

# TAX TRANSPARENCY REPORT 2024







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# DELIVERING RECORD PERFORMANCE IN 2024

Tax transparency is an integral part of our responsible business conduct. We believe in paying taxes where we generate profits, contributing to the economic and social development of the communities in which we operate.



**Steffen Kindler,**  
Chief Financial  
Officer

This approach aligns with our broader environmental, social and governance (ESG) goals, ensuring that our financial contributions support infrastructure, education and social programs that foster long-term economic resilience.

Sustainability and being a responsible tax payer go hand in hand. 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. Decarbonization – along with circularity – are drivers of profitable growth for Holcim, and we recognize our tax contributions will play a crucial role in funding the green transition to a low-carbon and circular economy. We actively engage with governments and stakeholders to promote policies that drive low-carbon innovation and incentivize circularity, and make sustainable construction a reality. By combining financial responsibility with leadership in sustainable construction, we are not only shaping the future of our industry but also supporting a more sustainable and equitable world.

**Steffen Kindler,**  
Chief Financial Officer

# 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 and demolition materials – meet all project needs.



### CONCRETE

ECOPact concrete delivers 100% performance offering at least 30% lower CO<sub>2</sub> emissions compared to standard (CEM I) concrete without offsets.



### CEMENT

ECOPact cement delivers 100% performance starting at 30% lower CO<sub>2</sub> 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<sup>1</sup>, 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<sup>2</sup>, 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<sup>3</sup>, repair and refurbishment is a major trend.

# 9.7BN

World population by 2050<sup>1</sup>

# 6.7BN

Urban population by 2050<sup>2</sup>

# 80%

of world's building stock will still be in use in 2050<sup>3</sup>

<sup>1</sup> United Nations population data.

<sup>2</sup> World Urbanization Prospects 2018 report, United Nations.

<sup>3</sup> 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<sub>2</sub>/net sales<sup>1</sup>**

<sup>1</sup> 2024 Scope 1 + Scope 2 CO<sub>2</sub> 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<sup>1</sup>, 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**

<sup>1</sup> 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 continued 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

**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 in our 2024 Integrated Annual Report](#)

# OUR VALUE CHAIN

Our success and growth are shared fairly at each step of our value chain and we generate considerable value – both financial and social – for the communities where we operate.



## WHAT WE DO

- Development of a new technology, process or product
- Improve the performance, reliability, quality and cost efficiency of a technology or core product

- Extraction and procurement of commodities used in Holcim products

## VALUE DRIVERS

- Scaling artificial intelligence and digitalization
- Process innovation
- Product innovation
- R&D
- Innovation accelerating decarbonization (e.g., carbon capture)

- Access to raw materials (e.g., slag, gypsum)
- Access to clinker and cement
- Optimize energy supply (power fuels)
- Benefit from global sourcing
- Accelerate circular construction

## OUR CONTRIBUTION TO THE COMMUNITIES

- Employment-related contributions (wages and taxes)
- Indirect taxes
- Property taxes

- Corporate income taxes
- Licenses, permits, fees paid to government
- Royalties
- Employment-related contributions (wages and taxes)
- Payments to suppliers and contractors
- Contribution to communities
- Withholding taxes on payments to suppliers and contractors
- Indirect and property taxes





- Manufacture of products in dedicated facilities located in the market
- Significant investment in people and infrastructure

- Decarbonized energy
- Run production facilities efficiently
- Innovative formulations to reduce clinker factor
- Efficient engineering and debottlenecking

- Corporate income taxes
- Employment-related contributions (wages and taxes)
- Indirect taxes
- Payments to suppliers and contractors
- Withholding taxes on payments to suppliers and contractors
- Property taxes



- Sales are generated by marketing, advertising and promotional activities in the local markets

- Develop a market-oriented approach
- Build brand equity
- Develop alternative models (e.g., digitalization)
- Deliver value through commercial performance
- Expanding high-value building solutions

- Corporate income taxes
- Employment-related contributions (wages and taxes)
- Indirect taxes



- Logistics not only affects outbound transportation; it is also embedded in the rest of the value chain, such as transportation of raw or semi-finished product

- Optimize supply chain
- Reduce CO<sub>2</sub> emissions
- Optimize logistics costs

- Corporate income taxes
- Employment-related contributions (wages and taxes)
- Indirect taxes
- Payments to suppliers and contractors
- Withholding taxes on payments to suppliers and contractors

# TAX LANDSCAPE

Tax transparency is essential for building trust, ensuring compliance and promoting economic fairness.

## Why tax transparency matters

It reflects ethical business practices and strengthens relationships with stakeholders, including investors, regulators and the public. By adhering to global standards and responsible tax policies, companies contribute to sustainable economic growth while demonstrating accountability.

As a global leader in sustainable building solutions, Holcim is committed to transparent tax practices that align with our values of integrity and accountability. Operating in over 50 markets worldwide, we recognize the global shift toward transparency and the evolving tax landscape, particularly policies that support sustainability and decarbonization.

Base Erosion and Profit Shifting (BEPS) 2.0 has developed a two-pillar approach to help address tax avoidance and ensure coherence of international tax rules and, ultimately, more transparency in relation to tax. We fully support the objectives of Pillar Two, which aims to prevent profit shifting by establishing a minimum level of taxation for multinational enterprises. While Holcim falls within the scope of this legislation, BEPS Pillar Two taxes are not material in 2024 and do not materially impact our effective tax rate, underscoring our commitment to responsible tax practices. At Holcim, we pay taxes where we generate profits, reinforcing our dedication to ethical business conduct and long-term sustainable growth.

## TAX POLICY TO INCENTIVIZE CIRCULARITY

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. Tax policies play a crucial role in advancing circular construction by encouraging businesses to reduce waste, reuse materials and invest in sustainable practices. Landfill taxes, in particular, serve as a powerful tool to promote circularity, drive innovation and accelerate the shift toward sustainable construction and a low-carbon economy.



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

Photo credit: Ahmed Fawzy Elaraby





## ROMANIA: PIONEERING SUSTAINABLE WASTE MANAGEMENT

Since 2016, Romania imposed a circular economy levy (landfill tax) to discourage waste disposal and promote recycling and recovery, aligning with its national and the broader European Union strategy to minimize landfilling and enhance waste management practices.

Our Geocycle business in Romania plays a key role in supporting these objectives by providing preprocessing and coprocessing solutions that accelerate advanced waste management practices, minimizing waste residues and landfilling. We partner across the waste value chain to recycle and recover waste at its highest value. We transform waste materials into alternative resources for clinker production, ensuring complete energy recovery and mineral recycling throughout the process. Post-combustion residues are fully integrated into the production process, replacing traditional raw materials and avoiding subsequent landfilling – a key differentiator of our Geocycle activities from incinerators.

Across our cement plants in Romania, we replaced over half of the thermal energy needs of our cement kilns with waste-derived resources. By continually increasing our use of alternative energy sources and materials, our Geocycle business in Romania helped divert waste equivalent to that generated by 1.2 million Romanian inhabitants while ensuring its reintroduction into the circular economy.



## AUSTRIA: HOLCIM RETZNEI – TURNING WASTE INTO VALUE

Our Geocycle business in Austria is a global leader in circular solutions, supported by the Austrian authorities' use of tax policy as part of the long-standing strategy to minimize landfill and accelerate the circular economy. Our cement plant in Retznei is setting new benchmarks in recycling and recovery, and in February 2025 achieved a milestone of operating the cement kiln with 100% alternative fuels. Since 2003, we have partnered with other leaders in the circular economy to optimize resource efficiency, converting municipal and industrial waste to refuse-derived fuel (RDF) and replacing traditional fossil fuels in our kilns. This ensures that valuable waste-derived resources remain in the production cycle, aligning with Austria's circular economy goals.

Beyond fuel substitution, our team in Retznei is also setting the standard in recycling construction and demolition materials (CDM). The Geocycle Recycling Center supports the financial incentives legislated to incentivize recycling and reuse, and in 2024 processed over 130,000 tons of CDM with 50% coprocessed in our cement, while another 30% is treated and used as recycled aggregates by construction companies.

While we provide cement for construction through our manufacturing facilities, we also offer a processing and sorting service for CDM and ensure it is recycled at the Geocycle Recycling Center. This approach truly brings the circular economy to life by closing the CDM loop.

# GROWING MULTI-BILLION BRANDS

Holcim generated 36% of net sales from advanced branded solutions in 2024.

## ECOCYCLE®

**ECOCycle® enables us to scale circular construction worldwide.**

- Our ECOCycle® circular technology enables Holcim to recycle construction and demolition materials (CDM) into sustainable building solutions – to build new from old.
- We recycled 10.2 million tons of CDM in 2024 (+20% compared to 2023).
- Circular construction preserves primary materials and reduces waste and costs.

Holcim is best positioned to scale up this business with:

- Established footprint in metropolitan areas
- Innovation
- Vertical integration

By 2030, we will accelerate circular construction and EcoCycle® with over 150 recycling centers and net sales from products with CDM inside of over CHF 800 million<sup>1</sup>.

# +20%

**Recycled CDM increase  
in 2024**



In London's historic Canary Wharf, the mixed-use development Wood Wharf is an icon of sustainable construction. It is blazing a trail as one of the first projects in the UK to use Holcim's low-carbon concrete ECOPact with 20% construction and demolition materials inside.

<sup>1</sup> Defined as products and solutions with ECOCycle® inside containing at least 10% recycled construction demolition materials.





## 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<sub>2</sub> emissions compared to ordinary (CEM I/OPC) cement.
- Holcim uses innovative raw materials including calcined clay and recycled construction and demolition materials, as well as alternative fuels, to reduce ECOPlanet's carbon footprint.
- By 2030 we will scale our sustainable offering and grow ECOPlanet to 50% of cement net sales to meet customer demand.

# 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%.
- By 2030 we will scale our sustainable offering and grow ECOPact to 50% of ready-mix net sales to meet customer demand.

# 1.5+BN

**Net sales ECOPact**  
CHF

# 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 technology center in Holderbank, Switzerland, and the Holcim Innovation Center in Lyon, France.

Working closely with our global network of regional innovation hubs – from Europe to Australia – our technical experts 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 (AI) 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<sub>2</sub> footprint of our ECOPact concrete mixes (read more on pages 70–73 of our [2024 Integrated Annual Report](#)).

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, an 18% increase compared to 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 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. SMARTerm simulates concrete's temperature development to reduce cost, mitigate risk and optimize its thermal profile.





Grūze Innovation Laboratory in Winterthur was made using pioneering carbon prestressed concrete panels designed by Holcim

## AWARD-WINNING INNOVATIVE SUSTAINABLE CONSTRUCTION AND NATURE PROJECTS

### GRÜZE INNOVATION LAB, WINTERTHUR

At the 2025 Edie Awards, the Grūze Innovation Laboratory in Switzerland was named Green Building/Infrastructure Project of the Year for pioneering carbon prestressed concrete (CPC) technology and introducing a new sharing model for construction.

Working with the Swiss city of Winterthur, Holcim pioneered the use of CPC to build the Grūze Innovation Lab – a 120m<sup>2</sup> 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.

### KUJAWY QUARRY, POLAND

At the 2025 Edie Awards, our Kujawy Quarry in Poland was recognized as Nature & Biodiversity Project of the Year for its transformation into a natural reservoir.

Kujawy is a water-stressed hotspot that requires action to better manage freshwater sources. Holcim's team in Poland worked with local officials to provide an innovative solution for this region, advancing our vision of a nature-positive future.

The Kujawy Quarry collects 1.5 million m<sup>3</sup> of rainwater each year in a watertight rock structure that acts as a reservoir. Our team in Poland invited the State Forests National Forest Holding to take advantage of this unique source of freshwater.

With the State Forests, we put in place an innovative solution to supply water to the forest bordering Kujawy and restore its biodiversity, creating favorable conditions for new species, plants, animals and birds to thrive. The investment will rehydrate the area and bring marshes and ponds back to life that have disappeared over the last 50 years due to water shortages.

# TOTAL ECONOMIC CONTRIBUTION

In 2024, Holcim contributed more than CHF 26.7 billion to communities across the world.

## EMPLOYEES<sup>1</sup>

Employee expenses for salary, wages and incentives

CHF  
4.3BN

## PROCUREMENT<sup>2</sup>

Payments made to our suppliers for the purchase of utilities, goods and services

CHF  
18.3BN

## PAYMENTS TO GOVERNMENTS<sup>3</sup>

Total taxes paid plus governmental fees and infrastructure improvements

CHF  
1.9BN

## SHAREHOLDERS, LENDERS AND INVESTORS<sup>3</sup>

Dividend and interest payments

CHF  
2.3BN

**TOTAL**  
CHF  
26.7BN

[Learn more on holcim.com](https://www.holcim.com)

Figures are rounded to the nearest one hundred million.

<sup>1</sup> Calculated on an accrual basis.

<sup>2</sup> Procurement expenses in 2024 plus gross CapEx.

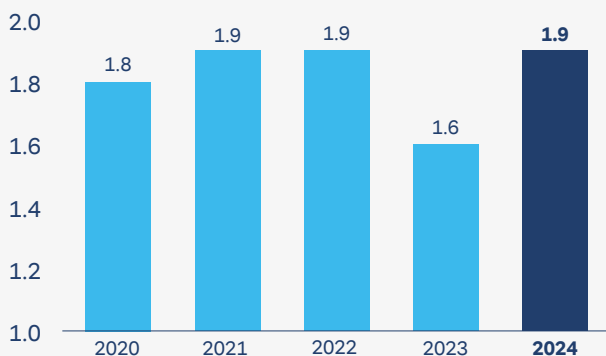
<sup>3</sup> Calculated on a cash basis.

For more details on how we define these terms, please see [page 41](#).



**PAYMENTS TO GOVERNMENTS (CHF BN)**

Since 2020, we have contributed over CHF 9 billion to society through the total taxes and governmental contributions we pay.



**“Our approach to tax is anchored in empowering local communities and enabling long-term investment in sustainability and innovation. Our annual tax transparency report offers stakeholders comprehensive information on Holcim’s tax contributions.”**

**Markus Unternährer,**  
Group Head of Tax and Treasury



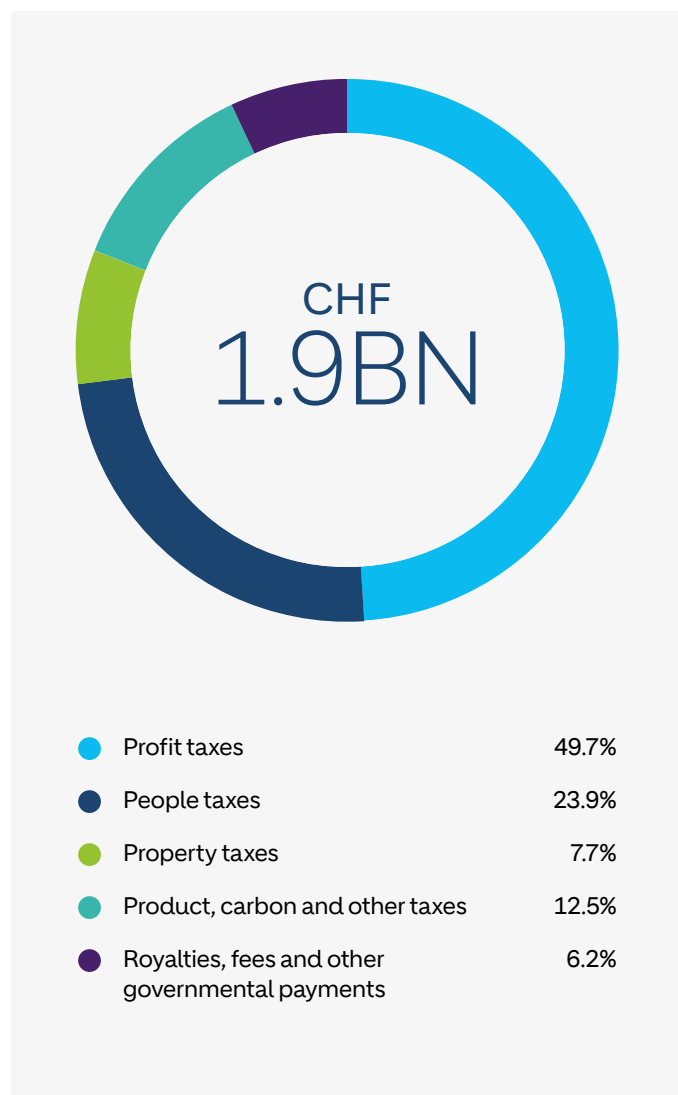
Carbon2Business aims to capture and utilize CO<sub>2</sub> from our plant in Lägerdorf, Germany

# THE TAXES WE PAY

In 2024, Holcim paid CHF 1.9 billion in total taxes and governmental contributions.

The taxes and other governmental payments made by Holcim is a significant source of revenue for governments. They enable them to provide essential services to their citizens and invest in their communities for the future.

Much focus is often placed on the taxes we pay on our profits, but these taxes represent only 50% of our total taxes and governmental contributions. See [page 41](#) for more detail on how we define our taxes.



## Profit taxes

CHF 928M

Includes taxes on company income, profits and capital gains.

## People taxes

CHF 445M

Includes all taxes and compulsory social contributions borne by Holcim in relation to the employment of staff.

## Property taxes

CHF 143M

Includes taxes levied on the ownership or use of land or property.

## Product, carbon and other taxes

CHF 234M

Includes taxes and duties borne by Holcim on the production, sale or use of goods and services, including taxes and duties on international trade and transactions, as well as carbon and other taxes.

## Royalties, fees and other governmental payments

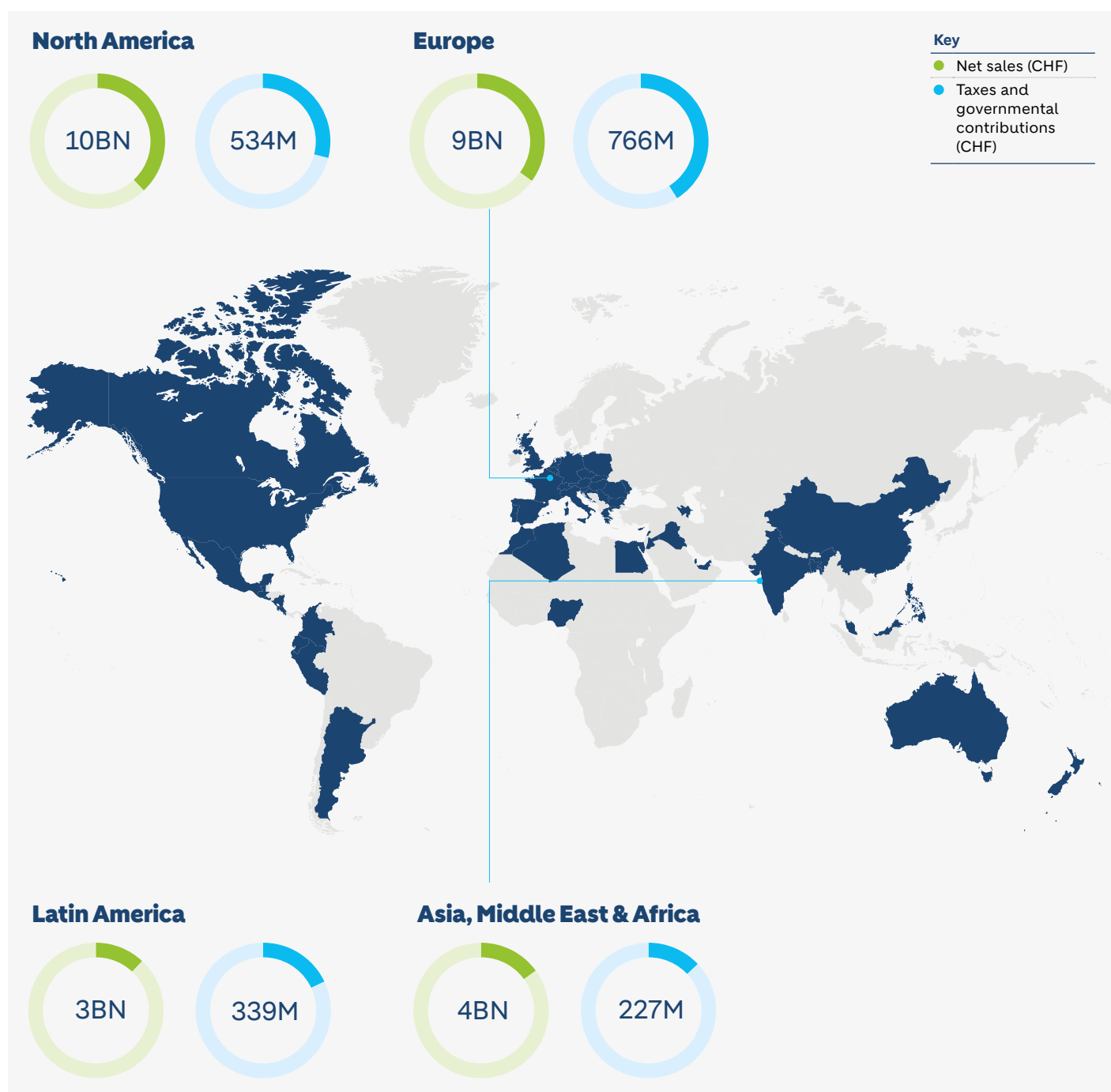
CHF 116M

Includes royalties, governmental fees, infrastructure contributions and other payments made to government.



# WE CONTRIBUTE WHERE WE DO BUSINESS

Of the CHF 1.9 billion paid to governments, 85% was located where 89% of sales occur.



# OUR LARGEST COUNTRIES

The following details the countries to which the majority of our tax and other governmental payments were remitted.

These are ordered by revenue, with the largest markets shown first, and represent 85% of the total paid to governments across the globe.

On the following pages, we provide additional analysis on these countries.



Country	Revenues <sup>1</sup> (CHF million)	Government payments (CHF million)
1. United States	7,726	355
2. Canada	2,506	179
3. France	1,984	154
4. Mexico	1,744	164
5. United Kingdom	1,723	112
6. Australia	1,228	48
7. Switzerland	888	144
8. Germany	789	43
9. Poland	705	53
10. Romania	584	28
11. Belgium	494	39
12. Spain	487	37
13. Nigeria	400	10
14. Greece	391	31
15. Philippines	336	24
16. Iraq	323	20
17. Argentina	319	36
18. Ecuador	302	58
19. Algeria	298	35
20. Italy	247	12

<sup>1</sup> Net sales to external customers are based on the location of assets (origin of sales), with the exception of the trading activities.

# KEY COUNTRY HIGHLIGHTS<sup>1</sup>

## 1. UNITED STATES OF AMERICA



465 sites 10,200 personnel

Holcim US is the largest provider of cement in the United States, as measured by sales and production volume, and a leader in advanced roofing and wall systems. Our key product offerings includes cement and aggregates, as well as a variety of downstream products and solutions such as ready-mix concrete, asphalt and other construction materials. Our building envelope segment in the U.S. offers advanced roofing and wall systems, including single-ply membranes, insulation, shingles, sheathing, waterproofing and protective coatings, along with adhesives, tapes and sealants that are critical to the application of roofing and wall systems.

## 2. CANADA



580 sites 5,200 personnel

Holcim is Canada's largest provider of sustainable and innovative building solutions including aggregates, cement, ready-mix and precast concrete, asphalt and paving, and road and civil construction. Our sustainable building products, from Portland cement to low-carbon concrete, are helping build greener cities one project at a time.

### Total payments to government CHF 355 MILLION

#### PROFIT TAXES

183M

#### PROPERTY TAXES

56M

#### PEOPLE TAXES

71M

#### PRODUCT, CARBON AND OTHER TAXES

36M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

9M

### Total payments to government CHF 179 MILLION

#### PROFIT TAXES

90M

#### PROPERTY TAXES

24M

#### PEOPLE TAXES

36M

#### PRODUCT, CARBON AND OTHER TAXES

5M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

24M

Learn more at [holcim.us/about-us](https://holcim.us/about-us) and [holcimbe.com/en](https://holcimbe.com/en)

Learn more at [lafarge.ca/en](https://lafarge.ca/en)

<sup>1</sup> Due to rounding, the breakdown of payments to governments may not add up to the total reported for a country.



### 3. FRANCE



470 sites    5,400 personnel

Holcim in France, whose headquarters are in Issy-les-Moulineaux, brings together operations for cement, concrete and aggregates, and building coating products.

In October 2024, the EU Innovation Fund (EUIF) selected our breakthrough CCUS CarboClearTech project in Martres-Tolosane, France, for a grant. CarboClearTech is a carbon capture and storage system that will be installed at the Martres-Tolosane plant. As the first CO<sub>2</sub> capture site in southwestern Europe, it brings this vital technology to the region and contributes to its sustainable growth.

### 4. MEXICO



135 sites    4,900 personnel

Holcim has been present in Mexico since 1964 and produces cement, ready-mix concrete, waterproofing chemicals and other products.

Holcim México has an installed capacity of 12.9 million tons for cement production, with seven cement plants and one grinding plant in the country, from classic masonry cement to high-performance products designed for special environments. Holcim also operates PASA®, delivering roofing solutions; INDAR, a wholesale hardware vendor known for its fast turnaround rate; and the Disensa retail network, offering high-quality hardware products.

#### Total payments to government **CHF 154 MILLION**

##### PROFIT TAXES

6M

##### PROPERTY TAXES

15M

##### PEOPLE TAXES

114M

##### PRODUCT, CARBON AND OTHER TAXES

18M

##### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

0M

#### Total payments to government **CHF 164 MILLION**

##### PROFIT TAXES

130M

##### PROPERTY TAXES

1M

##### PEOPLE TAXES

23M

##### PRODUCT, CARBON AND OTHER TAXES

11M

##### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

0M

## 5. UNITED KINGDOM



305 sites      4,300 personnel

In 2024, Holcim completed the acquisition of Land Recovery in the UK, advancing its capabilities in circular construction. A leading UK supplier of primary and recycled materials, Land Recovery turns rail ballast into new solutions for the UK rail network as well as supplying construction demolition materials for the production of ready-mix, precast concrete and asphalt. The acquisition expands Holcim's access to construction demolition materials, with Land Recovery recycling more than 300,000 tons last year.

## 6. AUSTRALIA



250 sites      2,200 personnel

Our proud history began in Australia in 1901, originally serving the industry under the well-known ready-mix and Humes brands. Locally led, Holcim continues to supply aggregates, sand, concrete, concrete pipe and products. We partner with customers on projects that range from small and local to the biggest, most technically challenging infrastructure endeavors to build the homes, towns and cities in which we live.

### Total payments to government **CHF 112 MILLION**

#### PROFIT TAXES

19M

#### PROPERTY TAXES

21M

#### PEOPLE TAXES

23M

#### PRODUCT, CARBON AND OTHER TAXES

47M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

1M

### Total payments to government **CHF 48 MILLION**

#### PROFIT TAXES

23M

#### PROPERTY TAXES

5M

#### PEOPLE TAXES

12M

#### PRODUCT, CARBON AND OTHER TAXES

2M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

7M

## 7. SWITZERLAND



65 sites      1,900 personnel

Holcim Switzerland is one of Switzerland's leading providers of innovative and sustainable construction solutions in the areas of building construction, civil engineering and infrastructure. At 65 locations across Switzerland, the company produces concrete, gravel and cement, and recycled demolition materials into resource-saving products. Sustainability is at the heart of its business activities with the goal of producing climate-neutral and fully recyclable building materials by 2050. Holcim Switzerland employs around 1,900 people in three cement plants, 37 concrete plants, 21 aggregates plants, a technical center and corporate headquarters.

## 8. GERMANY



125 sites      2,600 personnel

Holcim Germany is one of Germany's leading companies for innovative, sustainable and digital construction products and solutions. As a pioneer in sustainable construction, Holcim personnel develop tailor-made solutions for building owners, construction companies, architects and engineers – combined with a clear focus on climate protection and the circular economy.

With our services, we are a reliable partner, working with our customers and partners to build a climate-neutral future and thus a world worth living in for all generations. Those who work at Holcim contribute to the climate-friendly transformation of industry, the sustainable design of spaces for living, learning and working, the development of long-lasting infrastructure and the future of mobility and energy supply.

### Total payments to government **CHF 144 MILLION**

#### PROFIT TAXES



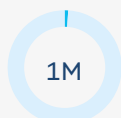
#### PROPERTY TAXES



#### PEOPLE TAXES



#### PRODUCT, CARBON AND OTHER TAXES

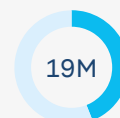


#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

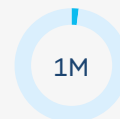


### Total payments to government **CHF 43 MILLION**

#### PROFIT TAXES



#### PROPERTY TAXES



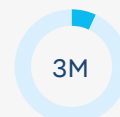
#### PEOPLE TAXES



#### PRODUCT, CARBON AND OTHER TAXES



#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS





## 9. POLAND



80 sites      2,000 personnel

Holcim Polska is a manufacturer of innovative and sustainable construction solutions from foundations to roof.

Holcim Polska implements technologies and solutions with a reduced carbon footprint, which can be used at every stage of a building's life, from design and construction to repairs and renovations. The company offers, among others, low-emission cements from the ECOPlanet family for construction and prefabrication (with a 30%–50% smaller carbon footprint than pure CEM Portland cement), ECOPact concrete (with almost 50% smaller carbon footprint than standard ready-mix concrete), or ECOSource™ recycled aggregate. The offer also includes floor systems, as well as insulation solutions for comprehensive thermal modernization.

## 10. ROMANIA



50 sites      1,800 personnel

Holcim Romania includes two cement plants in Câmpulung and Aleșd, a lightweight concrete block plant in Adjud, a grinding station, 28 concrete stations, five aggregate stations, two special binder stations, three cement terminals, three waste pretreatment work points) and five precast factories. Holcim Romania operates in the production of high-performance construction materials, with the main objective of transitioning to a fully sustainable business by developing products with a reduced carbon footprint and through a constant concern for environmental protection. All the company's projects work in synergy for the responsible consumption of natural resources, the use of energy-efficient technologies, the reduction of emissions, the decrease in the impact of transport by optimizing distribution routes and prioritizing means with low fuel consumption.

### Total payments to government **CHF 53 MILLION**

#### PROFIT TAXES

27M

#### PROPERTY TAXES

8M

#### PEOPLE TAXES

10M

#### PRODUCT, CARBON AND OTHER TAXES

2M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

6M

### Total payments to government **CHF 28 MILLION**

#### PROFIT TAXES

19M

#### PROPERTY TAXES

1M

#### PEOPLE TAXES

2M

#### PRODUCT, CARBON AND OTHER TAXES

0M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

6M

Learn more at [holcim.pl](https://holcim.pl)

Learn more at [holcim.ro](https://holcim.ro)

## 11. BELGIUM



25 sites      1,000 personnel

Holcim Belgium employs 1,000 people across 25 locations. All are passionate about delivering progress for people and the planet across four business sectors: cement, concrete, aggregates, and solutions and products.

In 2024, Holcim closed the acquisition of Mark Desmedt in Belgium, advancing circular construction in Europe in line with its target to recycle 10 million tons of construction demolition materials per annum. A leading company in the recycling of construction demolition materials in Belgium, Mark Desmedt recycles more than 500,000 tons a year and is strategically located to serve Belgium's two largest metropolitan areas, Brussels and Antwerp.

## 12. SPAIN



65 sites      1,500 personnel

Holcim Spain is a leader in innovative and sustainable construction solutions. With sustainability at the heart of its business strategy, the company is committed to developing cutting-edge materials and solutions geared toward building sustainable, carbon-neutral cities. Holcim Spain is made up of a team of around 1,500 people and is the first company in the sector to obtain the dual "Calculate and Reduce" certification from MITECO (Spanish Ministry of Energy and Mines) and is currently implementing what will be the first CO<sub>2</sub> capture plant in a cement factory in Spain.

### Total payments to government **CHF 39 MILLION**

#### PROFIT TAXES

5M

#### PROPERTY TAXES

2M

#### PEOPLE TAXES

26M

#### PRODUCT, CARBON AND OTHER TAXES

6M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

0M

### Total payments to government **CHF 37 MILLION**

#### PROFIT TAXES

14M

#### PROPERTY TAXES

1M

#### PEOPLE TAXES

17M

#### PRODUCT, CARBON AND OTHER TAXES

4M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

1M

## 13. NIGERIA



15 sites    2,200 personnel

Lafarge Africa is “Building Progress for People and the Planet,” to continually create environmental, economic and social impact in communities while advancing the Nigerian society. It is committed to assuring positive footprints for various stakeholders, creating opportunities for partnerships and building up responsibly for the greater good of all. Through various interventions, it is reinventing how the world builds for today, for tomorrow and for the future.

## 14. GREECE



80 sites    1,400 personnel

With a broad network of operational and commercial facilities across Greece, the HERACLES Group is leading the transformation of the construction industry into a less carbon-intensive one that applies the principles of the circular economy regarding the use of resources. They supply the Greek and international market with innovative products and sustainable solutions that meet the diverse needs of customers and the requirements of sustainable constructions.

### Total payments to government **CHF 10 MILLION**

#### PROFIT TAXES

3M

#### PROPERTY TAXES

0M

#### PEOPLE TAXES

0M

#### PRODUCT, CARBON AND OTHER TAXES

6M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

2M

### Total payments to government **CHF 31 MILLION**

#### PROFIT TAXES

8M

#### PROPERTY TAXES

1M

#### PEOPLE TAXES

16M

#### PRODUCT, CARBON AND OTHER TAXES

2M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

5M



## 15. PHILIPPINES



10 sites      1,100 personnel

Holcim Philippines is one of the leading building solution companies in the country. The company has a deep portfolio of sustainable and innovative solutions fostered by a full range of products from structural to finishing applications that can help local builders execute with high performance and efficiency for a wide range of projects, from massive infrastructure to simple home repairs.

With cement manufacturing facilities in La Union, Bulacan, Batangas, Misamis Oriental and Davao, as well as a dry mortar production plant, aggregates supply and technical support facilities for building solutions, Holcim Philippines is a reliable partner of builders in the country.

## 16. IRAQ



10 sites      1,400 personnel

Holcim Iraq's strategically located plants in Bazian and Karbala, respectively situated in the northern and southern regions of the country, currently enable us to produce above 5 million metric tons of cement per annum. In addition to our cement production capabilities, Holcim also operates a ready-mix business, which produces top-quality and innovative concrete from our facilities located in Baghdad and Karbala.

Furthermore, Holcim is proud to have installed Iraq's first-ever dry mortar plant, operating under the name TectorCeram. This advanced facility enables us to produce a wide range of dry mortar products that are specifically designed to meet the unique needs of our customers.

### Total payments to government **CHF 24 MILLION**

#### PROFIT TAXES

8M

#### PROPERTY TAXES

3M

#### PEOPLE TAXES

1M

#### PRODUCT, CARBON AND OTHER TAXES

12M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

0M

### Total payments to government **CHF 20 MILLION**

#### PROFIT TAXES

4M

#### PROPERTY TAXES

0M

#### PEOPLE TAXES

1M

#### PRODUCT, CARBON AND OTHER TAXES

0M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

15M

## 17. ARGENTINA



15 sites      1,300 personnel

With more than 90 years of experience in Argentina, Holcim has 1,300 people passionate about building progress for people and the planet through four business segments: cement, concrete, aggregates, and solutions and products. It has four cement plants located in the provinces of Córdoba, Mendoza, Jujuy and Buenos Aires. It also has fixed and mobile ready-mix concrete plants. It also operates with Geocycle, the global leader in circular solutions for waste management, and more than 550 Disensa stores, the largest network of lumberyards in the country. It also has a Tector plaster and adhesive plant, a precast and prestressed concrete factory, Tensolite and Quimexur, a waterproofing and paint factory. It also has the Holcim Argentina Foundation, which has been in operation in the country for more than 35 years, through which the company capitalizes on social investment.

## 18. ECUADOR



20 sites      1,000 personnel

Holcim Ecuador is a leader in innovative and sustainable construction solutions. With over 100 years of experience in the country producing cement, concrete, aggregates and solutions for the construction market, Holcim Ecuador, along with its subsidiary, Geocycle, reinforces its commitment to the circular economy through waste coprocessing. Holcim Ecuador has extensive coverage across the country, with an integrated cement plant in Guayaquil, a cement grinding plant in Latacunga, nine fixed concrete plants in Guayaquil, Quito, Cuenca, Manabí, Machala and Ambato, mobile concrete equipment, and two aggregate plants in Pifo and Daule.

### Total payments to government **CHF 36 MILLION**

#### PROFIT TAXES

18M

#### PROPERTY TAXES

0M

#### PEOPLE TAXES

7M

#### PRODUCT, CARBON AND OTHER TAXES

8M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

2M

### Total payments to government **CHF 58 MILLION**

#### PROFIT TAXES

44M

#### PROPERTY TAXES

1M

#### PEOPLE TAXES

3M

#### PRODUCT, CARBON AND OTHER TAXES

6M

#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

4M

## 19. ALGERIA



10 sites    1,700 personnel

Algeria is a strategic market for the Holcim Group. The construction sector in the country has been growing since 2000, with significant demand for building materials and construction solutions. Holcim Algeria is present across the entire value chain of construction materials (cements, road binders, special cements for hydrocarbon wells, mortars, aggregates, concrete, plasters, bags and distribution) through different business models. Holcim Algeria is strongly committed to the economic, social and environmental development of the country.

## 20. ITALY



35 sites    300 personnel

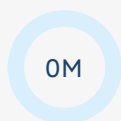
The history of Holcim Italy began in 1928 with the construction of the first cement production unit in Merone. Over the years, the company grew with progressive acquisitions until 1996 when it came under the control of the Holcim Group. Holcim Italy has more than 300 personnel in two cement plants, a grinding center in Merone and a full-cycle production plant in Ternate, as well as aggregate quarries, concrete plants and import terminals.

### Total payments to government **CHF 35 MILLION**

#### PROFIT TAXES



#### PROPERTY TAXES



#### PEOPLE TAXES



#### PRODUCT, CARBON AND OTHER TAXES

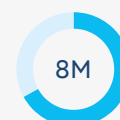


#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS

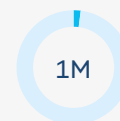


### Total payments to government **CHF 12 MILLION**

#### PROFIT TAXES



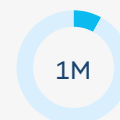
#### PROPERTY TAXES



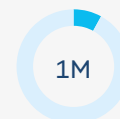
#### PEOPLE TAXES



#### PRODUCT, CARBON AND OTHER TAXES



#### ROYALTIES, FEES AND OTHER GOVERNMENTAL PAYMENTS



Learn more at [lafarge.dz](https://lafarge.dz)

Learn more at [holcim.it](https://holcim.it)



The remaining countries represent less than 15% of all taxes and other governmental payments made. We have included below a summary of these countries.

Country	Government payments <sup>1</sup>	Country	Government payments <sup>1</sup>	Country	Government payments <sup>1</sup>
El Salvador	31,876	Bulgaria	8,622	Moldova	1,662
Bangladesh	28,360	Nicaragua	6,793	United Arab Emirates	1,577
Colombia	27,766	Lebanon	7,396	Jordan	1,426
Hungary	27,400	Austria	6,636	Singapore	1,358
Netherlands	27,212	Azerbaijan	5,671	Slovakia	1,067
China	19,683	Croatia	5,283	Peru	602
Costa Rica	12,628	Kenya	4,954	New Zealand	264
India	11,912	Luxembourg	4,044	Portugal	148
Serbia	11,577	Cyprus	2,838	Slovenia	132
Egypt	9,654	Morocco	2,236	Qatar	85
Czech Republic	9,019	Guatemala	2,049		

## EU list of noncooperative jurisdictions

The **EU list of noncooperative jurisdictions for tax purposes** aims to combat tax avoidance, evasion and harmful tax practices.

Holcim owns legal entities in Panama, the British Virgin Islands, Malaysia and Vietnam, countries that are considered noncooperative by the EU in 2024.

These entities play no role in reducing the Group's payable taxes, and are often the result of prior acquisitions through which Holcim inherited the seller's legal structure, nor does Holcim benefit from the reasons the countries are considered noncooperative by the EU as detailed below.

### VIETNAM

Vietnam has committed to implement the Country-by-Country report (CbCR) minimum standard and to activate CbCR exchange relationships with all EU member states. It signed the Multilateral Competent Authority Agreement on CbCR and is in the process of taking the necessary steps to activate CbCR exchange relationships with all EU member states.

### PANAMA

Panama has a harmful foreign source income exemption regime and has not resolved this issue yet. Panama has committed to addressing the deficiencies with regard to its framework for exchanging information on request identified by the Global Forum and to requesting an in-depth review from the Global Forum before 17 July 2026.

### MALAYSIA

Malaysia has been granted an extension deadline to comply with the abolition of its harmful foreign-sourced income exemption by adapting its legislation as regards the treatment of capital gains.

### THE BRITISH VIRGIN ISLANDS

The British Virgin Islands does not have a rating of at least "Largely Compliant" by the Global Forum for exchange of information on request. It has amended its framework on exchange of information on request and, hence, it is waiting for an in-depth review by the Global Forum on this matter.

<sup>1</sup> All figures are CHF '000.

# OUR APPROACH TO TAX

We operate according to the world's highest governance standards. We recognize that taxes are a vital source of revenues and are intricately linked to the pursuit of environmental, social and governance (ESG) principles for governments to achieve the Sustainable Development Goals (SDGs).



## Principle 1: Alignment with our business strategy

We comply with tax laws in a responsible manner, aligned with our business strategy.



## Principle 2: Tax governance

We apply diligent care and judgment to ensure all decisions are well-considered and documented.



## Principle 3: Tax transparency

We value open and constructive relationships with tax authorities and support efforts to increase public trust in tax systems.



## Principle 4: Tax risk management

We implement processes and controls to limit financial risks for Holcim.



## Principle 5: Tax advocacy

We advocate for fair, effective, coherent and stable tax systems to reduce uncertainty for governments and companies.



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

Photo credit:  
Metro Tunnel Project Office

We pay our taxes where we do business and handle our tax affairs with a nonnegotiable focus on compliance and transparency. At the same time, we leverage governments' strategic use of tax policy to incentivize investment while driving progress toward both ESG and SDG objectives.

All companies within the Holcim Group are expected to comply with our approach to tax.

## PRINCIPLE 1

# ALIGNMENT WITH OUR BUSINESS STRATEGY

We comply with tax laws in a responsible manner, aligned with our business strategy.

### OUR STRATEGIC PRIORITIES:

To ensure alignment with our business strategy and reasonable expectations of our stakeholders.

To align adopted tax positions with commercial and economic reality.

To comply in good faith with applicable tax laws and obligations in all countries where we operate.

To promote a culture of integrity and compliance that respects not only the letter of the law but also the spirit of its underlying principles.

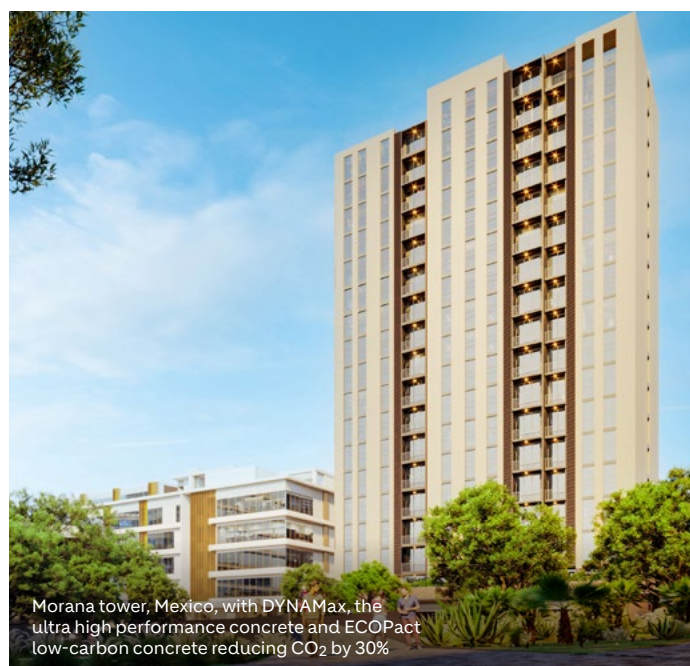
To interpret the relevant tax laws in a reasonable way and to thoroughly analyze any tax issues that may be open to interpretation.

Where appropriate, to prealign within a relationship of “cooperative compliance” (e.g., an advance tax agreement) before taking a filing position.

To not adopt a position that is contrary to the documented intention of the law and/or case law at the highest level.

To refrain from claiming or accepting exemptions not granted according to the statutory, regulatory or administrative frameworks.

To follow the terms of the applicable double taxation treaties and relevant guidance from local authorities, the Organisation for Economic Co-operation and Development (OECD), the EU and United Nations (UN).





## PRINCIPLE 2

# TAX GOVERNANCE

We apply diligent care and judgment to ensure all decisions are well-considered and documented.

When the business seeks tax advice and where alternative legitimate options exist to achieve the same commercial result, the most tax-efficient approach is recommended. As tax laws are not always clear, getting this right requires careful judgment, and we recognize that the tax authorities may not always agree with the judgments we make.



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

Photo credit: Devasahayam Chandra Dhas

### TO REDUCE POTENTIAL AREAS OF DISAGREEMENT:

We do not engage or become involved in artificial tax arrangements. The artificiality of a tax treatment is tested by the tax team against the existence of commercial purpose and/or economic substance.

We consider the reputational consequences of each filing position.

We follow established procedures and channels when dealing with tax authority officials.

We ensure that intercompany transactions are set in accordance with the OECD transfer pricing guidelines and arm's length principle.

All national, federal, state, provincial and local tax audits are conducted and settled under the direction of the tax team.

We use external advisers when required, but we mainly in-source tax work.

Our Code of Business Conduct sets out the standards of behavior, including for taxation. Holcim encourages personnel to report violations of its Code of Business Conduct policies (including tax or other breaches of law). Holcim facilitates such reporting through local legal or compliance teams as well as through our Integrity Line.

We provide an update to the Audit Committee of the Board of Directors on the Group's effective tax rate, cash tax paid and any key tax strategy items.

Adherence to the tax governance framework is verified by our statutory auditors.



### Board of Directors

Ultimate responsibility for strategy and overall governance of the company, including Holcim's tax strategy. Through the Audit Committee, the Board oversees Holcim's risk management and internal control process.

### Audit Committee

Assists and advises the Board of Directors in conducting its supervisory duties with respect to the internal control systems, including those relating to taxes. It examines the reporting for the attention of the Board of Directors, evaluates the Group's external and internal audit procedures, reviews the risk management systems of the Group and assesses financing issues.

### Chief Financial Officer

Responsible for all financial matters of the company, including tax, accounting, internal audit, treasury, pension and financial planning and analysis (FP&A), among others.

### Group Head of Tax

Responsible for developing the tax strategy of the Group and managing the associated tax policies and internal controls relating to income tax matters of the Group.

### Central Tax Team

Cross-disciplinary team overseeing the implementation of the tax strategy at a regional level and key subject matter tax experts in areas such as transfer pricing, financing, reporting and global tax initiatives, such as the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS).

### Local Tax Teams

Primarily responsible for the implementation of tax strategy and policies, managing local tax processes and risk management in relation to direct taxes.

## PRINCIPLE 3

# TAX TRANSPARENCY

We value open and constructive relationships with tax authorities and support efforts to increase public trust in tax systems.

We have an important role in society and take responsibility for acting in a fair and transparent manner toward all external stakeholders. Relationships between Holcim and tax authorities in all countries where we operate should be transparent and based on mutual trust. We support efforts to increase public trust in tax systems.

We recognize stakeholders' expectation of transparency on tax matters, including those defined by the Global Reporting Initiative (GRI) and the World Economic Forum (WEF) report, Measuring Stakeholder Capitalism. Our continued enhancements of our tax transparency reporting are fully aligned with the intentions of these initiatives. Our industry-leading disclosures on tax transparency demonstrates our commitment to transparency, ethical business conduct and corporate responsibility.

### WE ARE COMMITTED:

To be open and transparent with tax authorities about tax matters and provide relevant, reasonably requested information within a reasonable timeframe.

If questions or assessments from tax authorities appear to not be legitimate or based on misunderstandings of the facts or the law, to work with tax authorities, where possible, to identify the issues and explore options to resolve misunderstandings.

Where relevant, reasonably requested information is not available, to timely inform the tax authorities and explore mutually acceptable alternatives.

To work collaboratively with tax authorities to achieve early agreement on disputed issues and certainty on a real-time basis, wherever possible.

To explain to the public and any relevant stakeholders Holcim's approach to tax, economic contribution and taxes paid via appropriate disclosures.



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



## PRINCIPLE 4

# TAX RISK MANAGEMENT

We implement processes and controls to limit financial risks for Holcim.

We put relevant processes and controls in place to limit financial risks. On a quarterly basis, the Group Head of Tax reports tax risks to the CFO.

Holcim has put in place rigorous internal controls to ensure adherence to our tax policies and directives.

### WE FOCUS ON THE FOLLOWING RISK AREAS:

Operational risk – The underlying risks of applying the tax laws, regulations and decisions to business operations.

Compliance risk – Risk of not being compliant with the systems, processes and procedures.

Financial accounting risk – Risks associated with the financial reporting of tax figures (including the risk of not having documented and tested internal controls over financial reporting).

Transactional risk – Risks and exposures associated with the tax implications of specific transactions undertaken.

Reputational risk – Risks associated with the wider impact that may arise from Holcim's tax profile.

People risk – Risks associated with ensuring Holcim personnel have the right technical skills to handle tax matters in all countries where we operate. This includes identifying skill gaps and succession planning.



Australia 108 in Melbourne, the tallest residential skyscraper in the southern hemisphere, built using DYNAMax – Holcim's ultimate high-strength concrete

## PRINCIPLE 5

# TAX ADVOCACY

We advocate for fair, effective, coherent and stable tax systems to reduce uncertainty for governments and companies.

Holcim recognizes that any advocacy should not improperly influence decisions and should never be misused for any corrupt or illegal purpose. Governments are responsible for their fiscal policy and resulting laws. We respect the roles and responsibilities of the institutions and organizations we engage with.

### OUR ADVOCACY MEANS:

We regularly share knowledge and best practice through participation in industry and professional associations. These include the OECD and SwissHoldings, an industry body representing leading multinational Swiss corporations.

We strongly endorse the enforcement of international tax reforms in a coherent and coordinated way, enabling a level playing field and reducing the risk of paying tax twice on the same income.

We support pro-growth tax policies and harmonized, transparent incentive regimes throughout the world.

We sometimes face additional taxes that we believe may not have a positive impact on the economy or business growth. In such cases, we monitor this issue through our industry groups, public affairs and tax networks and, where appropriate, proactively engage with regulators to ensure they do not unfairly single out our industry or products.

In 2024, Holcim participated directly and indirectly in a number of working groups and/or consultations. In general, Holcim typically participates via industry or business bodies but may respond directly to consultations in which Holcim has specific insight, offering a valuable perspective. In 2024, this included:

- the OECD's Business Advisory Group (BAG) in respect of the international tax topics, primarily the implementation including Base Erosion and Profit Shifting (BEPS) Pillar Two
- the Business and Industry Advisory Committee to the OECD (BIAC) advocating for policies that enable the private sector to pursue economic growth, development and societal prosperity
- the OECD's Forum on Tax Administration TA 3.0 Working Group project on enhancing the trustworthy use of artificial intelligence in tax administration
- SwissHoldings securing optimal framework conditions and a liberal environment for multinational companies registered in Switzerland, with a significant focus on BEPS Pillar Two
- indirect engagement with the European Commission through the industry body Cembureau to ensure watertight implementation of the Carbon Border Adjustment Mechanism (CBAM), with necessary measures being in place to close possible circumvention routes and the risks of fraud
- European Business Tax Forum (EBTF) in relation to public discussions about corporate tax practices, behaviors and contributions to society. Furthermore, it emphasizes responsible tax practices and transparency.

# BASIS OF THIS REPORT

This Report is prepared from data recorded in our financial systems – the same data and financial systems used to prepare our financial statements.

Taxes, royalties and other payments to governments are presented in this Report on a cash paid basis for the year ended 31 December 2024.

For our controlled entities, amounts included are 100% of the taxes paid to governments. For entities classified as “held for sale”, entities divested prior to 31 December 2024, investments in joint ventures and associates that are equity accounted by Holcim, no amounts have been included.

## Total Economic Contribution

In this report we consider our Total Economic Contribution to include:

### 1. PROCUREMENT

The largest contribution occurs due to the economic value we add to society through our procurement activities, deriving CHF 18.3 billion gross value added.

### 2. EMPLOYEES

This is the Group’s total personnel expenses in accordance with note 15.3 of the [2024 Integrated Annual Report](#), less social security contributions which have been included under Total Taxes Paid (see item 4).

### 3. SHAREHOLDERS, LENDERS AND INVESTORS

This is the Group’s total interest paid, pay-out on ordinary shares and dividends paid to non-controlling interests in accordance with the consolidated statement of cash flows – see page 270 of the [2024 Integrated Annual Report](#).

## 4. PAYMENTS TO GOVERNMENT

This includes:

### • Total Taxes Paid

Where we use the term “Total Taxes Paid,” we do so in line with the World Economic Forum ESG definition, which includes corporate income taxes, property taxes, non-creditable value added tax (VAT) and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company. We have included below a summary definition for each tax subset:

### • Profit taxes

This is based on taxable profits under legislated income tax rules. This also includes payments made to revenue authorities in respect of disputed claims and withholding taxes. For the purposes of allocating income taxes to particular countries, withholding taxes on dividends are allocated to the country in which the withholding taxes are remitted, whereas withholding taxes on interest and royalties are allocated to the recipient country.

### • People taxes

This is based on the contributions we pay to government in addition to the salary and benefit costs of our personnel. We only include social security costs borne and not those collected (e.g., contributions deducted from personnel salaries).

### • Property taxes

These are taxes borne by Holcim on its real estate. Such taxes may be based upon its rateable value or other metric of usage. It does not include taxes linked to revenue or profitability of the Holcim entity utilizing the property.





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

Photo credit:  
Norman Foster Foundation

## • Product, carbon and other taxes

### Products taxes

Consist of (i) Non-recoverable sales tax and VAT and (ii) customs and excise duty.

### Non-recoverable sales tax and VAT

Generally tax payments made to or received from governments in the nature of sales tax, VAT and goods and services tax are not borne by Holcim. However, on occasions Holcim may bare these taxes without an ability to pass them onto customers. Where Holcim bares the cost of these taxes in its P&L, we have included these taxes in our total tax payments summary.

### Customs and excise duty

These taxes are generally borne by Holcim upon the movement of tangible goods in or out of economic areas.

### Carbon taxes

Payments borne by Holcim and paid to governments in relation to Holcim's greenhouse gas emissions.

### Other taxes

Payments to governments under other legislated tax rules.

## • Royalties, fees and other governmental payments

### Royalties

These are payments made to governments in relation to revenue or production generated.

### Government fees

Payments to governments in the form of fees typically levied on the initial or ongoing right to use a site or geographical area. This includes license fees, rental fees, entry fees and other fees.

### Other governmental payments

Payments for the construction of public infrastructure, such as roads, bridges and port facilities. Where source documentation or invoices are unavailable, we have made best efforts to estimate the total amounts paid using financial accounting records.

## EXCLUDED AMOUNTS

The following are not included in our report under Total Taxes Paid:

### Personnel taxes collected

Payments made to governments on behalf of our personnel.

### Indirect taxes

Payments made to or received from governments in the nature of sales tax, VAT, and goods and services tax where the cost is not borne by Holcim.

### Penalties and interest

Payments to governments resulting from the imposition of penalties, fees or interest.

### Other

Payments, whether made as a single payment or as a series of related payments, where the amount is immaterial.

## OTHER DEFINITIONS

### Personnel

Personnel measures the number of full-time equivalent own personnel (FTE) assigned to functions and tasks.

### Sites

The number of sites includes production sites, quarries, distribution centers, innovation centers, corporate offices and other controlled locations in the value chain. These figures may differ from prior years when the number of sites primarily included production sites only.

## REPORTING CURRENCY

All payments have been reported in CHF. Payments denominated in currencies other than CHF are translated for this report using the average exchange rate for the year ended 31 December 2024.

## COMPANY

This term refers to Holcim Ltd and its affiliates.

# OTHER CLARIFICATIONS

## Why is the tax expense in your Financial Statements different from the amount of tax paid disclosed in this Report?

The numbers are different because they are calculated at different times for different purposes.

The income tax expense recorded in our financial statements is designed to give shareholders an indication of the amount of tax the company expects to pay (now or in the future) for the activities undertaken during that financial year. It may also include adjustments in respect of prior years. For a number of reasons, this number does not represent the actual cash income tax paid during that financial year. For example, cash income tax paid may include payments or refunds relating to activities for a prior financial year, but may exclude final payments that relate to activities for the current financial year yet occur after the end of the financial year.

Additionally, the reporting of revenues or expenses in our financial statements may be different to their impact on taxable income reported in tax returns. For example, a piece of equipment may be depreciated for accounting purposes over a certain number of years, but be deductible for tax purposes over a different period (whether shorter or longer). These differences are commonly known as “deferred taxation.”

The income tax expense may also be impacted by permanent differences, such as non-deductible expenses.

In addition to income tax, we also pay other taxes including:

- **Property tax** – taxes levied on the real estate we own or lease and which are utilized in our commercial activities.
- **Social contributions** – we must pay social contributions calculated by reference to our personnel wage payments. These contributions can be borne by Holcim and not deducted from personnel wages.
- **Excise duty** – an indirect tax on manufacturers due at the point of production rather than sale, which generally forms part of the cost of the product.
- **Customs duty** – an indirect tax imposed on goods as they either enter or leave a country.
- **Value-added tax (VAT)** – indirect tax due on goods and services, typically as a percentage of the sales price. These are normally borne by customers but in some circumstances, Holcim may bear these costs where the VAT is irrecoverable.

## What are Controlled Foreign Company rules and how do they impact Holcim?

Controlled foreign company (CFC) rules respond to the risk that tax payers can reduce the tax base of their country of residence by shifting income into a foreign company that is controlled by the tax payer.

CFC rules, although complex, generally follow the same basic structure. First, an ownership threshold is used to determine whether an entity is considered a controlled foreign corporation.

Second, once a foreign subsidiary is considered a CFC, there is a test to determine whether the subsidiary’s income should be taxed domestically. Most countries determine a subsidiary taxable if the foreign tax jurisdiction levies a tax rate below a certain threshold and/or a certain share of the subsidiary’s income is passive. Passive income includes non-traditional production activities, such as interest, dividends, rental income and royalty income.

Third, once a foreign subsidiary is considered a CFC and its income is taxable domestically, a country defines what income earned by the foreign subsidiary is subject to tax. While some countries tax only a CFC’s passive income, others tax all income of foreign subsidiaries (active and passive).

# TAX TRANSPARENCY REPORT ASSURANCE STATEMENT

To the Executive Committee of **Holcim Ltd, Zug**  
Zurich, 22 May 2024

## Independent Assurance Report on Tax and Governmental Contributions disclosed within the Tax Transparency Report

### SCOPE

We have been engaged by the Executive Committee of Holcim Ltd to perform a 'limited assurance engagement' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Holcim's Tax and Governmental Contributions (the "Subject Matter") disclosed on pages 20 to 33 of the Holcim's Tax Transparency Report (hereafter the "Report") which has been prepared for the period ending 31 December 2024.

### CRITERIA APPLIED BY HOLCIM

In preparing the Subject Matter, Holcim applied the criteria described in the "Basis of this report" section of the Report (Criteria).

### HOLCIM'S RESPONSIBILITIES

Holcim's Executive Committee is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

### EY'S RESPONSIBILITIES

Our responsibility is to express a conclusion about the Subject Matter based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the International Standard for Assurance Engagements *Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with Holcim on 12 April 2024. That standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

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.

### DESCRIPTION OF PROCEDURES PERFORMED

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 a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our procedures included, amongst others:

- Assessing the suitability of the Criteria described in the “Basis of this report” section of the Report in terms of their relevance, comprehensiveness, reliability, neutrality and understandability as well as their consistent application
- Reviewing of the non-financial reporting processes related to preparing the Tax and Governmental Contributions disclosures on pages 20 to 33
- Reviewing the Report regarding plausibility and consistency of the Tax and Governmental Contributions disclosures on pages 20 to 33 with the other information in the Report
- Undertaking interviews with the people responsible for the collection and preparation of the Tax and Governmental Contributions information at the headquarters of Holcim Ltd, Switzerland and at the country level for a selection of entities, in order to:
  - Assess the suitability of the data collection templates (and accompanying instructions) as well as other data sources
  - Understand the implementation of the process for the collection and compilation of the Tax and Governmental Contributions
  - Assess the suitability of the Tax and Governmental Contributions information collected for reporting against the basis of preparation
- Performing detailed testing procedures on a selection of the information disclosed in relation to the Tax and Governmental Contributions by:
  - Selecting a sample representing no less than 20% of the total Tax and Governmental Contributions
  - Interviewing data owners to understand the application of the procedures and detailed tests on the basis of samples, consisting of checking the application of the definitions and procedures as well as reconciling the data with the supporting documents

We also performed such other procedures as we considered necessary in the circumstances.

## CONCLUSION

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter disclosed on pages 20 to 33 of the Holcim’s Tax Transparency Report for the period ending 31 December 2024, in order for it to be in accordance with the Criteria described in the “Basis of this report” section in the Tax Transparency Report.

Ernst & Young Ltd

### Jacques Pierres

Licensed audit expert  
(Auditor in charge)

### Daniel Zaugg

Licensed audit expert



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**Front cover photo credit:** Jorge Garrido

Built with high-strength Fuerte cement, Parque La Mexicana is an urban park in Mexico City that features 100,000 m<sup>2</sup> of forest with walking and cycling paths