

COMPENSATION VOTES

Items 1.2, 5.1 and 5.2 of the agenda

Shareholder information on the compensation votes
at the Annual General Meeting 2022

2021 WAS A RECORD YEAR FOR HOLCIM.

Dear shareholders,

We reached new levels of performance across our financial and ESG targets. We delivered record financial performance across all our key metrics, with net sales at CHF 26.8 billion and over-proportional Recurring EBIT growth of 25.7% like-for-like, reaching CHF 4.6 billion, and a debt leverage ratio of 1.4x. We achieved these unprecedented results while accelerating the expansion of Solutions & Products, advancing our vision to become the global leader in innovative and sustainable building solutions. We delivered our Strategy 2022 one year in advance, setting solid foundations for our next era of growth. Putting sustainability at the core of our strategy, we accelerated the deployment of our green building solutions. We delivered this record performance while keeping our people and communities safe, navigating the COVID pandemic with extraordinary resilience and agility.

In terms of our compensation programs, new performance indicators related to sustainability were introduced in the incentive plans in 2020 to reflect our strong commitment to build a net-zero future.

The Nomination, Compensation and Governance Committee (NCGC) continuously reviews and assesses the compensation system to ensure that it is fit for purpose and has concluded that it is well aligned with the business strategy and the long-term interests of our shareholders. Therefore, the compensation system as described in the Compensation Report 2021 will continue to apply for 2022.

As in previous years and in line with the Ordinance Against Excessive Compensation and our Articles of Incorporation, we are asking shareholders to vote on three compensation-related proposals at the upcoming Annual General Meeting:

Advisory vote on the Compensation Report 2021

Agenda item 1.2 relates to the advisory vote on the Compensation Report 2021, which can be found on pages 122 to 147 of the Integrated Annual Report 2021 (also available at www.holcim.com).

Binding votes on the maximum aggregate amounts of compensation of the Board of Directors and the Executive Committee

Agenda item 5.1 requires shareholders' approval of the maximum aggregate amount of compensation of the Board of Directors for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023.

Agenda item 5.2 requires shareholders' approval of the maximum aggregate amount of compensation of the Executive Committee for the financial year 2023.

The Compensation Report 2021 provides further information regarding our compensation system.

On behalf of the Holcim Ltd Board of Directors,
Respectfully,



DR. BEAT HESS

Chairperson of the Board



**HANNE BIRGITTE
BREINBJERG SØRENSEN**

Chairperson of the NCGC

COMPENSATION VOTES

AGENDA ITEM 1.2

Advisory vote on the Compensation Report 2021

Proposal of the Board of Directors: Shareholders are asked to approve the Compensation Report 2021 in an advisory vote.

Note: The Compensation Report describes the compensation system and programs as well as the governance framework related to the compensation of the Board of Directors and the Executive Committee. The report also informs shareholders about the compensation awarded to the members of the Board of Directors and the Executive Committee for 2021. The Compensation Report can be found on pages 122 to 147 of the Integrated Annual Report 2021 (also available at www.holcim.com).

AGENDA ITEM 5.1

Binding vote on the maximum aggregate amount of compensation of the Board of Directors for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023

Proposal of the Board of Directors: Shareholders are asked to approve a maximum aggregate compensation amount of CHF 5,000,000 for 11 members of the Board of Directors for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023.

Overview of the compensation system applicable to the Board of Directors for the period between the Annual General Meetings 2022 and 2023

In order to strengthen their independence in exercising their supervisory duties, members of the Board of Directors only receive fixed compensation. They are not entitled to any performance-based compensation and are not insured in the occupational benefits plan. The compensation of the Board of Directors consists of an annual retainer, paid 50% in cash and 50% in Holcim Ltd shares that are subject to a five-year restriction period, committee fees in cash and an expense allowance in cash. The Board Chairperson also receives a secretarial allowance in cash. The compensation model applicable to the Board of Directors for the period between the Annual General Meetings 2022 and 2023 remains unchanged compared to the previous term of office and is summarized in the following table.

Compensation model of the Board of Directors

Annual retainer (gross)	Cash compensation in CHF	Share-based compensation in CHF	Expense allowance in CHF	Secretarial allowance in CHF
Board Chairperson ¹	825,000	825,000	10,000	60,000
Board Vice-Chairperson ¹	200,000	200,000	10,000	
Board member	100,000	100,000	10,000	

Committee fees (gross)

Audit committee Chairperson ¹	160,000
Other committees' Chairperson ¹	125,000
Committee member ¹	40,000

In exceptional circumstances, additional compensation may be paid to Board members for tasks that go beyond their regular function as Board members.

¹ The Board Chairperson and the Board Vice-Chairperson are not eligible for committee fees.

Proposed maximum aggregate compensation amount of the Board of Directors for the period between the Annual General Meetings 2022 and 2023

The maximum aggregate amount of compensation of CHF 5,000,000 for 11 members of the Board of Directors is a decrease of 3.9% compared to the compensation amount approved for the previous compensation period. This is due to the fact that the number of members of the Board of Directors will decrease from 12 to 11.

The following table illustrates the maximum aggregate compensation amount of the Board of Directors for the period from the Annual General Meeting 2022 to the Annual General Meeting 2023. The proposed amount has been calculated based on the structure of the compensation system described above and assumes a total of 11 Board members.

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| <p>1 The CEO does not receive any compensation for his function on the Board of Directors.</p> <p>2 This amount includes mandatory employer contributions to the Swiss governmental social security system to the extent that they result in a future benefit entitlement, as well as a reasonable buffer for</p> | <p>any potential increase in the number of committee members or for any exceptional compensation for additional tasks going beyond the regular function as Board member. The amount does not include employer contributions to the Swiss governmental social security system that do not result in an increase of the benefit entitlement.</p> |
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Compensation of the Board of Directors for the period between the Annual General Meetings 2022 to 2023

Annual retainer (gross)	Total in CHF	Expected number of members	Total in CHF
Board Chairperson	1,720,000	1	1,720,000
Board Vice-Chairperson	410,000	1	410,000
Board member ¹	210,000	9	1,680,000

Committee fees (gross)	Total in CHF	Expected number of members	Total in CHF
Audit Committee Chairperson	160,000	1	160,000
Other committees' Chairperson	125,000	2	250,000
Committee member	40,000	11	440,000
Social security contribution and buffer ²			340,000

Proposed maximum aggregate compensation amount¹	11	5,000,000
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Maximum aggregate compensation amount approved for AGM 2021 to AGM 2022	12	5,200,000
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AGENDA ITEM 5.2

Binding vote on the maximum aggregate amount of compensation of the Executive Committee for the financial year 2023

Proposal of the Board of Directors: Shareholders are asked to approve a maximum aggregate compensation amount of CHF 42,500,000 for ten members of the Executive Committee for the financial year 2023.

Overview of the compensation system applicable to the Executive Committee as of 2022

The compensation system of Holcim is designed to support the company's strategy by attracting, motivating and retaining talented executives while aligning their interests with those of shareholders. It is built around the following principles:

- Pay-for-performance
- Alignment with shareholders' interests
- Market competitiveness
- Internal equity
- Transparency

The compensation system applicable to the CEO and the Executive Committee members for the financial year 2022 includes base salaries, pension contributions, benefits and perquisites as well as variable compensation delivered in the form of an annual incentive and a long-term incentive.

The variable compensation programs for the financial year 2022 are summarized in the following table.

Variable compensation

Element	Purpose	Structure	Quantum	Drivers
Annual incentive	Reward for annual performance	Variable annual amount paid in cash and in shares blocked for three years	Target incentive: CEO: 125% of salary ExCo: 75% of salary Maximum incentive: 200% of target	Group and regional annual performance including <ul style="list-style-type: none"> - Relative Group sales growth (15%) - Relative Group Recurring EBIT growth (15%) - Group or regional Recurring EBIT growth (20%) - Group or regional Free Cash Flow after leases (35%) - Health, Safety & Environment (15%)
Long-term incentive (LTI)	<ul style="list-style-type: none"> - Reward for long-term performance - Align with shareholders - Retain 	Performance shares: three-year vesting period	LTI grant size: CEO: 177.4% of salary ExCo: 96.3% of salary Maximum vesting: 200% for performance shares, 100% for performance options	Financial and sustainability performance over three years: <ul style="list-style-type: none"> - EPS: 33¹/₃ % - ROIC: 33¹/₃ % - Sustainability: 33¹/₃ % Relative performance over five years: relative TSR

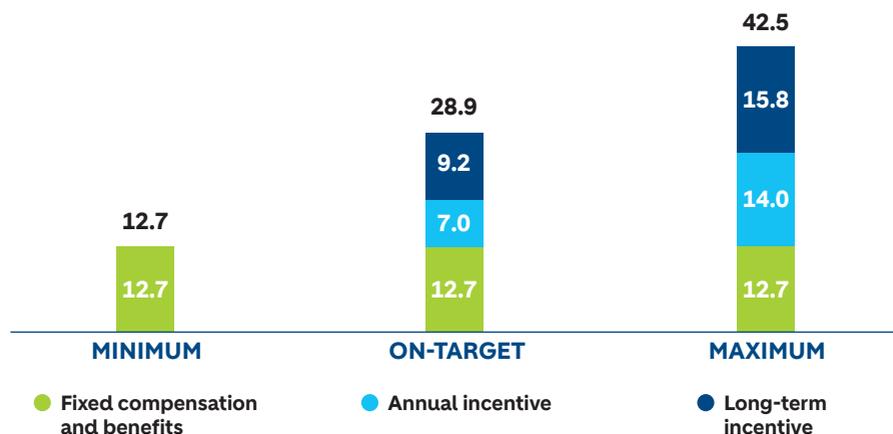
Looking ahead, the Board of Directors will continue to assess and review the compensation system and programs to ensure that they fulfill their purpose in line with the business strategy and context of the company.

Proposed maximum aggregate compensation amount of the Executive Committee for the financial year 2023

The proposed maximum aggregate compensation amount of CHF 42,500,000 for ten members of the Executive Committee for the financial year 2023 is unchanged compared to the maximum aggregate compensation amount approved at the last Annual General Meeting for financial year 2022.

The following chart illustrates the potential outcome in terms of aggregate compensation for the Executive Committee members in three different scenarios:

All figures in million CHF



In the “Minimum” scenario, only fixed compensation and benefits are paid out because the minimum performance thresholds under the incentive plans are not met, resulting in zero payouts under both the annual and the long-term incentive plans.

In the “On-Target” scenario, the achievements under the incentive plans correspond to the expected level of performance on all objectives.

In the “Maximum” scenario, all performance objectives under the incentive plans are outperformed. Thus, the annual incentive is paid at maximum and the long-term incentive vests at maximum level. This scenario implies that all performance objectives have been substantially outperformed under both the annual and the long-term incentive plans.

Several assumptions were used in the calculation of the maximum aggregate amount of compensation:

- The Executive Committee comprises ten members, including the CEO. Pursuant to the company’s Articles of Incorporation, the company is authorized to make payments to any member(s) who join(s) the Executive Committee during a period for which the Annual General Meeting has already approved the maximum aggregate amount of compensation, where the approved maximum aggregate compensation amount is not sufficient, provided that any amount paid in excess of the approved amount does not exceed 40% of the maximum aggregate amount approved.
- The amount shown under fixed compensation includes the estimated annual base salaries, as well as the value of benefits provided in line with Holcim policy.
- Mandatory employer contributions to the Swiss governmental social security system are included to the extent that they result in a future benefit entitlement, while employer contributions to the Swiss governmental social security system that do not result in an increase of the benefit entitlement are excluded. Employer contributions to occupational pension plans are included.

- The annual incentive amount has been calculated assuming a maximum payout of 200%.
- The long-term incentive amount has been calculated based on the face value of the performance shares (i.e. assuming maximum vesting of 200%) and on the fair value at grant of the performance options.
- The impact of share price variations during the respective vesting period for the long-term incentive is not taken into account.
- The impact of future currency variations is not taken into account for those Executive Committee members who are paid in foreign currencies (currently EUR, USD and CAD).
- All amounts are calculated gross.

The split of total compensation into fixed compensation, annual incentive and long-term incentive is indicative and non-binding. However, the total compensation awarded will not exceed the maximum aggregate compensation amount proposed.

Please refer to the Compensation Report on pages 122 to 147 of the Integrated Annual Report 2021 for further information.

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