/furans emissions
- Specific dust, NO_x, SO_2, VOC, mercury, dioxin/furans emissions

People: Social initiatives

- Total contribution to create positive social impact

Health and safety

- Fatalities (employees and contractors)
- Lost time injury frequency rate (LTIFR) for employees on site
- Lost time injury frequency rate (LTIFR) for contractors on site
- Total injury frequency rate (TIFR) for employees and contractors on site

Social

- Number of employees (headcount): total
- Number of employees (headcount): by gender
- Number of employees (headcount): by contract type (permanent & temporary)
- Number of employees who have left undertaking
- Overall employee turnover rate
- Gender distribution in percentage of employees (headcount) at senior management level
- Distribution of employees under the age of 30; between 30 and 50; above 50 years (in headcount percentage)
- Gender distribution in percentage of employees who had an annual performance review
- Average of training hours per employee and by gender

EU Taxonomy

- EU Taxonomy-aligned turnover
- EU Taxonomy-aligned CapEx
- EU Taxonomy-aligned OpEx
- EU Taxonomy-eligible turnover
- EU Taxonomy-eligible CapEx
- EU Taxonomy-eligible OpEx

CSRD CONTENT INDEX 2024

Holcim Ltd has begun to adopt the European Sustainability Reporting Standards (ESRS) on a voluntary basis for the period 1 January 2024 to 31 December 2024.

As a leader in sustainability reporting, Holcim is proud to begin adopting the EU Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) on a voluntary basis, ahead of regulatory requirements coming into force. This year's Integrated Annual Report reflects our alignment with these new frameworks for the period from 1 January 2024 to 31 December 2024. Material topics are presented in the Materiality Matrix on page 197 of the 2024 Integrated Annual Report.

In the double materiality assessment, the following topics were identified as material:

- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business Conduct

Where we have available data on ESRS topics and disclosures, we have included this data and the relevant links (where applicable) in the content index.

AR: 2024 Integrated Annual Report

CSRD INDEX

CROSS-CUTTING STANDARDS

ESRS 2 – General disclosures

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
BP-1	General basis for preparation of sustainability statements	AR: page 390	GRI 2, 2-2; GRI 3, 3-1
BP-2	Disclosures in relation to specific circumstances	AR: page 390	GRI 2, 2-4; GRI 2, 2-22; GRI 3, 3-2; GRI 3, 3-3
GOV-1	The role of the administrative, management and supervisory bodies	AR: pages 138–144	GRI 2, 2-9; GRI 2, 2-12; GRI 2, 2-13; GRI 2, 2-14; GRI 2, 2-17; GRI 405, 405-1
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	AR: page 143 *holcim.com/governance*	GRI 2, 2-12; GRI 2, 2-13; GRI 2, 2-16; GRI 2, 2-24
GOV-3	Integration of sustainability-related performance in incentive schemes	AR: pages 166–191 Compensation Report	GRI 2, 2-19; GRI 2, 2-20
GOV-4	Statement on due diligence	AR: pages 114–117, 120–123, 149–150 *holcim.com/sustainable-procurement-directive* *holcim.com/human-rights-directive*	
GOV-5	Risk management and internal controls over sustainability reporting	AR: pages 112, 143–148, 194–235 AR: pages 136–164 Corporate Governance Report AR: pages 390 "Methodology" section *holcim.com/minimum-control-standards-2025*	GRI 2, 2-14
SBM-1	Strategy, business model and value chain	AR: pages 4–9, 12–22, 52–57 AR: pages 120–122, 196–199 *holcim.com/sustainable-supply-chain*	GRI 2, 2-6; GRI 2, 2-7; GRI 2, 2-22; GRI 3, 3-3; GRI 201, 201-1
SBM-2	Interests and views of stakeholders	AR: pages 100–104, 114–116, 196, 212–213 *holcim.com/human-rights-social-policy* *holcim.com/human-rights-directive*	GRI 2, 2-12; GRI 2, 2-29
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 194–235 "Risk and control" section	GRI 2, 2-27; GRI 3, 3-2; GRI 3, 3-3; GRI 201, 201-2; GRI 303, 303-1; GRI 306, 306-1; GRI 308, 308-2; GRI 413, 413-2; GRI 414, 414-2
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	AR: pages 194–235 "Risk and control" section	GRI 2, 2-14; GRI 3, 3-1;
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	AR: pages 198–199	
MDR-P	Policies adopted to manage material sustainability matters	*holcim.com/esg-policies*	GRI 2, 2-23; GRI 2, 2-24; GRI 3, 3-3
MDR-A	Actions and resources in relation to material sustainability matters	AR: pages 50–122 Leading in sustainability *holcim.com/sustainability*	GRI 3, 3-3
MDR-M	Metrics in relation to material sustainability matters	AR: pages 378–389 Performance data tables AR: pages 390–393 "Methodology" section	GRI 3, 3-3
MDR-T	Tracking effectiveness of policies and actions through targets	AR: pages 58–59, 379	GRI 3, 3-3; GRI 303, 303-1

CSRD INDEX

ENVIRONMENTAL STANDARDS

ESRS E1 – Climate change

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
E1.GOV-3	Integration of sustainability-related performance (climate) in incentive schemes	AR: page 175	GRI 2, 2-19
E1-1	Transition plan for climate change mitigation	AR: pages 66–69 *holcim.com/climate-action*	
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 214–235	GRI 201, 201-2
E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	AR: page 194	
E1-2	Policies related to climate change mitigation and adaptation	*holcim.com/climate-policy* *holcim.com/cement-environmental-directive*	
E1-3	Actions and resources in relation to climate change policies	AR: pages 66–104 *holcim.com/climate-action*	GRI 305, 305-5
E1-4	Targets related to climate change mitigation and adaptation	AR: page 67 *holcim.com/net-zero-journey*	GRI 3, 3-3; GRI 305, 305-1; GRI 305, 305-2; GRI 305, 305-3
E1-5	Energy consumption and mix	AR: pages 74–76, 380 *holcim.com/climate-action*	GRI 302, 302-1; GRI 302, 302-3
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	AR: pages 68, 381	GRI 305, 305-1; GRI 305, 305-2; GRI 305, 305-3; GRI 305, 305-4
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	AR: page 67	GRI 305, 305-5
E1-8	Internal carbon pricing	Not disclosed in 2024	
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	AR: pages 214–235	GRI 201, 201-2

CSRD INDEX

ENVIRONMENTAL STANDARDS CONTINUED

ESRS E2 – Pollution

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	AR: pages 194–197 *holcim.com/environment*	GRI 3, 3-3
E2-1	Policies related to pollution	*holcim.com/cement-environmental-directive* *holcim.com/water-directive*	
E2-2	Actions and resources related to pollution	AR: pages 112–113	GRI 3, 3-3
E2-3	Targets related to pollution	AR: pages 112–113, 379 *holcim.com/environment*	GRI 3, 3-3; GRI 303, 303-2
E2-4	Pollution of air, water and soil	AR: pages 112–113, 379, 383–385 Pollution of soil is not material for Holcim *holcim.com/environment*	GRI 2, 2-27; GRI 305, 305-7
E2-6	Anticipated financial effects from material pollution-related risks and opportunities	AR: pages 213, 229	

ESRS E3 – Water and marine resources

E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	AR: pages 194–197 *holcim.com/water*	GRI 303, 303-1
E3-1	Policies related to water and marine resources	*holcim.com/nature-policy* *holcim.com/water-directive*	
E3-2	Actions and resources related to water and marine resources	AR: pages 96–98 *holcim.com/water*	GRI 3, 3-3; GRI 303, 303-1
E3-3	Targets related to water and marine resources	AR: pages 96, 383 *holcim.com/water*	GRI 3, 3-3; GRI 303, 303-1
E3-4	Water consumption	AR: page 383	GRI 303, 303-3; GRI 303, 303-4; GRI 303, 303-5
E3-5	Anticipated financial effects from material water and marine resources-related risks and opportunities	AR: pages 228–230	

CSRD INDEX

ENVIRONMENTAL STANDARDS CONTINUED

ESRS E4 – Biodiversity and ecosystems

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	AR: pages 96–99 *holcim.com/biodiversity* *holcim.com/sustainable-procurement-directive*	GRI 3, 3-3
E4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 228–230	GRI 304, 304-1
E4.IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	AR: pages 194–197	GRI 304, 304-1
E4-2	Policies related to biodiversity and ecosystems	AR: pages 96–99 *holcim.com/biodiversity* *holcim.com/nature-policy* *holcim.com/quarry-rehabilitation-biodiversity-directive*	Several
E4-3	Actions and resources related to biodiversity and ecosystems	AR: pages 96–99 *holcim.com/biodiversity*	GRI 3, 3-3; GRI 304, 304-3
E4-4	Targets related to biodiversity and ecosystems	AR: pages 96–97, 384 *holcim.com/biodiversity*	GRI 3, 3-3; GRI 304, 304-3
E4-5	Impact metrics related to biodiversity and ecosystems change	AR: page 384	GRI 3, 3-3; GRI 304, 304-1; GRI 304, 304-2; GRI 304, 304-4
E4-6	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	AR: pages 96–99 *holcim.com/biodiversity*	
ESRS E5 – Resource use and circular economy			
E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	AR: pages 194–199 *holcim.com/circular-economy*	GRI 3, 3-3
E5-1	Policies related to resource use and circular economy	*holcim.com/circular-economy-policy* *holcim.com/waste-management*	GRI 3, 3-3
E5-2	Actions and resources related to resource use and circular economy	AR: pages 26–27 *holcim.com/circular-economy*	GRI 3, 3-3; GRI 306, 306-2
E5-3	Targets related to resource use and circular economy	AR: page 384 *holcim.com/circular-economy*	GRI 3, 3-3
E5-4	Resource inflows	AR: page 70–77 *holcim.com/circular-economy*	GRI 301, 301-1; GRI 301, 301-2; GRI 306, 306-1
E5-5	Resource outflows	*holcim.com/circular-economy*	GRI 306, 306-2; GRI 306, 306-3; GRI 306, 306-4; GRI 306, 306-5
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	AR: pages 202, 204, 226, 228 *holcim.com/circular-economy*	

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SOCIAL STANDARDS

ESRS S1 – Own workforce

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
S1.SBM-2	Interests and views of stakeholders	AR: pages 114–116	
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 194–197	GRI 3, 3-3; GRI 408, 408-1; GRI 409, 409-1
S1-1	Policies related to own workforce	AR: pages 106–112 *holcim.com/human-resources-policy* *holcim.com/diversity-inclusion-standard* *holcim.com/code-of-business-conduct* *holcim.com/health-safety-environment-policy*	GRI 2, 2-23; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 403, 403-1; GRI 403, 403-3; GRI 404, 404-2; GRI 408, 408-1; GRI 409, 409-1
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	AR: pages 106–116 *holcim.com/human-rights*	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	AR: pages 106–116 *holcim.com/human-rights*	GRI 2, 2-25; GRI 2, 2-26; GRI 403, 403-2
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	AR: pages 106–116 *holcim.com/human-rights*	GRI 2, 2-24; GRI 3, 3-3; GRI 203, 203-2; GRI 403, 403-9; GRI 403, 403-10
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	AR: pages 106–116 *holcim.com/human-rights*	GRI 3, 3-3
S1-6	Characteristics of the undertaking's employees	AR: pages 388–389	GRI 2, 2-7; GRI 401, 401-1; GRI 405, 405-1
S1-7	Characteristics of non-employees in the undertaking's own workforce	Not disclosed in 2024	GRI 2, 2-8
S1-8	Collective bargaining coverage and social dialogue	AR: page 389	GRI 2, 2-30
S1-9	Diversity metrics	AR: pages 388–389	GRI 405, 405-1
S1-10	Adequate wages	We do not currently collect this specific information.	GRI 202, 202-1
S1-11	Social protection	We do not currently collect this specific information.	GRI 401, 401-2
S1-12	Persons with disabilities	Information on persons with disabilities is not available as of the date of this publication. This information will published once available. *holcim.com/diversity-inclusion-additional-indicators*	GRI 405, 405-1
S1-13	Training and skills development metrics	AR: page 388	GRI 404, 404-1; GRI 404, 404-3

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SOCIAL STANDARDS CONTINUED

ESRS S1 – Own workforce

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
S1-14	Health and safety metrics	AR: page 387	GRI 403, 403-8; GRI 403, 403-9; GRI 403, 403-10
S1-15	Work-life balance metrics	We do not currently collect this specific information.	GRI 401, 401-3
S1-16	Remuneration metrics (pay gap and total remuneration)	Information on gender pay gap is not available as of the date of this publication. This information will published once available. *holcim.com/diversity-inclusion-additional-indicators*	GRI 2, 2-21; GRI 405, 405-2
S1-17	Incidents, complaints and severe human rights impacts	AR: page 148	GRI 2, 2-25; GRI 2, 2-27; GRI 3, 3-3; GRI 406, 406-1

ESRS S2 – Workers in the value chain

S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 120–122, Sustainable supply chain	GRI 3, 3-3; GRI 408, 408-1; GRI 409, 409-1
S2-1	Policies related to value chain workers	*holcim.com/sustainable-procurement-directive* *holcim.com/code-of-conduct-suppliers* *holcim.com/workers-in-the-value-chain-directive*	GRI 2, 2-23; GRI 2, 2-24; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 408, 408-1; GRI 409, 409-1
S2-2	Processes for engaging with value chain workers about impacts	AR: pages 120–122, Sustainable supply chain	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	AR: pages 120–122, Sustainable supply chain	GRI 2, 2-25; GRI 2, 2-26; GRI 2, 2-29; GRI 3, 3-3
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	AR: pages 120–122, Sustainable supply chain	GRI 2, 2-24; GRI 2, 2-25; GRI 203, 203-2; GRI 3, 3-3; GRI 203, 203-2; GRI 204, 1.1; GRI 403, 403-7
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not disclosed in 2024	GRI 3, 3-3

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SOCIAL STANDARDS CONTINUED

ESRS S3 – Affected communities

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
S3.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	AR: pages 114–118, Human rights and our communities	GRI 3, 3-3; GRI 413, 413-2
S3-1	Policies related to affected communities	*holcim.com/human-rights-and-social-policy* *holcim.com/human-rights-at-holcim* *holcim.com/human-rights-directive*	GRI 2, 2-23; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 411, 411-1
S3-2	Processes for engaging with affected communities about impacts	AR: pages 114–118, Human rights and our communities	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	AR: pages 114–118, Human rights and our communities AR: pages 212–213, Human rights – salient risks	GRI 2, 2-25; GRI 2, 2-26; GRI 3, 3-3
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	AR: pages 114–118, Human rights and our communities AR: pages 212–213, Human rights – salient risks	GRI 2, 2-24; GRI 2, 2-25; GRI 3, 3-3; GRI 203, 203-2; GRI 413, 413-1; GRI 411, 411-1
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not disclosed in 2024	GRI 3, 3-3

CSRD INDEX

GOVERNANCE STANDARDS

ESRS G1 – Business conduct

Disclosure requirements and incorporation by reference		Report Location / Website / Omissions / Explanations	GRI Reference
G1.GOV-1	The role of the administrative, management and supervisory bodies in business conduct	AR: pages 136–164 Corporate Governance Report AR: page 389 *holcim.com/code-of-business-conduct*	GRI 2, 2-9; GRI 2, 2-12
G1.IRO-1	Description of processes to identify and assess material impacts, risks, dependencies and opportunities in relation to business conduct matters	AR: pages 194–235 “Risk and control” section	
G1-1	Business conduct policies and corporate culture	AR: pages 136–164 Corporate Governance Report AR: pages 106–111 *holcim.com/code-of-business-conduct* *holcim.com/governance-code-of-conduct*	GRI 2, 2-16; GRI 2, 2-23; GRI 2, 2-24; GRI 2, 2-26
G1-2	Management of relationships with suppliers	AR: pages 104–105, 120–123, 149–150 *holcim.com/sustainable-procurement-directive* *holcim.com/supplier-code-of-conduct* *holcim.com/sustainable-supply-chain*	GRI 3, 3-3; GRI 204, 1.1; GRI 308, 308-1; GRI 414, 414-1
G1-3	Prevention and detection of corruption and bribery	AR: pages 147–148 *holcim.com/anti-bribery-and-corruption-policy* *holcim.com/compliance-program-faq*	GRI 2, 2-13; GRI 2, 2-16; GRI 2, 2-26; GRI 3, 3-3; GRI 205, 205-2; GRI 205, 1.2
G1-4	Incidents of corruption or bribery	AR: pages 147–148	GRI 2, 2-27; GRI 3, 3-3; GRI 205, 205-3
G1-5	Political influence and lobbying activities	AR: pages 100–103, 389 *holcim.com/public-policy-positions* *holcim.com/lobbying-and-advocacy-directive*	GRI 2, 2-9; GRI 415, 415-1
G1-6	Payment practices	*holcim.com/code-of-business-conduct*	

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) CONTENT INDEX

Holcim Ltd has reported in accordance with SASB Construction Materials Sustainability Accounting Standard for the period 1 January 2024 to 31 December 2024.

As of August 2022, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to maintaining, enhancing and evolving the Sustainability Accounting Standards Board (SASB) Standards and encourages preparers to continue applying the SASB Standards. The SASB Standards guide the disclosure of financially material sustainability information by companies to their investors. SASB Standards identify the subset of environmental, social and governance (ESG) issues most relevant to financial performance in 77 industries. The SASB Standards focus on financially material issues because their mission is to help businesses around the world report on the sustainability topics that matter most to their investors. Although a great deal of ESG and sustainability information is publicly disclosed, it can often be difficult to identify and assess which information is most useful for making finance-related decisions. SASB identifies financially material issues, which are the issues that are reasonably likely to impact the financial condition or operating performance of a company and are hence most important to investors.

The material issues identified by SASB for the Construction Materials sector are:

- GHG emissions
- Air quality
- Energy management
- Water management
- Waste and hazardous materials management
- Biodiversity impacts
- Workforce health and safety
- Product Innovation
- Pricing Integrity and Transparency

SASB INDEX

SASB reference	Description	Page, comment, performance
Greenhouse Gas Emissions		
EM-CM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	AR: page 381
EM-CM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	AR: pages 66–69 AR: page 381 *holcim.com/climate-action*
Air Quality		
EM-CM-120a.1	Air emissions of the following pollutants: • NO_x (excluding N_2O) • SO_x • Particulate matter (Dust-PM_{10}) • Dioxins/furans • Volatile Organic Compounds (VOCs) • Polycyclic aromatic hydrocarbons (PAHs) • Heavy metals	AR: page 385 We report annually on all emissions, with the exception of polycyclic aromatic hydrocarbons (PAHs), in our Sustainability Performance Report. We report not only absolute emissions of these substances but also specific emissions by both clinker and cementitious material. The only PAH we consider material and measure is benzene, and this is measured as required by the Global Cement and Concrete Association. Our measurements of benzene emissions in 2024 were: Total benzene emissions (tons): 204 Specific benzene emissions: • Milligrams/ton clinker: 2.3
Energy Management		
EM-CM-130a.1	Total energy consumed	AR: page 380
EM-CM-130a.1	Percentage grid electricity	AR: page 380
EM-CM-130a.1	Percentage alternative energy	AR: pages 380-381
EM-CM-130a.1	Percentage renewable	AR: page 380
Water Management		
EM-CM-140a.1	Total water withdrawn	AR: page 383 We report water withdrawn from a number of sources for all segments and for captive power plants separately.
EM-CM-140a.1	Total water consumed	AR: page 383 We report total water consumed for all segments and for captive power plants separately.
EM-CM-140a.1	Percentage in regions with High or Extremely High Baseline Water Stress	AR: page 383 We measure and report on the number of sites located in Medium-High to Extremely High water risk areas according to the WRI Aqueduct tool. The concept of water risk includes not only water stress but also water quality, regulatory and reputational risks. We do not currently disclose water withdrawn.

SASB INDEX

SASB reference	Description	Page, comment, performance
Waste Management		
EM-CM-150a.1	• Amount of waste generated • Percentage of hazardous waste • Percentage of recycled	AR: page 384
Biodiversity Impacts		
EM-CM-160a.1	Description of environmental management policies and practices for active sites	Our management policies and practices are documented in our Quarry rehabilitation and biodiversity Directive *holcim.com/esg-quarry-rehabilitation-and-biodiversity-directive*
EM-CM-160a.2	Terrestrial acreage disturbed, percentage of impacted area restored	AR: page 384 • Total rehabilitated area was 13,685 ha • Total of area disturbed in 2024 was 51,254 ha • We do not currently disclose percentage of impacted area restored
Workforce Health & Safety		
EM-CM-320a.1	• Total recordable incident rate (TRIR) • Near-miss frequency rate (NMFR) for direct employees and contract employee	AR: page 387 We report in our Sustainability Performance Report TIFR and OIFR, which are calculated with a denominator of one million hours TRIR employees – 1.53 (per 200,000 hours worked) TRIR contractors on-site – 0.94 (per 200,000 hours worked) NMFR employees and contractors – 5.3 (per 200,000 hours worked)
EM-CM-320a.2	Number of reported cases of silicosis	In 2024, we had 0 reported cases of silicosis.
Product Innovation		
EM-CM-410a.1	Percentage of products that qualify for credits in sustainable building design and construction certifications (% sales by revenue)	We do not currently collect this specific information. However, we collect data on our portfolio of sustainable solutions, which in 2024 amounted to 28% of net sales. The largest contributor was low-carbon cements and concrete.
EM-CM-410a.2	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	We do not currently have this information.
Pricing Integrity & Transparency		
EM-CM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and antitrust activities	AR: pages 342–343 Detailed description of ongoing legal proceedings (including anti-competition) is provided.
Activity Metric		
EM-CM-000.A	Production by major product line	AR: page 385 See “Products and solutions” section for details of production per product line.

DISCLOSURES FOR SWISS CODE OF OBLIGATIONS (ART. 964B)

The following sections comprise the report on non-financial matters in accordance with Art. 964b of the Swiss Code of Obligations. The advisory vote on the report at the Annual General Meeting is limited to the content of these sections.

Sustainability is at the core of Holcim's business and is deeply embedded in its corporate strategy. Recognizing that sustainability cannot be viewed separately from our broader business activities, Holcim adopts an integrated approach for the report on non-financial matters pursuant to Art. 964b of the Swiss Code of Obligations. Through the integration of sustainability topics alongside other relevant topics covered in the Integrated Annual Report, we aim to provide our shareholders and other stakeholders with a comprehensive view of our business activities.

CONTENT INDEX

Art. 964b content requirement	Section	Page reference
Description of the business model	• Record performance	pages 18–35
Environmental matters, in particular CO_2 goals	• Sustainability performance highlights • Climate Report • Performance against targets	pages 58–59 pages 62–105 page 379
Employee-related issues	• Holcim people • Health, safety & environment	pages 106–111 pages 112–113
Social issues and respect for human rights	• Human rights and our communities • Just Transition • Report on due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor	pages 114–119 pages 104–105 pages 149–150
Supply chain	• Sustainable supply chain • Report on due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor	pages 120–123 pages 149–150
Combating corruption	• Corporate governance • Compliance program – performance with integrity	pages 134–146 pages 147–148
Material risks	• Risk and control • Material priorities • Climate and nature risks and opportunities • Scenario analysis	pages 194–211 pages 196–197 pages 214–230 pages 232–235
Non-financial performance indicators	• Compliance program – performance with integrity • Sustainability Performance Report 2024 • Scope and methodology • Assurance statement	pages 147–148 pages 376–389 pages 390–393 pages 394–396

CLIMATE-RELATED DISCLOSURES

In 2024, we made great strides in our mission to decarbonize building. From our operations to construction and making buildings sustainable in use, we are decarbonizing the entire building life cycle for a net-zero future.

Holcim is at the forefront of ESG reporting, showcasing an unwavering commitment to transparency and environmental responsibility. Pioneering the adoption of the Taskforce on Climate-related Financial Disclosures (TCFD) guidelines, the company has consistently led the disclosure of its risks and opportunities. For four consecutive years, Holcim has published comprehensive climate reports. The latest report is fully integrated into the company's Annual Report, underscoring Holcim's holistic approach to reporting. Moreover, Holcim's decarbonization targets for 2030 and 2050 are aligned with its sector's 1.5°C science-based framework, confirming its commitment to decarbonizing building in line with the most advanced science.

CONTENT INDEX

About this document
This complete edition of the Holcim 2024 Integrated Annual Report (English only) is legally binding, and is available at *holcim.com/annual-report-2024*.
An extract of this Annual Report is also available in English and German.

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ABOUT HOLCIM

Holcim is a global leader in innovative and sustainable building solutions with net sales of CHF 26.4 billion in 2024. Our 65,000 employees are driven by our purpose to build progress for people and the planet across our regions to improve living standards for all. We partner with our customers to offer the broadest range of advanced solutions, from sustainable building materials ECOPact and ECOPlanet, to our circularity technology ECOCycle®, all the way to Elevate's advanced roofing and insulation systems.

For more information visit:
holcim.com

INTEGRATED REPORTING

This report applies the principles of Integrated Reporting to show how we manage the company sustainably, as well as the financial and non-financial value we created in 2024.

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TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

For TCFD-guided disclosures see page 216 of the complete 2024 Integrated Annual Report.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In 2022, the SBTi validated Holcim's 2030 targets as aligned with a 1.5°C scenario.

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