

2025 FINANCIAL REPORT



2025 Integrated Annual
Reporting Suite



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Cover image:
The Grand Egyptian Museum in
Giza, Egypt
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CONSOLIDATED STATEMENT OF INCOME OF HOLCIM

Million CHF	Notes	2025	2024 Restated ²
Net sales	3.3	15 724	16 201
Production cost of goods sold	4.3	(9 066)	(9 135)
Gross profit		6 658	7 066
Distribution and selling expenses		(3 500)	(3 645)
Administration expenses		(929)	(1 123)
Share of profit of joint ventures	6.3	314	253
Operating profit		2 543	2 551
Profit on disposals and other non-operating income	5.2	83	49
Loss on disposals and other non-operating expenses	5.3	(1 434)	(129)
Share of profit of associates	6.9	23	24
Financial income	7.2	125	138
Financial expenses	7.3	(406)	(517)
Net income before taxes		934	2 116
Income taxes	8.2	(474)	(544)
Net income from continuing operations		460	1 573
Net income from discontinued operations before gain on distribution of Amrize to Holcim Ltd shareholders ¹	13.2	453	1 469
Gain on distribution of Amrize to Holcim Ltd shareholders ¹	2.3	12 337	0
Net income from discontinued operations		12 790	1 469
Net income		13 250	3 042
Net income from continuing operations attributable to:			
Holcim Ltd shareholders		387	1 456
Non-controlling interests		73	117
Net income attributable to:			
Holcim Ltd shareholders		13 179	2 926
Non-controlling interests		71	115
Earnings per share from continuing operations in CHF			
Basic earnings per share	9	0.70	2.60
Diluted earnings per share	9	0.70	2.59
Earnings per share in CHF			
Basic earnings per share	9	23.85	5.24
Diluted earnings per share	9	23.79	5.22

¹ Amrize refers to the North American business spun off on 23 June 2025.

² Comparative information restated for discontinued operations (see Note 13.2).

In accordance with IFRS 5, the Consolidated Statement of Income and Consolidated Statement of Cash Flows for 2024 have been restated for discontinued operations (see Note 13.2). The 2024 Consolidated Statement of Comprehensive Earnings, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity are not restated.

Alternative performance measures used in this report are defined from page 102 [↗](#)

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS OF HOLCIM

Million CHF	Notes	2025	2024
Net income		13 250	3 042
Items that will be reclassified to the statement of income in future periods			
Currency translation effects			
- Exchange differences on translation ¹		(2 079)	865
- Realized through statement of income ²		4 200	216
- Tax effect	8.4	(8)	9
Cash flow hedges			
- Change in fair value		38	76
- Realized through statement of income		(75)	(48)
- Tax effect	8.4	7	(8)
Net investment hedges in subsidiaries			
- Realized through statement of income		(16)	(21)
Subtotal		2 068	1 089
Items that will not be reclassified to the statement of income in future periods			
Defined benefit plans			
- Remeasurements	15.3	(166)	83
- Tax effect	8.4	2	(4)
Subtotal		(163)	79
Total other comprehensive earnings		1 905	1 168
Total comprehensive earnings		15 155	4 210
Total comprehensive earnings attributable to:			
Holcim Ltd shareholders		15 134	4 086
Continuing operations		796	2 311
Discontinued operations		14 338	1 775
Non-controlling interests		21	124

¹ The negative impact in exchange differences on translation in 2025 is mainly due to the fluctuation of the USD related to the North American business prior to the spin-off.

² In 2025, the currency translation effects realized through the statement of income relate to the spin-off of the North American business (see Note 2.3) and to the disposals of certain Group's businesses (see Note 2.4). In 2024, the currency translation effects realized through the statement of income relate to the disposals of certain Group's businesses (see Note 2.4).

In accordance with IFRS 5, the Consolidated Statement of Income and Consolidated Statement of Cash Flows for 2024 have been restated for discontinued operations (see Note 13.2). The 2024 Consolidated Statement of Comprehensive Earnings, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity are not restated.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HOLCIM

Million CHF	Notes	31.12.2025	31.12.2024
Cash and cash equivalents	14.3	5 440	5 347
Short-term derivative assets	14.5	11	55
Current financial receivables	12.3	83	137
Trade accounts receivable	10.2	1 714	2 613
Inventories	10.3	1 716	3 117
Prepaid expenses and other current assets	10.4	723	837
Assets classified as held for sale	13.3	118	81
Total current assets		9 805	12 187
Long-term financial investments and other long-term assets	12.2	350	538
Investments in associates and joint ventures	6.2	3 065	3 331
Property, plant and equipment	11.2	12 529	20 307
Goodwill	11.3	6 352	14 594
Intangible assets	11.3	751	2 380
Deferred tax assets	8.4	568	565
Pension assets	15.3	174	378
Long-term derivative assets	14.5	11	6
Total non-current assets		23 800	42 098
Total assets		33 605	54 285
Million CHF	Notes	31.12.2025	31.12.2024
Trade accounts payable	10.5	3 426	4 745
Current financial liabilities	14.4	1 380	1 842
Current income tax liabilities		549	712
Other current liabilities		1 648	2 068
Short-term provisions	16.2	378	387
Liabilities directly associated with assets classified as held for sale	13.3	22	0
Total current liabilities		7 403	9 754
Long-term financial liabilities	14.4	7 867	12 014
Provision for pensions and other post-employment benefit plans	15.3	264	548
Long-term income tax liabilities	8.6	64	154
Deferred tax liabilities	8.4	861	1 994
Long-term provisions	16.2	1 060	1 866
Total non-current liabilities		10 116	16 575
Total liabilities		17 520	26 330
Share capital	17.2	1 134	1 158
Capital surplus		10 992	14 593
Treasury shares	17.2	(645)	(1 744)
Reserves		3 897	13 232
Total equity attributable to Holcim Ltd shareholders		15 377	27 239
Non-controlling interests	2.6	708	716
Total shareholders' equity		16 086	27 956
Total liabilities and shareholders' equity		33 605	54 285

In accordance with IFRS 5, the Consolidated Statement of Income and Consolidated Statement of Cash Flows for 2024 have been restated for discontinued operations (see Note 13.2). The 2024 Consolidated Statement of Comprehensive Earnings, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity are not restated.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF HOLCIM

Million CHF	Share capital	Capital surplus	Treasury shares
Equity as of 1 January 2025	1 158	14 593	(1 744)
Net income			
Other comprehensive earnings			
Total comprehensive earnings			
Payout		(1 714)	
Hyperinflation ¹			
Change in treasury shares ²			99
Cancellation of shares ²	(24)		1 000
Share-based remuneration		(113)	
Dividend-in-kind to effect the spin-off of Amrize ³		(1 774)	
Acquisition/(disposal) of participation in Group companies			
Change in participation in existing Group companies			
Equity as of 31 December 2025	1 134	10 992	(645)
Equity as of 1 January 2024	1 158	16 672	(811)
Net income			
Other comprehensive earnings			
Total comprehensive earnings			
Payout		(1 570)	
Subordinated fixed rate resettable notes ⁴			
Hyperinflation ¹			
Change in treasury shares ²		(488)	(933)
Share-based remuneration		(22)	
Acquisition/(disposal) of participation in Group companies			
Change in participation in existing Group companies			
Equity as of 31 December 2024	1 158	14 593	(1 744)

¹ For more information, see Note 2.2.

² The change in treasury shares in 2025 mainly comprises exercised share options and delivered performance shares. In 2024, the amount of CHF -933 million includes the impact of the share buyback program launched in March 2024 in the amount of CHF -1 000 million launched in March 2024. The cancellation of the repurchased shares was approved at the Annual General Meeting held on 14 May 2025. For more information, see Note 17.2.

³ The fair value of the dividend-in-kind of Amrize shares to Holcim shareholders, approved at the Annual General Meeting held on 14 May 2025, amounted to CHF 25 442 million recorded for CHF 1 774 million against foreign capital reserves from tax capital contribution in capital surplus and CHF 23 668 million against other reserves and retained earnings. The distribution was effected on 23 June 2025, whereby one Amrize share was distributed for each Holcim share (see Note 2.3).

⁴ On 28 May 2024, Holcim exercised the redemption option on the EUR 500 million (CHF 490 million) subordinated fixed rate resettable perpetual notes issued on 5 April 2019 at an initial fixed coupon of 3.0%. This equity instrument is reflected at historical value in equity. For more information, see Note 17.1.

⁵ The currency translation effects relating to the divestment of several Group businesses are realized through the statement of income. Currency translation adjustments reserve as of 31 December 2025 included CHF -11 million related to assets and directly associated liabilities classified as held for sale (see Note 13.3).

In accordance with IFRS 5, the Consolidated Statement of Income and Consolidated Statement of Cash Flows for 2024 have been restated for discontinued operations (see Note 13.2). The 2024 Consolidated Statement of Comprehensive Earnings, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity are not restated.

Currency translation adjustments ⁵	Other reserves and retained earnings	Total equity attributable to Holcim Ltd shareholders	Non-controlling interests	Total shareholders' equity
(18 796)	32 027	27 239	716	27 956
	13 179	13 179	71	13 250
2 147	(192)	1 956	(50)	1 905
2 147	12 987	15 134	21	15 155
		(1 714)	(143)	(1 858)
	74	74	13	87
	107	206		206
	(976)			0
		(113)		(113)
	(23 668)	(25 442)		(25 442)
			101	101
	(7)	(8)	1	(7)
(16 649)	20 545	15 377	708	16 086
(19 847)	28 825	25 997	786	26 783
	2 926	2 926	115	3 042
1 062	98	1 160	8	1 168
1 062	3 024	4 086	123	4 210
		(1 570)	(146)	(1 715)
	(555)	(555)		(555)
	196	196	35	232
	527	(893)		(893)
		(22)		(22)
	(7)	(7)	(64)	(71)
(11)	17	6	(18)	(12)
(18 796)	32 027	27 239	716	27 956

CONSOLIDATED STATEMENT OF CASH FLOWS OF HOLCIM

Million CHF	Notes	2025	2024 Restated ¹
Net income from continuing operations		460	1 573
Income taxes	8.2	474	544
Loss on disposals and other non-operating items		1 339	75
Share of profit of associates and joint ventures	6.3, 6.9	(337)	(277)
Financial expenses, net	7.2, 7.3	281	379
Depreciation, amortization and impairment of operating assets	4.5	1 351	1 329
Employee benefits and other operating items		135	(45)
Change in inventories		(36)	(120)
Change in trade accounts receivable		(52)	30
Change in trade accounts payable		179	305
Change in other receivables and liabilities		(104)	(20)
Cash generated from continuing operations		3 690	3 771
Dividends received		275	246
Interest received		105	143
Interest paid		(380)	(491)
Income taxes paid	8.3	(563)	(555)
Cash flow from operating activities from continuing operations		3 127	3 115
Cash flow from operating activities from discontinued operations	13.2	(339)	2 552
Total cash flow from operating activities (A)		2 788	5 667
Purchase of property, plant and equipment		(1 061)	(1 085)
Disposal of property, plant and equipment		88	91
Acquisition of participation in Group companies	2.4	(489)	(768)
Disposal of participation in Group companies	2.4	552	472
Purchase of financial assets, intangible and other assets		(232)	(222)
Disposal of financial assets, intangible and other assets		108	198
Cash flow from investing activities from continuing operations		(1 034)	(1 314)
Cash flow from investing activities from discontinued operations	13.2	(926)	(723)
Total cash flow from investing activities (B)		(1 960)	(2 037)
Payout on ordinary shares	9	(1 714)	(1 570)
Dividends paid to non-controlling interests		(107)	(164)
Net movement of treasury shares ²		76	(951)
Repayment from subordinated fixed rate resettable notes	17.1	0	(490)
Coupon paid on subordinated fixed rate resettable notes		0	(13)
Net movement in current financial liabilities		(10)	125
Proceeds from long-term financial liabilities		16	25
Repayment of long-term financial liabilities		(1 670)	(931)
Repayment of long-term lease liabilities	14.7	(210)	(202)
Increase in participation in existing Group companies		(3)	(12)
Cash flow from financing activities from continuing operations		(3 622)	(4 183)
Cash flow from financing activities from discontinued operations	13.2	3 560	(186)
Total cash flow from financing activities (C)		(63)	(4 369)
Increase/(Decrease) in cash and cash equivalents (A + B + C)		765	(739)
Cash and cash equivalents at the beginning of the period (net)		5 334	6 052
Increase/(Decrease) in cash and cash equivalents		765	(739)
Currency translation effects		(662)	21
Cash and cash equivalents as at the end of the period (net)	14.3	5 437	5 334

¹ Comparative information restated for discontinued operations (see Note 13.2).

² The net movement of treasury shares for 2024 is mainly related to the share buyback program announced in March 2024 and completed in December 2024 (see Note 17.2).

In accordance with IFRS 5, the Consolidated Statement of Income and Consolidated Statement of Cash Flows for 2024 have been restated for discontinued operations (see Note 13.2). The 2024 Consolidated Statement of Comprehensive Earnings, Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity are not restated.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS



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As used herein, the terms “Holcim” and the “Group” refer to Holcim Ltd (Switzerland) together with the companies included in the scope of consolidation.

1. Accounting policies

1.1 Basis of preparation

The Consolidated Financial Statements were prepared in accordance with the IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB).

The Group has prepared the Consolidated Financial Statements on the basis that it will continue to operate as a going concern.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

Critical estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities, and related disclosures as of the date of the financial statements.

Estimates and judgments are continually evaluated. They are based on historical experience and additional factors, including expectations of future events that are believed to be reasonable under the circumstances.

Due to the nature of making estimates and assumptions relating to the future, the resulting accounting estimates could deviate from the related actual results.

Management also uses judgment in applying the Group's accounting policies.

The following details the judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and which have a significant impact on the amounts recognized in the financial statements:

- Classification of a subsidiary or a disposal group as held for sale or available for distribution to owners and the related assessment as to whether the proceeds expected to be received will exceed the carrying amounts as detailed in Notes 1.2, 2.4, and 13. The recognition and measurement of indemnification provisions related to disposals require an estimate of the expenditure and timing of the settlement.
- Certain lease contracts entered into by the Group contain extension options that require an assessment of whether such options will be exercised. If it is reasonably certain that an extension option will be exercised, the period covered by the extension option is included in the lease liability. As part of this judgment, the Group considers all relevant facts and circumstances that create an economic incentive for it to exercise an extension option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Note 14.7 includes additional information about future payments covered by an extension option not included in the lease term.
- As part of Holcim's strategy to decarbonize its operations, the Group enters into agreements for the purchase of power (PPAs) and for the capture and sequestration of CO₂. These agreements are long-term contracts under which Holcim secures the sourcing of renewable energy and ensures the safe storage of sequestered CO₂. The application of judgment is required to determine whether the agreements convey the right to control identified assets or include hybrid features and, consequently, whether the underlying contracts contain leases or embedded derivatives.

The following details of the assumptions the Group makes about the future, as well as other major sources of estimation uncertainty at year-end that could have a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Assumptions underlying the estimation of value-in-use in respect of cash-generating units for impairment testing purposes require the use of estimates such as long-term discount rates, growth rates, price, costs, and sustainability-related key assumptions (Note 6, Note 11.3).
- For all acquisitions of subsidiaries, the fair value of the consideration transferred (including any contingent consideration) and the fair value of the assets acquired and liabilities assumed involves a high degree of estimation and judgment (Note 2.4).

- Liabilities and costs for defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. Actuarial valuations involve making assumptions about discount rates, expected future salary increases, and mortality rates, which are subject to significant uncertainty due to the long-term nature of such plans (Note 15.3).
- The measurement of site restoration and other environmental provisions requires long-term assumptions regarding the completion of raw material extraction, restoration costs, and the phasing of the restoration work to be carried out (Note 16.1).
- The recognition and measurement of provisions, including litigation provisions or indemnification provisions, require an estimate of the expenditure and timing of the settlement. Litigation and claims to which the Group is exposed are assessed by management, with the assistance of the legal department and, in certain cases, with the support of external specialized lawyers (Note 16.2). Disclosures related to such provisions, as well as contingent liabilities, also require significant judgment (Note 16.3).
- The recognition of deferred tax assets from tax losses carried forward requires an assessment of whether it is probable that sufficient future taxable profit will be available against which the unused tax losses can be utilized (Note 8).
- The Group is subject to income taxes in numerous jurisdictions, and the calculation of the Group's tax charge involves a degree of estimation and judgment in respect of certain items. There are many transactions and calculations where the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for potential tax audit issues and uncertain tax positions based on management's estimate of whether additional taxes will be due and on the requirements of IFRIC 23 Uncertainty over Income Tax Treatments (Note 8).

The critical estimates and assumptions related to climate change-related impacts are presented in Note 1.4.

1.2 Application of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations and IFRIC 17 Distributions of Non-cash Assets to Owners

A subsidiary or a disposal group is classified as held for sale or held for distribution to owners only when it is available for immediate sale or distribution in its current condition. Upon shareholder approval, the sale or distribution is deemed highly probable and the conditions for applying IFRIC 17 Distributions of Non-cash Assets to Owners are met.

The subsidiary or disposal group is then recognized as discontinued operations and presented separately in the consolidated statement of income, the consolidated statement of comprehensive earnings, and the consolidated statement of cash flows for the current and prior periods.

In addition, a distribution liability for the dividend-in-kind is recognized in an amount equivalent to the fair value of the net assets to be distributed, with a corresponding decrease in retained earnings. At the dividend declaration date, the fair value of the distribution liability is determined using a consensus estimate of the spun-off entity's share price.

Until the date of distribution to shareholders, adjustments to the fair value of the distribution liability are recognized in retained earnings.

At the date of the distribution to shareholders, the distribution liability is revalued using the opening share price of the spun-off entity as quoted on the stock exchange. The difference between the distribution liability and the carrying value of the net assets of the disposal group is recorded as a gain within discontinued operations in the consolidated statement of income.

For additional disclosures, refer to Note 2.3 "Completion of the spin-off of the North American business through a dividend-in-kind distribution to Holcim Ltd shareholders" and Note 13.2 "Discontinued operations."

1.3 Adoption of new and amended IFRS Accounting Standards

The following amendments became effective as of 1 January 2025:

- Amendments to IAS 21, Lack of Exchangeability
The amendments to IAS 21 define the criteria for assessing whether a currency is exchangeable and provide guidance on the determination of the spot exchange rate for currencies lacking exchangeability. The amendments require disclosures on the currencies and related restrictions, the transactions and carrying amounts of assets and liabilities affected, as well as the spot exchange rates and estimation techniques applied. The Group operates in countries with currencies of limited exchangeability, requiring the use of estimates in determining the spot exchange rates for each measurement date. The impact of the adoption of the amendment to IAS 21 on the consolidated financial statements did not have a material quantitative or qualitative impact on the financial statements.

The following amendments will become effective for annual periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7, Classification and Measurement of Financial Liabilities
The adoption of the above-mentioned amendments is not expected to have a material impact on the Group's financial statements.
- Amendments to IFRS 9 and IFRS 7, Nature-dependent Electricity
The targeted update provides clarification concerning the application of the 'own-use' requirements in relation to power purchase agreements and the permission of hedge accounting if these contracts are used as hedging instruments.
The Group does not expect these amendments to have a material impact on the financial statements.
- Annual Improvements to IFRS Accounting Standards
Other than removing inconsistencies, the amendments clarify the derecognition of a lessee's lease liabilities and credit risk disclosures.
The amendments are not expected to materially impact the Group's financial statements.

The following new standards and amendments will become effective for annual periods beginning on or after 1 January 2027:

- IFRS 18, Presentation and Disclosure in Financial Statements
This standard aims to improve comparability across financial statements prepared under IFRS. It introduces new required totals and subtotals in the statement of profit or loss (formerly the statement of income), provides enhanced guidance on the aggregation and disaggregation of information, and requires entities to disclose management-defined performance measures, together with reconciliations to the most closely related subtotal in the statement of profit or loss.
The Group is preparing its systems and processes to comply with the new requirements, including the restatement of comparative information.
- IFRS 19, Subsidiaries without Public Accountability
The Group does not expect this standard to have any impact on its financial statements.
- IAS 21, Translation to a Hyperinflationary Presentation Currency
The Group does not expect this amendment to have any impact on its financial statements.

The Group has not early adopted any new standards, interpretations, or amendments that have been issued but are not yet effective for these consolidated financial statements.

1.4 Climate change-related impacts

The Group makes estimates and assumptions about future events, including those related to climate change. Given the uncertainty surrounding the future of climate policies, technological advances, market shifts, and the physical effects of climate change, the impacts of climate-related matters on Holcim's operations and cash flow projections are subject to change. To address this, Holcim regularly reviews and updates its financial forecasts in accordance with its risk management practices. This also ensures Holcim's projections remain consistent with its commitments to investors and other stakeholders. The estimates and assumptions, notably those relating to assets and goodwill impairment, useful life of assets, CapEx and research and development, inventory valuation, financial expenses, recoverability of deferred tax assets, provisions and contingent liabilities, and insurance costs are based on the available information and regulations in place as of 31 December 2025.

Risk management

Holcim's risk management facilitates the understanding of how climate-related matters could impact the Group's financial reporting, including the preparation of the Consolidated Financial Statements. Following the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations, Holcim systematically identifies and assesses all potential impacts of climate-related risks through a comprehensive risk management framework. It covers both transition risks, which include risks in relation to Holcim's decarbonization journey, and physical risks, which relate to the physical impacts of climate change on Holcim's assets and operations. For further details on our climate-related risk management, please refer to "Holcim climate and nature risks and opportunities" in our 2025 Sustainability Statement, pages 72-79.

Impairment testing

Impairment testing is performed at the cash-generating unit (CGU) level. In assessing the valuation of a CGU, future cash flows are estimated based on a four-year financial planning period using business plans approved by management. These plans include management's current views regarding market growth, pricing, and costs, all of which are assessed considering the impact of climate-related matters on future profitability. The impact of climate-related matters could result in higher costs and reduced revenues affecting the future taxable profits on which the recognition of deferred tax assets is based. Business plans used for the recognition of deferred tax assets are aligned with those used in the impairment process, taking into account climate-related impacts. In all cases, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market in which the CGU operates. This long-term rate is determined based on the expected inflation and gross domestic product growth of the respective market, as published by the International Monetary Fund (IMF).

Useful lives of assets

Climate-related matters may affect the valuation and useful lives of the Group's assets through transitional risks, such as technological obsolescence, evolving regulations, shifts in market demand, or through physical risks arising from more frequent and severe climate events. These risks may result in changes to the amount of depreciation or amortization recognized each year, or lead to asset impairments where assets no longer comply with environmental standards or have suffered physical deterioration. Climate risks may also affect the valuation of inventories, which could become obsolete or non-recoverable as a result of a decline in selling prices or an increase in costs. Furthermore, climate-related events can disrupt our production, increasing our insurance costs due to higher amounts at stake or more frequent insured cases.

CapEx and R&D

The transition to lower-emission technologies impacts the allocation of future CapEx. The Group's research and development (R&D) expenditures are aligned with the Group's R&D strategy to focus on new and alternative technologies as a result of diverse research initiatives. These either impact CapEx or R&D costs in the statement of income, depending on the success of the initiatives.

Sustainable finance framework

Holcim has implemented a sustainable finance framework to support the issuance of green and sustainability-linked finance instruments. This enables the Group to raise funds for activities that are aligned with the EU Taxonomy Regulation or that contribute to the transformation of its cement operations to meet alignment criteria. Green finance instruments are intended to fund projects with a positive environmental impact, such as lower-emission manufacturing processes, the development of energy-efficient building solutions, the sourcing of renewable energy, and the adoption of clean transportation. In parallel, the Group has diversified its financing structure by introducing sustainability-linked bonds, which connect funding costs to the achievement of defined sustainability performance targets. Failure to meet these targets could affect the Group's financial expenses.

Site restoration and other environmental provisions

Climate-related matters may affect the level of provisions recognized, including those for site restoration and other environmental provisions. Such impacts may arise from government-imposed levies for not meeting climate-related targets, the introduction of new regulations, requirements to remediate environmental damages at certain sites, or due to an increased likelihood of existing obligations being enforced. In addition, some contracts may become onerous due to climate-related changes, potentially reducing the Group's revenue or increasing its operating costs.

Emission rights

The initial allocation of emission rights granted is recognized at nominal amount (nil value). Where a Group company has emissions in excess of the emission rights granted, it recognizes a provision for the shortfall based on the market price at that date. The emission rights are held for compliance purposes only, and, therefore, the Group does not intend to speculate with these in the open market.

2. Fully consolidated companies and non-controlling interests

2.1 Scope of consolidation

The Consolidated Financial Statements comprise those of Holcim Ltd and of its subsidiaries. The list of principal consolidated companies is presented in Note 2.5.

2.2 Accounting principles

Principles of consolidation

The Group consolidates a subsidiary if it has an interest of more than one half of the voting rights, or otherwise considers that it has power over the subsidiary where the voting rights are sufficient to give it the current and practical ability to direct the relevant activities of the subsidiary, and it is exposed to variable returns from the subsidiary. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of the consideration paid as of the date of exchange.

For each business combination, the Group measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed in the income statement within operating profit. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at fair value as of the acquisition date.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as of the acquisition date.

If the business combination is achieved in stages, the carrying amount of the Group's previously held equity interests in the acquiree is remeasured to fair value as of the acquisition date, with any resulting gain or loss recognized in the statement of income.

Any contingent consideration to be transferred by the Group is recognized at fair value as of the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognized in the statement of income.

Contingent liabilities assumed in a business combination are recognized at fair value and subsequently measured at the higher of the amount that would be recognized as a provision and the amount initially recognized.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control is lost.

Changes in the ownership interest in a subsidiary that do not result in a loss of control are accounted for as an equity transaction. Consequently, if Holcim acquires or partially disposes of non-controlling interests in a subsidiary, without losing control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in retained earnings. However, if the Group loses control of a subsidiary, it derecognizes all the assets (plus goodwill) and liabilities of the subsidiary, including the carrying amount of any non-controlling interests.

Additionally, the Group reclassifies the currency translation adjustments relating to that subsidiary recognized in equity and records the resulting difference as a gain or loss on disposal in the statement of income.

As part of a business combination, the Group might write put options and acquire call options in connection with the remaining shares held by the non-controlling shareholders. If the Group has acquired a present ownership interest as part of a business combination, the present value of the redemption amount of the put option is recognized as a financial liability, with any excess over the carrying amount of the non-controlling interests recognized as goodwill. In such cases, the non-controlling interests are deemed to have been acquired as of the acquisition date, so any excess arising should follow the accounting treatment as in a business combination. All subsequent changes in the fair value of the financial liability are recognized in the statement of income and no earnings are attributed to the non-controlling interests. However, where the Group has not acquired a present ownership interest as part of a business combination, the non-controlling interests continue to receive an allocation of profit or loss and are reclassified as a financial liability at each reporting date, as if the acquisition had taken place on that date. Any excess over the reclassified carrying amount of the non-controlling interests and all subsequent changes in the fair value of the financial liability are recognized directly in retained earnings.

Foreign currency translation

The assets and liabilities of each Group's company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Statements of income of foreign entities are translated into the Group's reporting currency (Swiss francs) at average exchange rates for the year, and statements of financial position are translated at the exchange rates prevailing on 31 December.

Goodwill arising from the acquisition of a foreign operation is expressed in the functional currency of the foreign operation and is translated into Swiss francs at the closing rate of the reporting period (for more information, see Note 11.3).

Foreign currency transactions translated into the functional currency are accounted for at the exchange rate prevailing on the transaction date; gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, unless deferred outside the statement of income as qualifying cash flow hedges or net investment hedges.

Exchange differences arising on monetary items that form part of a company's net investment in a foreign operation are recognized in other comprehensive earnings (currency translation adjustment) and are fully reclassified to the statement of income should the Group lose control of a subsidiary, lose joint control over an interest in a joint arrangement, or lose significant influence over an associate. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the statement of income as part of the net gain or loss on sale, except in the case of partial disposal of a subsidiary without loss of control, where a proportionate share of the cumulative currency translation adjustments is re-attributed to non-controlling interests and not recognized in the statement of income.

In countries with limited foreign currency availability and where several exchange rates are available, the Group applies the rate at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date. If exchangeability between two currencies is temporarily lacking, the rate used is the first subsequent rate at which exchanges could be made.

Hyperinflation

Since 31 December 2018, the Group has applied IAS 29 Financial Reporting in Hyperinflationary Economies for Argentina. In accordance with IAS 29, the financial statements for Argentina are expressed in terms of the measuring units current as of 31 December 2025 and 2024. Monetary assets and liabilities are not restated as they are already expressed in the measuring unit current at the end of the reporting period, whereas all non-monetary items such as inventory, property, plant and equipment and equity recorded at historical rates are restated in terms of the measuring unit current at the end of December 2025 and 2024.

The resulting gain of CHF 21 million (2024: CHF 61 million) on the net liability monetary position was recorded as part of production cost of goods sold in the consolidated statement of income.

The restatement of equity by CHF 87 million (2024: CHF 232 million) was reflected as an increase in retained earnings, of which CHF 13 million (2024: CHF 35 million) was attributable to non-controlling interests. The restated financial statements for Argentina are translated into Swiss francs at the exchange rates applicable as of 31 December 2025 and 2024 and the organic growth of the country is adjusted to limit the impact of hyperinflation.

Inflation in Lebanon has increased significantly and the three-year cumulative inflation rate exceeded 100% in July 2020. No hyperinflation accounting was applied for the consolidated financial statements as of 31 December 2025 and 2024, as the impact is considered immaterial.

Principal exchange rates

		Statement of income Average exchange rates in CHF		Statement of financial position Closing exchange rates in CHF	
		2025	2024	31.12.2025	31.12.2024
100 Argentinian Peso	ARS	0.05	0.08	0.05	0.08
1 Australian Dollar	AUD	0.53	0.58	0.53	0.56
1 Canadian Dollar ¹	CAD	0.59	0.64	0.58	0.63
1 Chinese Renminbi	CNY	0.12	0.12	0.11	0.12
100 Algerian Dinar	DZD	0.63	0.66	0.61	0.67
1 Euro	EUR	0.94	0.95	0.93	0.94
1 British Pound	GBP	1.09	1.12	1.07	1.13
100 Mexican Peso	MXN	4.32	4.83	4.41	4.36
100 Nigerian Naira	NGN	0.05	0.06	0.05	0.06
100 Philippine Peso	PHP	1.44	1.54	1.35	1.56
1 Polish Zloty	PLN	0.22	0.22	0.22	0.22
1 Romanian Leu	RON	0.19	0.19	0.18	0.19
1 US Dollar ¹	USD	0.83	0.88	0.79	0.90

¹ For the purpose of the discontinued operations, the rates up to 23 June 2025, effective date of the spin-off, are used (average exchange rate in CHF of 0.86 for USD and 0.61 for CAD and closing exchange rate in CHF of 0.82 for USD and 0.59 for CAD).

2.3 Completion of the full capital market separation of the North American business through a dividend-in-kind distribution to Holcim Ltd shareholders

On 28 January 2024, Holcim announced its intent to list the North American business in the U.S. with a full capital market separation.

On 14 May 2025, at the Annual General Meeting, Holcim's shareholders approved a special distribution by way of a (1) dividend-in-kind to effect the spin-off of the North American business, Amrize Ltd ("Amrize"). Upon shareholder approval, the North American business was reported as discontinued operations in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' and a distribution liability was recognized at fair value, which exceeded the carrying value of the Amrize business' net assets.

On 23 June 2025, the spin-off was completed. Through the distribution, each Holcim shareholder received one share in Amrize for each dividend-bearing share held in Holcim Ltd. As a result of the spin-off, Amrize has become an independent, publicly-traded company on the New York Stock Exchange under the ticker symbol 'AMRZ', with an additional listing on the SIX Swiss Exchange.

In connection with the spin-off, Amrize entered into certain financing arrangements, which include bond issuance and debt-for-debt exchange. On 7 April 2025, Amrize issued bonds with a nominal value of USD 3 400 million. By 18 June 2025, a debt-for-debt exchange was executed whereby bonds issued by the Holcim Group were exchanged for bonds issued by Amrize Group in a principal amount of USD 1 854 million. In connection with these financing transactions and prior to the distribution, Amrize repaid USD 5 646 million to Holcim through intercompany transactions.

As of the spin-off date of 23 June 2025, the dividend-in-kind distribution liability was finally determined at CHF 25 442 million through retained earnings based on the share price of Amrize on 23 June 2025 at the opening of the SIX Swiss Exchange.

The non-cash and non-taxable gain recognized as of the spin-off date amounted to CHF 12 337 million, consisting of:

	23 June 2025
Fair value dividend-in-kind:	
Share price in CHF	46.00
Additional outstanding shares to be distributed as dividend-in-kind via spin-off	553 082 069
Total fair value (million CHF)	25 442
Million CHF	
Fair value of Amrize business	25 442
Carrying amount of the net assets derecognized	(10 144)
Difference between fair value and net assets	15 298
Carrying amount of non-controlling interests derecognized	(2)
Currency translation losses recycled through the consolidated statement of income	(2 849)
Transaction costs recognized in the consolidated statement of income ¹	(110)
Gain on distribution of Amrize to Holcim Ltd shareholders	12 337

¹ Of which CHF -12 million recorded in the second half of 2025.

The carrying amount of the net assets derecognized are presented in Note 13.2 "Discontinued operations".

Transaction costs recognized in the consolidated statement of income of CHF 110 million include legal and advisory bank fees and audit-related fees, among others.

2.4 Changes in the scope of consolidation

As part of its strategy, Holcim completed several acquisitions and disposals in the past two years.

Acquisitions of businesses

The determination of the fair value of the net assets acquired and the resulting goodwill are currently preliminary and subject to adjustments during the measurement period, as permitted under IFRS 3.

Million CHF	2025 ¹	2024 Restated ^{1, 2}
Assets acquired and liabilities assumed at acquisition date:		
Cash and cash equivalents	44	58
Other current assets	165	126
Property, plant and equipment	243	403
Intangible assets	56	217
Other long-term assets	7	12
Other current liabilities	(86)	(126)
Long-term provisions	(14)	(20)
Other long-term liabilities	(73)	(107)
Fair value of net assets	341	563
Goodwill acquired:		
Fair value of net assets	(341)	(563)
Non-controlling interests	2	18
Fair value of net assets acquired	(339)	(545)
Total purchase consideration	576	976
Fair value of previously held equity interests	1	16
Goodwill acquired	239	447
Cash outflow on acquisitions:		
Total purchase consideration	576	976
Purchase consideration in the form of shares	0	(4)
Acquired cash and cash equivalents net of bank overdrafts	(44)	(58)
Deferred and advance considerations ³	(43)	(146)
Cash outflow from acquisitions	489	768

¹ Including purchase price allocation refinements from prior-year acquisitions.

² Comparative information restated for discontinued operations (see Note 13.2).

³ Mainly includes each year the deferred payments from the prior year.

Main acquisitions in the current reporting period

- Société des Bétons de la Vallée de Seine (S.V.B.S.), ready-mix concrete supplier, France (February 2025)
- Compañía Minera Luren SA (renamed Holcim Peru Soluciones S.A. after the acquisition), producer of specialty building solutions, Peru (April 2025)
- Horcrisa, a ready-mix concrete producer, Argentina (May 2025)
- Insulation solutions business, Poland (July 2025)
- Comosa y Copce, Mexico, ready-mix concrete supplier (October 2025)
- T & J Thory Holdings Limited, UK, an aggregates producer company (November 2025)
- Amco (Costa Rica), a ready-mix concrete producer (November 2025)
- Thames Materials (UK), a waste management company (November 2025)
- Alkern Group (France), a manufacturer of precast concrete elements (December 2025)

All acquisitions aggregated contributed CHF 94 million to the Group's net sales in 2025. If the acquisitions had occurred on 1 January 2025, the contribution to Group net sales would have been CHF 506 million.

Significant pending transactions

In October 2025, Holcim signed an agreement to acquire Xella, a European leader in sustainable and innovative walling systems. The transaction is subject to customary conditions and regulatory clearances, and expected to close in second half of 2026.

In December 2025, Holcim signed an agreement to acquire a majority stake in Cementos Pacasmayo, a leading Peruvian producer of building materials. The transaction is subject to customary conditions and regulatory approval, and expected to close in the first half of 2026.

Main acquisitions in the comparative period

- Mendiger Basalt, a producer of aggregates and recycled construction demolition materials, Germany (January 2024)
- ZinCo, a manufacturer and designer of sustainable green roofing systems, Germany (January 2024)
- Eurobud's ready-mix concrete operations in selected markets, Poland (May 2024)
- Tensolite, a manufacturer of innovative precast and prestressed concrete systems, Argentina (May 2024)
- Land Recovery, a supplier of recycled construction materials and aggregates, UK (May 2024)
- Cand-Landi, a producer of construction materials and provider of recycling, earth moving, logistics and pipeline maintenance services, Switzerland (June 2024)
- Bantle Gips, a gypsum quarries and landfill operator, Germany (June 2024)
- Comacsa, a white cement and industrial non-metallic minerals businesses entity, Peru (August 2024)
- Mixercon, a cement and ready-mix concrete production, marketing and supply cement and ready-mix concrete business, Peru (September 2024)
- Cemex operations in Guatemala, companies operating in the production, marketing and supply of cement and ready-mix concrete materials, Guatemala (September 2024)
- Seekag, a ready-mix concrete company, Switzerland (October 2024)
- Dunex Plus, a production and pumping company, Serbia (October 2024)
- Sekundar Usluge d.o.o., a waste management and alternative fuels producer, Croatia (November 2024)
- Ghielmicementi SA, a cement distribution company, Switzerland (December 2024)

All acquisitions aggregated contributed CHF 219 million to the Group's net sales in 2024. If the acquisitions had occurred on 1 January 2024, the contribution to Group net sales would have been CHF 444 million.

Disposals of businesses

In 2025, the disposals were as follows:

- Sale of the Karbala Cement Manufacturing Ltd in Iraq, representing a 51% stake in the company (July 2025)
- Sale of the business in Nigeria, representing a 83.8% stake in the company (August 2025)
- Sale of the business in Jordan, representing a 50.3% stake in the company (December 2025)

Million CHF	Nigeria	Others	Total 2025	2024
Cash and cash equivalents	108	11	118	43
Other current assets	100	70	170	285
Property, plant and equipment	251	115	366	310
Other long-term assets	101	4	105	4
Bank overdrafts	0	(2)	(2)	(7)
Other current liabilities	(171)	(96)	(268)	(205)
Long-term provisions	(3)	(43)	(46)	(10)
Other long-term liabilities	(42)	(7)	(49)	(50)
Net assets	344	52	395	369
Non-controlling interests	(55)	149	94	(82)
Net assets disposed of	289	201	489	287
Goodwill disposed	131	15	146	99
Cumulative other comprehensive income	1 336	4	1 340	195
Net loss on disposals before taxes	(1 156)	(135)	(1 290)	(48)
Total disposal consideration	600	85	685	533
Disposed cash and cash equivalents net of bank overdrafts	(108)	(9)	(116)	(36)
Tax and disposal costs paid	(4)	(10)	(14)	(23)
Deferred consideration	0	(3)	(3)	(1)
Cash inflow from disposals	489	63	552	472

In 2024, the disposals were as follows:

- Sale of the business in Russia (February 2024)
- Sale of the business in Uganda (March 2024)
- Sale of the business in Tanzania, representing a 65% stake in the company (March 2024)
- Sale of the business in South Africa (April 2024)
- Sale of the business in Kenya, representing a 58.6% stake in the company (December 2024)

2.5 Principal consolidated companies of the Group

The following table lists the principal subsidiaries controlled by Holcim Ltd, Grafenauweg 10, CH-6300 Zug. It includes all legal entities representing at least 30% of the net sales of the country in which it operates.

Region/Company	Country	Municipality	Share Capital as of 31 December 2025 in million local currency	Building Materials	Building Solutions	Percent of interest
Europe						
Holcim (Österreich) GmbH	Austria	Vienna	EUR 3	■		70.0%
Holcim (Belgique) S.A.	Belgium	Nivelles	EUR 110	■	●	100.0%
Holcim Solutions and Products EMEA BV	Belgium	Zaventem	EUR 9		●	100.0%
Holcim Bulgaria AD	Bulgaria	Beli Izvor	BGN 1	■	●	100.0%
Holcim (Hrvatska) d.o.o.	Croatia	Koromacno	EUR 38	■	●	100.0%
Holcim (Česko), a.s.	Czech Republic	Cizkovice	CZK 1 143	■		68.0%
SAS Alkern France	France	Harnes	EUR 8		●	100.0%
Lafarge Bétons	France	Issy-les-Moulineaux	EUR 38		●	100.0%
Lafarge Ciments	France	Issy-les-Moulineaux	EUR 113	■		100.0%
Lafarge Ciments Distribution	France	Issy-les-Moulineaux	EUR 17	■		100.0%
Lafarge Granulats	France	Issy-les-Moulineaux	EUR 19	■		100.0%
PRB Produits de revêtement du Batiment	France	Les Achards	EUR 2		●	100.0%
Holcim (Deutschland) GmbH	Germany	Hamburg	EUR 47	■		100.0%
Holcim (Süddeutschland) GmbH	Germany	Dotternhausen	EUR 6	■		100.0%
Holcim Beton und Betonwaren GmbH	Germany	Hamburg	EUR n.m. ¹		●	100.0%
Heracles General Cement Company S.A.	Greece	Lykovrysi	EUR 121	■	●	100.0%
Lafarge Beton S.A. ²	Greece	Lykovrysi	EUR 35	■	●	100.0%
Holcim Hungary Ltd.	Hungary	Királyegyháza	HUF 1 000	■	●	70.0%
Holcim (Italia) S.p.a.	Italy	Milano	EUR 26	■		100.0%
Holcim Aggregati Calcestruzzi s.r.l.	Italy	Milano	EUR 11	■	●	100.0%
Lafarge Ciment (Moldova) S.A.	Moldova	Rezina	MDL 223	■		95.3%
Holcim Polska SA	Poland	Małogoszcz	PLN 811	■	●	100.0%
Holcim Kruszywa SP z.o.o.	Poland	Warsaw	PLN 370	■		100.0%
Holcim (Romania) S.A.	Romania	Bucharest	RON 205	■	●	99.7%
Somaco Grup Prefabricate SRL	Romania	Bucharest	RON 50		●	99.7%
Holcim Srbija doo Beočin ³	Serbia	Beocin	RSD 5 124	■	●	100.0%
Holcim, Prodaja cementa, d.o.o.	Slovenia	Trbovlje	EUR 6	■		70.0%
Holcim España, S.A.U	Spain	Madrid	EUR 221	■	●	100.0%
Cand-Landi S.A.	Switzerland	Grandson	CHF 1		●	100.0%
Holcim (Schweiz) AG	Switzerland	Zurich	CHF 71	■		100.0%
Holcim Kies und Beton AG	Switzerland	Zurich	CHF 30		●	100.0%
Holcim Trading Ltd	Switzerland	Zurich	USD 4			100.0%
Holcim UK Ltd. ⁴	UK	Leicester	GBP 223	■	●	100.0%
Holcim UK Cement Limited ⁵	UK	Leicester	GBP n.m. ¹	■		100.0%

¹ n.m.: not material.

² Former Lafarge Beton Industrial Commercial SA.

³ Former Lafarge BFC Srbija doo Beocin.

⁴ Former Aggregate Industries UK Ltd.

⁵ Former Lafarge Cauldon Limited.

Region/Company	Country	Municipality	Share Capital as of 31 December 2025 in million local currency	Building Materials	Building Solutions	Percent of interest
Latin America						
Holcim (Argentina) S.A.	Argentina	Cordoba	ARS 366	■	●	83.1%
Holcim (Colombia) S.A.	Colombia	Bogotá	COP 217 343	■	●	100.0%
Holcim (Costa Rica) S.A.	Costa Rica	San José	CRC 8 577	■	●	66.7%
Holcim (Ecuador) S.A.	Ecuador	Guayaquil	USD 61	■	●	92.2%
Cemento Holcim de El Salvador S.A. de C.V.	El Salvador	Antiguo Cuscatlán	USD 10	■	●	95.4%
Société des Ciments Antillais	French West Indies	Baie-Mahault	EUR 3	■		69.7%
Cemento Holcim Guatemala S.A.	Guatemala	Guatemala city	GTQ 127	■	●	100.0%
Holcim México Operaciones S.A. de C.V.	Mexico	Mexico City	MXN 5 877	■	●	100.0%
Holcim (Nicaragua) S.A.	Nicaragua	Managua	NIO 19	■	●	53.3%
Holcim Perú S.A. ¹	Peru	Lima	PEN 124	■	●	100.0%
Asia Pacific						
Holcim (Australia) Pty Ltd	Australia	North Sydney	AUD 1 120	■	●	100.0%
LafargeHolcim Bangladesh PLC	Bangladesh	Dhaka	BDT 11 614	■		29.4%
Lafarge Dujiangyan Cement Co., Ltd.	China	Dujiangyan City	CNY 857	■		75.0%
Jiangyou LafargeHolcim Shuangma Cement Co., Ltd	China	Jiangyou City	CNY 200	■		100.0%
Holcim (New Zealand) Ltd	New Zealand	Christchurch	NZD 34	■	●	100.0%
Holcim Philippines Inc.	Philippines	Taguig City	PHP 6 452	■	●	99.0%
Middle East & Africa						
Lafarge Ciment de M'sila "LCM"	Algeria	Algiers	DZD 7 257	■		100.0%
Lafarge Ciment d'Oggaz "LCO"	Algeria	Algiers	DZD 3 848	■		100.0%
Cilas Spa	Algeria	Algiers	DZD 138	■		49.0%
Holcim (Azerbaijan) O.J.S.C.	Azerbaijan	Baku	AZN 32	■	●	90.3%
Lafarge Cement Egypt S.A.E.	Egypt	Cairo	EGP 826	■		95.7%
Lafarge Ready Mix S.A.E.	Egypt	Cairo	EGP 635		●	100.0%
Bazian Cement Company for Manufacturing, Trade of Cement, and Building Materials Limited ²	Iraq	Sulaymaniyah	IQD 221 834	■	●	70.0%
Holcim (Liban) S.A.L. ³	Lebanon	Beirut	LBP 97 580	■		52.1%
Lafarge Emirates Cement L.L.C.	UAE	Dubai	AED 323	■		100.0%
Readymix Gulf Co Limited	UAE	Sharjah	AED 8		●	69.4%

¹ Former Mixercon S.A.

² Former Bazian Cement Company Limited.

³ As of 31 December 2025, entity classified as held for sale (See Notes 13.3 and 20).

Holcim Innovation Centers

The following table lists the legal entities where the majority of employees are dedicated to research and development (R&D) and intellectual property.

Company	Country	Municipality	Share capital as of 31 December 2025 in million local currency	Percent of interest
Holcim Technology Ltd	Switzerland	Zug	CHF 10	100.0%
Holcim Innovation Center	France	Saint-Quentin- Fallavier	EUR 23	100.0%

Principal finance, business services center and holding companies

The following table lists the principal finance, business services center and holding companies controlled by Holcim. It includes all entities with more than CHF 500 million of assets and direct participations in operating companies or with external financing over CHF 100 million over the last two years, and with more than 100 employees.

Principal finance, business services center and holding companies

Company	Country	Municipality	Share Capital as of 31 December 2025 in million local currency	Percent of interest
Holcim (Australia) Holdings Pty Ltd	Australia	North Sydney	AUD 1 444	100%
Holcibel S.A.	Belgium	Mons	EUR 691	100%
Holcrest S.A.S.	Colombia	Medellin	COP 1 795	100%
Financière Lafarge S.A.S.	France	Issy-les-Moulineaux	EUR 3 268	100%
Holcim Investments (France) S.A.S.	France	Issy-les-Moulineaux	EUR 542	100%
Lafarge S.A.	France	Issy-les-Moulineaux	EUR 1 161	100%
Société financière immobilière et mobilière "SOFIMO" S.A.S.	France	Issy-les-Moulineaux	EUR 1 055	100%
Holcim Auslandsbeteiligungs GmbH	Germany	Hamburg	EUR 3	100%
Holcim Beteiligungs GmbH	Germany	Hamburg	EUR 102	100%
Holcim Services (South Asia) Private Limited	India	Navi Mumbai	INR 10	100%
LH Global Hub Services Private Limited	India	Navi Mumbai	INR 10	100%
Holcim Gruppo (Italia) S.p.a.	Italy	Milan	EUR 9	100%
Holcim Finance (Luxembourg) S.A.	Luxembourg	Luxembourg	EUR 2	100%
Holcim US Finance (Luxembourg) S.A.	Luxembourg	Luxembourg	USD n.m. ¹	100%
Holchin B.V.	Netherlands	Amsterdam	EUR n.m. ¹	100%
Holcim Sterling Finance (Netherlands) B.V.	Netherlands	Amsterdam	GBP n.m. ¹	100%
Holderfin B.V.	Netherlands	Amsterdam	EUR 4	100%
Holcim European Business Services s.r.o.	Slovakia	Kosice	EUR 2	100%
Holcim EMEA Digital Center, S.L.	Spain	Madrid	EUR n.m. ¹	100%
Holcim Investments (Spain), S.L.	Spain	Madrid	EUR 174	100%
Holcim Continental Finance Ltd	Switzerland	Zug	EUR 54	100%
Holcim Group Services Ltd	Switzerland	Zug	CHF 1	100%
Holcim Helvetia Finance Ltd	Switzerland	Zug	CHF 10	100%
Holcim International Finance Ltd	Switzerland	Zug	USD 58	100%
Holdertrade Ltd	Switzerland	Zug	CHF 2	100%
Holcim USD Finance Ltd ²	Switzerland	Zug	USD 17	100%
Holcim UK Holdings 1 Limited ³	UK	Leicester	GBP 223	100%

¹ n.m.: not material.

² Former Marine Cement AG.

³ Former Aggregate Industries Holdings Limited.

Listed Group companies

Region	Company	Country	Municipality	Place of listing	Market capitalization as of 31 December 2025 in local currency	Security code number
Asia Pacific	LafargeHolcim Bangladesh Limited	Bangladesh	Dhaka	Chittagong, Dhaka	BDT 54 236	BD0643LSCL09
Latin America	Holcim (Argentina) S.A.	Argentina	Cordoba	Buenos Aires	ARS 927 158	ARP6806N1051
	Holcim (Costa Rica) S.A.	Costa Rica	San José	San José	CRC 111 506	CRINC00A0010
	Holcim (Ecuador) S.A.	Ecuador	Guayaquil	Quito, Guayaquil	USD 829	ECP516721068
Middle East & Africa	Holcim (Liban) S.A.L. ¹	Lebanon	Beirut	Beirut	USD 1 405	LB0000012833

¹ As of 31 December 2025, entity classified as Held For Sale (See Notes 13.3 and 20).

2.6 Non-controlling interests

Holcim has no individually material non-controlling interests.

3. Segment reporting

3.1 Accounting principles

Following the spin-off of the North American business, Holcim implemented a new management structure. This reflects the manner in which the Group's chief operating decision maker (Group Chief Executive Officer) regularly reviews the operating results. Accordingly, Holcim presents its financial performance across the following three geographical operating segments:

Europe

Latin America

Asia, Middle East & Africa

As Holcim expands its unique product portfolio, it has introduced two new customer-focused product lines: Building Materials and Building Solutions. Each of the above operating segments derives its revenues largely from the sale of Building Materials and Building Solutions. These two product lines are defined as follows:

Building Materials consists of cement and aggregates. Holcim offers an extensive range of cements from classic masonry cements to high-performance products tailored for specialized settings. Holcim offers aggregates that serve as raw materials for concrete, mortars, and asphalt as well as forming the foundation for buildings, roads, and landfills.

Building Solutions comprises energy-efficient building systems and high-performance concrete and surfacing. In this product line, Holcim provides its customers with end-to-end solutions across the built environment, from foundation and flooring to walling and roofing.

Building Materials, which comprises clinker, cement and other cementitious materials, and aggregates

Building Solutions, which comprises ready-mix concrete, precast concrete, concrete products, asphalts, mortars, roofing systems, insulation systems, tile adhesives, facade solutions, and contracting and services

These product lines are fully integrated into the geographical segments.

The corresponding information for 2024 has been restated, since, in the 2024 Annual Report, the regional segments of Europe, Latin America, and Asia, Middle East & Africa included the cement, aggregates, and ready-mix concrete products, while other activities were reported together in a separate segment.

Group financing (including financing costs and financing income) and income taxes are managed on a Group basis and are not allocated to any operating segment. Segment revenues and segment results include transfers between segments. Those transfers are eliminated on consolidation.

3.2 Operating segments

Information by operating segment

	Europe ³	
	2025	2024 ⁴
Statement of income (million CHF)		
Net sales to external customers	8 548	8 794
Net sales to other segments	66	100
Total net sales	8 614	8 893
Recurring EBITDA¹	2 102	2 042
Recurring EBITDA ¹ margin in %	24.4	23.0
Recurring EBIT	1 467	1 387
Recurring EBIT margin in %	17.0	15.6
Operating profit (loss)	1 312	1 160
Operating profit (loss) margin in %	15.2	13.0
Reconciliation of measures of profit and loss to the consolidated statement of income		
Recurring EBITDA¹	2 102	2 042
Depreciation of right-of-use assets	(141)	(134)
Depreciation and amortization of property, plant and equipment, intangible and other long-term assets	(495)	(520)
Recurring EBIT	1 467	1 387
Impairment of operating assets	(101)	(161)
Restructuring, litigation and other non-recurring costs	(54)	(66)
Operating profit (loss)	1 312	1 160
Profit on disposals and other non-operating income		
Loss on disposals and other non-operating expenses		
Share of profit of associates		
Financial income		
Financial expenses		
Net income before taxes		
Statement of financial position (million CHF) ²		
Investments in associates and joint ventures	205	225
Property, plant and equipment	7 705	7 435
Goodwill	4 346	4 232
Intangible assets	508	490
Reconciliation of measures of Statement of financial position (million CHF)		
Unallocated assets		
Total assets		
Personnel (unaudited)		
Number of personnel (FTE)	23 930	22 992

¹ Post spin-off, recurring EBITDA is presented before leases.

² Prior-year figures as of 31 December 2024. The contribution from the spin-off of the North American business as of 31 December 2024 is reflected under corporate/ eliminations in investments in associates and joint ventures at CHF 51 million, in property, plant and equipment at CHF 7 324 million, in goodwill at CHF 8 148 million and in intangible assets at CHF 1 654 million.

³ Azerbaijan, previously reflected under Europe, is now reported under the regional segment of Asia, Middle East & Africa to align with the new internal management structure. This change has been applied retrospectively, and prior-year figures have been restated accordingly.

⁴ Comparative information restated for discontinued operations (see Note 13.2), except for the statement of financial position, and restated for new management structure.

⁵ Including trading activities not allocated by operating segment.

	Latin America		Asia, Middle East & Africa ³		Corporate/ Eliminations ⁵		Total Group	
	2025	2024 ⁴	2025	2024 ⁴	2025	2024 ⁴	2025	2024 ⁴
	3 092	3 138	3 623	3 950	461	320	15 724	16 201
	21	12	178	205	(266)	(317)	0	0
	3 113	3 150	3 802	4 155	195	4	15 724	16 201
	1 131	1 235	1 174	1 196	(415)	(507)	3 992	3 966
	36.3	39.2	30.9	28.8			25.4	24.5
	953	1 065	935	929	(479)	(544)	2 876	2 837
	30.6	33.8	24.6	22.4			18.3	17.5
	869	1 062	857	880	(495)	(551)	2 543	2 551
	27.9	33.7	22.5	21.2			16.2	15.7
	1 131	1 235	1 174	1 196	(415)	(507)	3 992	3 966
	(25)	(22)	(35)	(31)	(6)	(6)	(206)	(194)
	(153)	(148)	(205)	(235)	(57)	(31)	(910)	(934)
	953	1 065	935	929	(479)	(544)	2 876	2 837
	(73)	(1)	(61)	(39)	0	0	(235)	(200)
	(11)	(2)	(17)	(10)	(16)	(7)	(98)	(86)
	869	1 062	857	880	(495)	(551)	2 543	2 551
							83	49
							(1 434)	(129)
							23	24
							125	138
							(406)	(517)
							934	2 116
	3	3	2 857	3 051	0	51	3 065	3 331
	1 882	2 019	2 844	3 499	98	7 354	12 529	20 307
	1 190	1 187	794	1 005	21	8 171	6 352	14 594
	97	89	82	93	65	1 707	751	2 380
							10 908	13 674
							33 605	54 285
	11 583	12 103	8 786	11 758	1 237	1 464	45 536	48 318

Information by product line

Million CHF	Building Materials		Building Solutions		Corporate/Eliminations ³		Total Group	
	2025	2024 Restated ²	2025	2024 Restated ²	2025	2024 Restated ²	2025	2024 Restated ²
Statement of income								
Net sales to external customers	9 898	10 143	5 825	6 058	0	0	15 724	16 201
Net sales to other segments	1 658	1 712	25	16	(1 683)	(1 729)	0	0
Total net sales	11 556	11 856	5 851	6 074	(1 683)	(1 729)	15 724	16 201
– of which Europe ¹	6 041	6 197	3 719	3 859	(1 146)	(1 163)	8 614	8 893
– of which Latin America	2 442	2 462	917	935	(245)	(246)	3 113	3 150
– of which Asia, Middle East & Africa ¹	2 865	3 152	1 215	1 281	(278)	(278)	3 802	4 155
– of which Corporate/ Eliminations	208	44	0	0	(13)	(41)	195	4

¹ Azerbaijan, previously reflected under Europe, is now reported under the regional segment of Asia, Middle East & Africa to align with the new internal management structure.

This change has been applied retrospectively, and prior-year figures have been restated accordingly.

² Comparative information restated for discontinued operations (see Note 13.2) and new management structure.

³ Excluding trading activities.

3.3 Information by country

Million CHF	Net sales to external customers		Property, plant and equipment and intangible assets	
	2025	2024 Restated ³	2025	2024
France	1 860	1 984	2 052	2 028
UK	1 603	1 723	1 415	1 452
Mexico	1 539	1 744	709	657
Australia	1 158	1 228	799	820
Switzerland ¹	949	888	888	1 003
Germany	732	789	720	715
Poland	735	705	871	776
Romania	561	584	332	327
Others ²	6 587	6 556	5 494	14 909
Total	15 724	16 201	13 280	22 687

¹ Including the net sales of trading activities, denominated in USD.

² Prior-year figures for 2024 include property, plant and equipment and intangible assets of the former North American business (CHF 8 838 million).

³ Comparative information restated for discontinued operations (see Note 13.2).

Net sales to external customers are based on the location of assets (origin of sales), with the exception of the trading activities (see Note 3.2). There is no single external customer for which net sales amount to 10% or more of the Group's net sales.

4. Operating profit

4.1 Accounting principles

Operating profit excludes items that are not directly related to the Group's operating activities. These primarily relate to gains or losses on the disposals of Group companies, associates and joint ventures, revaluation gains or losses on previously held equity interests, indemnification provisions, disputes with minority shareholders, share of profit (loss) of associates, and financial income and expenses.

4.2 Revenue recognition

Revenue from the sale of the Group's core products is recognized when delivery has taken place and control of the goods has been transferred to the customer. The customer obtains control of the goods when the significant risks and rewards of products sold are transferred according to the specific delivery terms that have been formally agreed with the customer, generally upon delivery when the bill of lading is signed by the customer as evidence that they have obtained physical possession and accepted the products delivered to them.

The core products are often sold with volume discounts. Revenue from these sales is recognized based on the price specified on the invoice, net of estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely amount. A liability is recognized for expected volume discounts in relation to sales made until the end of the reporting period. No element of financing is deemed present, as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed with the relevant Group company, which is consistent with market practice. Generally, cement, aggregates, and ready-mix concrete are not returned, since customers will only accept these products once they have passed stringent quality checks at the delivery point.

Contract liabilities, reflecting a Group company's obligation to transfer goods or services for which the company has already received consideration to a customer, relate mainly to advance payments from customers, which are disclosed in Note 10.5, and to volume incentive programs and warranty programs. As of 31 December 2025, contract liabilities amounted to CHF 303 million (2024: CHF 496 million), with the reduction mainly driven by the spin-off of the North American business.

A trade receivable is recognized when the products are delivered to a customer, as this is the point in time when the consideration becomes unconditional because only the passage of time is required before the payment is due.

Contract assets, which is a Group company's right to consideration that is conditional on something other than the passage of time, relate mainly to construction and paving activities and are immaterial at the Group level.

The Group is also involved in providing services in conjunction with the sale of its core products and is developing retail activities in certain markets. However, both of these activities remain immaterial at the Group level at this stage.

4.3 Production cost of goods sold

Million CHF	2025	2024 Restated ¹
Material expenses	(3 635)	(3 537)
Fuel expenses	(447)	(622)
Electricity expenses	(810)	(883)
Personnel expenses	(1 332)	(1 368)
Maintenance expenses	(850)	(888)
Depreciation, amortization and impairment	(1 106)	(1 090)
Other production expenses	(797)	(725)
Changes in inventory	(88)	(22)
Total	(9 066)	(9 135)

¹ Comparative information restated for discontinued operations (see Note 13.2).

4.4 Research and development

Innovation through research and development projects plays a key part in the Group's activities. Holcim's innovation centers in Switzerland and France are delivering breakthrough innovations to build the sustainable future of Holcim. The Holcim Innovation Hub showcases Holcim's sustainable building solutions and contributes to co-creating accelerated low-carbon, circular, and energy-efficient building worldwide.

Research and development projects are carried out with a view to generating added value for customers through end user-oriented products and services, with a focus on:

- Disruptive solutions to decarbonize building.
- Breakthrough technologies aiming at production system improvements.
- Development of low-carbon products and solutions to protect the environment and lower the Group's environmental footprint.
- Innovation in digital technology across Holcim's business, fundamentally changing how the Group operates and delivers value to customers.
- Enabling sustainable construction and making sustainable building accessible for all, through houses of tomorrow projects.
- Partnering with startups to expand the number of environmental product declarations and gain access to innovative solutions.

The Group's operating profit includes research and development costs of CHF 157 million (2024¹: CHF 176 million).

¹ Comparative information restated for discontinued operations (see Note 13.2).

4.5 Summary of depreciation, amortization and impairment

Million CHF	2025	2024 Restated ¹
Production facilities	(1 106)	(1 090)
Distribution and sales facilities	(149)	(163)
Administration facilities	(96)	(77)
Total depreciation, amortization and impairment of operating assets	(1 351)	(1 329)
Of which depreciation of property, plant and equipment (note 11.2)	(828)	(880)
Of which depreciation of right-of-use assets (note 11.2)	(206)	(194)
Of which amortization of intangible assets and other long-term assets	(82)	(55)
Of which net impairment charge relating to property, plant and equipment (note 11.2)	(231)	(182)
Of which net impairment charge relating to intangible assets (note 11.3)	(4)	(18)

¹ Comparative information restated for discontinued operations (see Note 13.2).

5. Profit and loss on disposals and other non-operating items

5.1 Accounting principles

Profit and loss on disposals and other non-operating items comprise gains or losses on the disposals of Group companies, associates and joint ventures, other non-operating items that are not directly related to the Group's operating activities such as revaluation gains or losses on previously held equity interests, and indemnification provisions.

5.2 Profit on disposals and other non-operating income

Million CHF	2025	2024 Restated ¹
Gain on disposals before taxes	77	29
Dividends earned	6	4
Other	0	16
Total	83	49

¹ Comparative information restated for discontinued operations (see Note 13.2).

"Gain on disposals before taxes" mainly includes current and deferred gain on disposals of Group companies (see Note 2.4).

5.3 Loss on disposals and other non-operating expenses

Million CHF	2025	2024 Restated ¹
Loss on disposals before taxes	(1 384)	(104)
Other	(51)	(24)
Total	(1 434)	(129)

¹ Comparative information restated for discontinued operations (see Note 13.2).

"Loss on disposals before taxes" mainly includes current and deferred losses on disposals of Group companies (see Note 2.4). The "Loss on disposals before taxes" of CHF 1 384 million in 2025 mainly resulted from the realization of currency translation differences following the divestment of business in Nigeria (See note 2.4). "Other" notably includes the expenses relating to the Group's activities that are not part of its operating cycle.

6. Investments in associates and joint ventures

6.1 Accounting principles

The Group, in the course of its business, may participate in arrangements subject to joint control, defined as the contractually agreed sharing of control where decisions regarding relevant activities require unanimous consent of the parties. Based on the rights and obligations of these arrangements, they are classified as either joint operations (with rights to specific assets and liabilities) or joint ventures (with rights to net assets, usually as a shareholder). Additionally, the Group may hold interests (typically 20% to 50% of voting rights) where it exercises significant influence – the power to participate in financial and operational decisions without control – resulting in classification as associates.

Investments in associates and joint ventures are accounted for using the equity method; in the case of joint operations, the Group recognizes its share of assets and liabilities.

The Group's share of profit of joint ventures is classified within operating profit, as these operations form an integral part of the Group's financial performance, reflecting its core business activities. The Group's share of profit of associates is classified below operating profit.

Goodwill arising from an acquisition is included in the carrying amount of the investments in associates and joint ventures.

Equity accounting is discontinued when the carrying amount of the investment together with any long-term interest in a joint venture or in an associate reaches zero, unless the Group has either incurred or guaranteed additional obligations in respect of the joint venture or associate.

The Group tests joint ventures or associates for impairment only when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment. Objective evidence of impairment includes events such as significant financial difficulties of the associate or joint venture, or information about significant changes with an adverse effect that have taken place in the economic environment in which the joint venture or associate operates, and indicates that the carrying amount of the joint venture or associate may not be recovered.

An impairment loss is only recognized when the carrying amount of the joint venture or associate exceeds its recoverable amount, which is the higher of value-in-use and fair value less costs of disposal.

The recoverable amount of an investment in a joint venture or associate is assessed for each joint venture or associate, unless the joint venture or associate does not generate cash inflows from continuing use that are largely independent of those from other assets.

6.2 Investments in associates and joint ventures

Million CHF	2025	2024
Investments in joint ventures	2 828	3 080
Investments in associates	237	250
Total	3 065	3 331

6.3 Movements in investments in joint ventures

Million CHF	2025	2024
1 January	3 080	2 947
Share of profit of joint ventures	315	264
Dividends earned	(245)	(243)
Net disposals	0	(7)
Joint ventures related to the spin-off of the North American business	(35)	0
Currency translation effects & others	(288)	120
31 December	2 828	3 080

6.4 Main changes during the current and comparative reporting period

Main changes during the current reporting period

On 1 October 2025, Cement Australia completed the acquisition of the cementitious division of the Buckeridge Group of Companies (BGC). The transaction includes its cement operations and related transport operations.

On 29 August 2025, Holcim completed the divestment of its Nigeria business, selling its entire 83.81% shareholding to Huaxin. With effect from 26 November 2025, Huaxin Cement Co., Ltd officially changed its name to Huaxin Building Materials Group Co., Ltd. to reflect the company's broader focus on building materials beyond cement.

Main changes during the comparative reporting period

During 2024, there were no individually material changes in the scope of investments in associates and joint ventures.

6.5 List of principal joint ventures

Principal joint ventures

Region	Company	Country of incorporation or residence	Effective participation (percent of interest)
Asia, Middle East & Africa	Cement Australia Holdings Pty Ltd	Australia	50.0%
	Huaxin Building Materials Group Co., Ltd.	China	41.8%
	Lafarge Maroc S.A.S. ¹	Morocco	50.0%
	Readymix Qatar L.L.C	Qatar	49.0%

¹ Lafarge Maroc S.A.S. is the parent company of LafargeHolcim Maroc S.A., a publicly listed company in Morocco.

Listed joint ventures

Region	Company	Country	Municipality	Place of listing	Market capitalization as of 31 December 2025 in million local currency	Security code number	
Asia, Middle East & Africa	Huaxin Building Materials Group Co., Ltd. – A shares	China	Wuhan	Shanghai	CNY	32 989	CNE000000DC6
	Huaxin Building Materials Group Co., Ltd. – H shares	China	Wuhan	Hong Kong	HKD	13 181	CNE1000057N3
	LafargeHolcim Maroc S.A.	Morocco	Casablanca	Casablanca	MAD	43 113	MA0000012320

6.6 Huaxin Building Materials Group Co., Ltd. (China)

As of 31 December 2025, the Group holds 41.8% (2024: 41.8%) of the voting rights in the joint venture company Huaxin Building Materials Group Co., Ltd.

The fair value of the investment in Huaxin Building Materials Group Co., Ltd. based on the quoted market price on 31 December 2025 amounted to CHF 2 021 million (2024: CHF 1 056 million).

Summarized financial information for the material joint venture company Huaxin Building Materials Group Co., Ltd., which is accounted for using the equity method, is presented below.

The carrying value of Huaxin Building Materials Group Co., Ltd. in the Group's 2025 financial statements is based on an estimated equity as of 31 December 2025. However, since Huaxin Building Materials Group Co., Ltd. is a publicly listed company in China and has not yet published its financial statements for the year 2025, the disclosed amounts for the investment in the joint venture Huaxin Building Materials Group Co., Ltd. are as of 30 September 2025.

The summarized financial information presented below shows the amounts included in the IFRS financial statements of Huaxin Building Materials Group Co., Ltd. as of 30 September 2025 and as of 31 December 2024. As of 30 September 2025, dividends of CHF 46 million (31 December 2024: CHF 57 million) were received from Huaxin Building Materials Group Co., Ltd.

Huaxin Building Materials Group Co., Ltd. – Statement of financial position

Million CHF	30.09.2025	31.12.2024
Cash and cash equivalents	751	842
Other current assets	1 238	1 193
Non-current assets	6 913	6 695
Total assets	8 902	8 730
Current financial liabilities	709	855
Other current liabilities	1 315	1 391
Long-term financial liabilities	2 130	1 629
Other non-current liabilities	515	405
Total liabilities	4 670	4 280
Net assets	4 232	4 450
Shareholders' equity (excluding non-controlling interests)	3 645	3 865

Huaxin Building Materials Group Co., Ltd. – Statement of comprehensive earnings

Million CHF	Jan-Sep 2025	Jan-Dec 2024
Net sales	2 909	4 185
Operating profit¹	468	511
Profit (loss) on disposals and other non-operating items	3	(8)
Financial income	18	23
Financial expenses	(86)	(120)
Income taxes	(113)	(103)
Net income	291	302
Net income (excluding non-controlling interests)	270	234
Other comprehensive earnings	24	8
Total comprehensive earnings (excluding non-controlling interests)	294	241

¹ Of which CHF 304 million (2024: CHF 455 million) relates to depreciation and amortization.

Impairment test of the investment in Huaxin Building Materials Group Co., Ltd.

In accordance with the Group's accounting policies, joint ventures and associates are tested for impairment based on the recoverable amount, defined as the higher of value-in-use or fair value less costs of disposal. As of 31 December 2025, the fair value of the investment in Huaxin Building Materials Group Co. Ltd. based on a quoted market price was 27% above its carrying amount in Holcim Group's statement of financial position. This represents a significant recovery compared with 31 December 2024, when the market price was 39% below the carrying value. The assessment did not lead to the recognition of any impairment.

6.7 Lafarge Maroc S.A.S. (Morocco)

As of 31 December 2025, the Group holds 50% (2024: 50%) of the voting rights in the joint venture company Lafarge Maroc S.A.S.

Summarized financial information for the material joint venture Lafarge Maroc S.A.S., which is accounted for using the equity method, is presented below.

The carrying amount of Lafarge Maroc S.A.S. in the Group's 2025 financial statements is based on an estimated equity as of 31 December 2025. However, since Lafarge Maroc S.A.S. is the parent company of LafargeHolcim Maroc S.A., a publicly listed company in Morocco which has not yet published its financial statements for the year 2025, the disclosed amounts for the investment in the joint venture Lafarge Maroc S.A.S. are as of 30 June 2025.

The summarized financial information presented below shows the amounts included in the IFRS financial statements of Lafarge Maroc S.A.S. as of 30 June 2025 and as of 31 December 2024. As of 30 June 2025, dividends of CHF 47 million (31 December 2024: CHF 45 million) were received from Lafarge Maroc S.A.S..

Lafarge Maroc S.A.S. – Statement of financial position

Million CHF	30.06.2025	31.12.2024
Cash and cash equivalents	39	32
Other current assets	323	315
Non-current assets	1 985	2 038
Total assets	2 347	2 385
Current financial liabilities	216	111
Other current liabilities	285	306
Long-term financial liabilities	440	488
Other non-current liabilities	231	235
Total liabilities	1 172	1 140
Net assets	1 175	1 246
Shareholders' equity (excluding non-controlling interests)	770	816

Lafarge Maroc S.A.S. – Statement of comprehensive earnings

Million CHF	Jan-Jun 2025	Jan-Dec 2024
Net sales	562	1 054
Operating profit¹	184	321
Loss on disposals and other non-operating items	(9)	(19)
Financial expenses	(17)	(38)
Income taxes	(71)	(113)
Net income	88	151
Net income (excluding non-controlling interests)	88	151
Other comprehensive earnings	0	(5)
Total comprehensive earnings (excluding non-controlling interests)	87	146

¹ Of which CHF 47 million (2024: CHF 92 million) relates to depreciation and amortization.

6.8 Other joint ventures

In 2025 and 2024, there were no unrecognized shares of losses relating to other joint ventures.

6.9 Movements in investments in associates

Million CHF	2025	2024
1 January	250	237
Share of profit of associates	23	24
Dividends earned	(26)	(8)
Net acquisitions (disposals)	4	(14)
Associates related to the spin-off of the North American business	(4)	0
Currency translation effects, reclassifications & others	(9)	11
31 December	237	250

As of 31 December 2025 and 31 December 2024, the Group has no interest in associates that are considered as individually material.

There are no unrecognized shares of losses relating to the above associates.

7. Financing items

7.1 Accounting principles

Financial income and expenses primarily relate to interest earned on cash and cash equivalents, interest expenses on borrowings, unwinding of discount on long-term liabilities, net interest expenses on retirement benefit plans, foreign exchange gains and losses and interest expenses on lease liabilities.

7.2 Financial income

Million CHF	2025	2024 Restated ¹
Interest earned on cash and cash equivalents	97	116
Other financial income	29	22
Total	125	138

¹ Comparative information restated for discontinued operations (see Note 13.2).

7.3 Financial expenses

Million CHF	2025	2024 Restated ¹
Interest expenses	(278)	(373)
Interest expenses on lease liabilities	(47)	(41)
Fair value changes on financial instruments	(6)	2
Unwinding of discount on long-term liabilities	(21)	(18)
Net interest expenses on retirement benefit plans	(8)	(10)
Impairment and write off of long-term financial assets	(10)	(6)
Other financial expenses	(56)	(64)
Foreign exchange gain/ (loss), net	20	(7)
Total	(406)	(517)

¹ Comparative information restated for discontinued operations (see Note 13.2).

Interest expenses relate primarily to financial liabilities measured at amortized cost. The decrease in 2025 was mainly driven by debt maturities (see Note 14.4), as well as lower interest rates on floating-rate debt and a stronger Swiss franc.

Interest expenses on lease liabilities include interest expenses related to ongoing lease contracts (see Note 14.7).

Other financial expenses include costs for commitment fees on credit facilities, bank charges and accruals for interest related to ongoing legal and tax cases.

Foreign exchange gains/ (losses) are mainly due to unhedgeable receivables and payables denominated in currencies other than functional currencies.

8. Income taxes

8.1 Accounting principles

Income taxes

Holcim's business operations are subject to numerous income taxes imposed by state and local governments. Taxes recognized in the Group Consolidated Financial Statements reflect the Group's best estimate of the outcome based on the facts known at the balance sheet date in each individual country, including changes in tax laws or revised interpretations of existing tax rules and regulations, or ongoing tax audits.

Significant judgment is often required in determining the Group's annual tax charges and in evaluating the Group tax positions. Although the Group believes the tax estimates are reasonable, the final determination of tax audits and any related disputes could be materially different from the Group's historical tax provisions and accruals, even if the Group assesses the tax positions in line with local tax laws and international guidelines such as those issued by the Organization for Economic Cooperation and Development (OECD).

Deferred taxes

Deferred tax is provided, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Tax rates enacted or substantively enacted by the end of the reporting period are used to determine the deferred tax expense.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which deductible temporary differences or unused tax losses can be utilized. Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries, associates, and interests in joint arrangements except where the Group is able to control the distribution of earnings from these respective entities and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited in the statement of income, except when it relates to items credited or charged outside the statement of income, in which case the deferred tax is treated accordingly.

8.2 Tax expenses

Million CHF	2025	2024 Restated ¹
Current taxes	(656)	(574)
Deferred taxes	182	31
Relating to origination and reversal of temporary differences, tax losses and credits	164	41
Relating to changes in tax rates and legislation	18	(10)
Total	(474)	(544)

¹ Comparative information restated for discontinued operations (see Note 13.2).

In 2025, CHF 62 million (2024: CHF -21 million) in connection with the divestment of Group companies is included in the current taxes in the consolidated statement of income.

8.3 Reconciliation of tax rate

The expected tax charge is the result of applying the domestic statutory tax rates to net income (loss) before taxes. The rate varies year on year depending on the relative weight of net income (loss) of each individual entity in the Group's profit as well as the changes in statutory tax rates.

Million CHF	2025		2024 restated ¹	
Net income before taxes	934		2 116	
Impairment and net loss on disposals of Group companies, joint ventures and associates	(1 542)		(275)	
Net income before impairment, divestments and taxes	2 476		2 391	
Group's expected tax charge/rate	(583)	24%	(540)	23%
Tax effects of:				
– Non-recoverable withholding taxes	(68)		(92)	
– Incentives for investment and development	20		33	
– Non-deductible items	(72)		(45)	
– Income not subject to tax	71		51	
– Uncertain tax positions	(14)		79	
– Recognition/(derecognition) of deferred tax assets	30		(41)	
– Changes in tax rates	18		(10)	
Tax effect of impairment and net loss on disposals of Group companies, joint ventures and associates	124		21	
Group's effective tax charge/rate	(474)	51%	(544)	26%

¹ Comparative information restated for discontinued operations (see Note 13.2).

The Group's expected tax charge is based on the domestic tax rates that it is subject to in the countries in which it operates. The rate varies year on year depending on the relative weight of net income (loss) of each individual entity in the Group's profit as well as changes in statutory tax rates.

The Group's effective tax rate is 51% after impairment and divestments. The Group's effective tax rate before impairment and divestments is 24% (2024¹: 24%).

In 2025, total income taxes paid amount to CHF 563 million (2024¹: CHF 555 million).

¹ Comparative information restated for discontinued operations (see Note 13.2).

8.4 Deferred taxes

Deferred tax in the consolidated statement of financial position:

Million CHF	2025	2024
Deferred tax assets	(568)	(565)
Deferred tax liabilities	861	1 994
Deferred tax liabilities, net	294	1 429

The Group's recognition of deferred tax assets amounting to CHF 568 million (2024: CHF 565 million) reflects that the Group believes that sufficient taxable income will be generated to recover these assets in future periods. However, uncertainties regarding the future realization of recorded tax benefits on temporary differences and tax loss carryforwards from operations in various jurisdictions could result in material adjustments to the deferred tax assets recognized in future periods.

The significant reduction in deferred tax liabilities, net primarily results from the spin-off of the North American business.

Change in deferred tax assets and liabilities

Million CHF	Property, plant and equipment	Intangible and other long-term assets	Provisions and defined benefit obligations	Other	Tax losses carryforward	Total
2025						
Deferred tax liabilities net as of 1 January 2025	2 293	216	(235)	(398)	(447)	1 429
Charged (credited)						
- to the statement of income from continuing operations	(103)	6	(108)	(58)	80	(182)
- to the statement of income from discontinued operations	(30)	(10)	1	2	0	(36)
- to other comprehensive income ¹	0	0	2	0	0	2
Change in scope	(56)	0	(2)	16	0	(43)
Deferred tax liabilities / (assets) net from the spin-off of the North American business	(1 165)	(223)	156	390	7	(836)
Hyperinflation	16	0	0	2	0	18
Currency translation effects & other	(27)	(19)	2	(17)	3	(58)
Deferred tax liabilities net as of 31 December 2025	928	(30)	(183)	(63)	(357)	294
2024						
Deferred tax liabilities net as of 1 January 2024	2 064	48	(226)	(249)	(443)	1 194
Charged (credited)						
- to the statement of income from continuing operations	0	223	50	(77)	(14)	182
- to the statement of income from discontinued operations	(20)	(77)	2	(11)	0	(106)
- to other comprehensive income ¹	0	0	4	(1)	0	3
Change in scope	31	6	0	28	11	76
Hyperinflation	34	0	0	6	0	40
Currency translation effects & other	184	16	(65)	(94)	(1)	40
Deferred tax liabilities net as of 31 December 2024	2 293	216	(235)	(398)	(447)	1 429

¹ The tax effects on other comprehensive earnings are included within the consolidated statement of comprehensive earnings on page 4.

8.5 Tax losses carryforward

Million CHF	Tax losses carry-forward	Tax effect	Tax losses carry-forward	Tax effect
	2025	2025	2024	2024
Total tax losses carryforward	4 399	1 091	6 004	1 368
Of which reflected in deferred taxes	(1 470)	(359)	(2 279)	(447)
Total tax losses carryforward not recognized	2 928	732	3 724	922
Expiring as follows:				
Within 1 year	40	7	106	21
Between 2 and 5 years	86	21	159	35
Thereafter	2 803	704	3 459	865

In 2025, CHF 732 million (2024: CHF 922 million) of deferred tax assets on tax losses were not recognized, as the Group considers it will not generate sufficient taxable income within the carryforward period to realize these deferred tax benefits in all jurisdictions where the Group operates.

In 2025, CHF 700 million of tax losses in the United Kingdom expired. These losses were available to utilize only against gains realized on a limited class of assets, which were no longer held by the Group as of 31 December 2025.

Tax losses totalling CHF 483 million were allocated to the North American business upon the spin-off on 23 June 2025. This included recognized losses of CHF 460 million.

8.6 Long-term income tax liabilities

The Group continually monitors its global tax position, and whenever uncertainties arise, the Group assesses the potential consequences and either accrues the liability or discloses a contingent liability in its financial statements, depending on the strength of the Group's position and the resulting risk of loss.

For the purpose of classifying an income tax liability as current or non-current, the Group analyses whether or not the extinguishment of such liability may occur within 12 months from the end of the reporting period and in particular, whether or not the Group has the right to defer settlement beyond 12 months in each respective jurisdiction.

The long-term income tax liabilities total CHF 64 million (2024: CHF 154 million).

8.7 Global minimum tax

The OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting has issued Pillar Two model rules introducing a global minimum tax rate of 15%. The Group operates in jurisdictions that have implemented these rules, including Switzerland, which introduced the Qualified Domestic Minimum Top-up Tax (QDMTT) with effect from 1 January 2024 and the Income Inclusion Rule (IIR) from 1 January 2025.

The impact of Pillar Two in jurisdictions where transitional safe harbor relief does not apply and where the effective tax rate is below 15% is not expected to be material in 2025 and is not expected to have a material effect on the Group's effective tax rate. Accordingly, the Group has applied the mandatory exception from recognizing and disclosing deferred tax assets and liabilities arising from Pillar Two income taxes.

9. Earnings per share

	2025	2024
Net income attributable to Holcim Ltd shareholders in million CHF		
Net income attributable to Holcim Ltd shareholders	13 179	2 926
Adjustment for net interest of hybrid bonds ¹	0	(4)
Adjusted net income attributable to Holcim Ltd shareholders	13 179	2 922
Net income from continuing operations attributable to Holcim Ltd shareholders in million CHF		
Net income from continuing operations attributable to Holcim Ltd shareholders	387	1 456
Adjustment for net interest of hybrid bonds ¹	0	(4)
Adjusted net income from continuing operations attributable to Holcim Ltd shareholders	387	1 452
Net income from discontinued operations attributable to Holcim Ltd shareholders in million CHF		
Net income from discontinued operations attributable to Holcim Ltd shareholders	12 791	1 470
Number of shares		
Weighted average number of shares outstanding	552 665 941	557 623 740
Adjustment for assumed exercise of share options and performance shares	1 401 285	2 369 576
Weighted average number of shares for diluted earnings per share	554 067 227	559 993 317
Basic earnings per share in CHF		
From continuing operations	0.70	2.60
From discontinued operations	23.15	2.64
Diluted earnings per share in CHF		
From continuing operations	0.70	2.59
From discontinued operations	23.09	2.63

¹ Holcim issued a subordinated perpetual note: EUR 500 million at an initial fixed coupon of 3.0% in April 2019. On 28 May 2024, Holcim exercised the redemption option on the EUR 500 million subordinated perpetual note (see note 17.1).

In conformity with the decision taken at the Annual General Meeting of shareholders on 14 May 2025, a dividend of CHF 3.10 per registered share for the financial year 2024 was paid out of the foreign capital reserves from tax capital contributions on 22 May 2025. This resulted in a total payment of CHF 1 714 million.

10. Working capital

10.1 Accounting principles

Trade accounts receivable

Trade accounts receivable are initially recognized at their invoiced amounts less any deductions such as trade discounts.

The Group applies the IFRS 9 simplified approach with expected lifetime credit losses (ECL). Therefore, the Group recognizes a credit loss allowance based on a lifetime ECL at each reporting period.

The lifetime ECL calculation includes possible default events on the trade accounts receivable over the entire holding period of the receivable.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials and additives, direct labor, other direct costs, and related production overheads. Cost of inventories includes transfers from equity of gains or losses on qualifying cash flow hedges relating to inventory purchases.

10.2 Trade accounts receivable

Million CHF	2025	2024
Trade accounts receivable – associates and joint ventures	35	42
Trade accounts receivable – third parties	1 679	2 571
Net carrying amount	1 714	2 613

The significant reduction in trade accounts receivable primarily results from the spin-off of the North American business.

Maturity of accounts receivable

Million CHF	2025			2024		
	Gross carrying amount	Lifetime expected credit loss allowance	Net carrying amount	Gross carrying amount	Lifetime expected credit loss allowance	Net carrying amount
Not overdue	1 439	(17)	1 422	2 081	(30)	2 051
Overdue 1 to 89 days	280	(11)	269	501	(13)	488
Overdue 90 to 180 days	42	(21)	22	58	(12)	47
Overdue more than 180 days	144	(144)	1	196	(168)	28
Total	1 906	(192)	1 714	2 837	(223)	2 613

The allowance in the table above relates to accounts receivable for which a lifetime expected credit loss is recognized. See Note 14.6 for further details.

In some cases, trade accounts receivable are factored to third parties but the total amount is not considered material for the Group.

10.3 Inventories

Million CHF	2025	2024
Raw materials and additives	261	534
Semi-finished and finished products	1 062	1 867
Fuels	70	151
Parts and supplies	323	565
Total	1 716	3 117

In 2025, the Group recognized inventory write-downs to net realizable value of CHF 20 million (2024: CHF 6 million) relating mainly to parts and supplies.

The significant reduction in inventories primarily results from the spin-off of the North American business.

10.4 Prepaid expenses and other current assets

Million CHF	2025	2024
Prepaid expenses and accruals	171	253
Other current assets	112	119
Other receivables – associates and joint ventures	7	8
Other receivables – third parties	433	457
Total	723	837

10.5 Trade accounts payable

Million CHF	2025	2024
Trade accounts payable – associates and joint ventures	149	141
Trade accounts payable – third parties	3 041	4 236
Advance payments from customers – third parties	236	368
Total	3 426	4 745

The significant reduction in trade accounts payable primarily results from the spin-off of the North American business.

The Group has supplier finance arrangements in a limited number of countries under which its suppliers may elect for early payment from financial institutions by factoring their receivables from the Group. Suppliers availing of the supplier finance arrangements at their own discretion will bear the full cost of early settlement of their receivables. The Group's obligation to settle with the supplier remains on original payment terms that are contractually independent of any arrangement between the supplier and a financial institution. The Group provides no security to the finance providers.

Trade payables – including those that are covered by supplier finance arrangements – are non-interest-bearing and are settled in line with the contractual terms originally agreed with the suppliers, consistent with local market practices. In the primary jurisdiction in which supplier finance arrangements are made available, the payment terms for all trade payables – including the ones that are part of the arrangements – generally average 100 days.

Based on the above, all trade payables covered by supplier finance arrangements are included in trade and other payables in the consolidated statement of financial position and within trade payables in the table above.

Million CHF	2025	2024
Carrying amount of trade payables that are part of a supplier finance arrangement ¹	347	321
Of which suppliers have received payment	285	292

¹ Non-cash changes from business combinations or foreign exchange differences are immaterial at Group level.

For explanations on the Group's liquidity risk management processes, refer to Note 14.6.

11. Property, plant and equipment, goodwill, and intangible assets

11.1 Accounting principles

Property, plant and equipment

Property, plant and equipment is valued at acquisition or construction cost less depreciation and impairment losses.

Cost includes transfers from equity of any gains or losses on qualifying cash flow hedges. The cost of property, plant and equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

Land and mineral reserves	No depreciation except on land with raw material reserves (unit-of-production method)
Buildings and installations	10 to 40 years
Machinery and equipment	3 to 30 years

Useful lives of assets may be affected by climate-related matters due to transitional risks, such as obsolescence and legal restrictions, or physical risks, as there is the potential for operations to be adversely impacted by extreme variability in weather patterns. The change in useful lives directly impacts the amount of depreciation or amortization recognized each year. Management's review of useful lives has taken into consideration the impact of the Group's 2030 targets. For the calculation of useful lives, the various input factors and the residual values are reviewed annually.

Costs are only included in the asset's carrying amount when it is probable that the economic benefits associated with the item will flow to the Group in future periods and the cost of the item can be measured reliably. Costs include the initial estimate of the costs for dismantling and removing the item and for restoring the site on which it is located. All other repairs and maintenance expenses are charged to the statement of income during the period in which they are incurred.

Mineral reserves are measured at cost and are depreciated based on the unit-of-production method over their estimated commercial lives.

Costs incurred to gain access to mineral reserves (typically stripping costs) are capitalized and depreciated over the life of the quarry, which is based on the estimated tons of raw material to be extracted from the reserves.

Interest costs on borrowings to finance construction projects, which necessarily take a substantial period of time to get ready for their intended use, are capitalized during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed in the period in which they are incurred.

Government grants received are recognized when there is reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. Government grants are deducted from property, plant and equipment and reduce the depreciation charge accordingly.

Goodwill and impairment testing

Goodwill arises in a business combination and is the excess of the consideration transferred to acquire a business over the underlying fair value of the net identified assets acquired. Such goodwill is tested annually for impairment or whenever there are impairment indicators, and is carried at cost less accumulated impairment losses.

Following a business combination, goodwill is allocated to a cash-generating unit (CGU) or to a group of cash-generating units that are expected to benefit, among others, from the synergies of the business combination. The Group's cash-generating units (CGUs) are defined on the basis of the relevant market, which is normally country related. For the purpose of impairment testing, the Group's cash-generating units are aggregated into an operating segment, which is the level reviewed by the Group Chief Executive Officer (i.e., the chief operating decision-maker). The discount rate is determined on a country level and is hence disclosed as a range on operating segment level. The aggregated carrying amount of goodwill that is monitored on operating segment level is detailed in Note 11.3.

For the goodwill impairment test, the recoverable amount of a cash-generating unit is determined at the higher of its value-in-use and its fair value less costs of disposal. Management used the value-in-use approach to calculate the recoverable amount of the cash-generating unit. The aggregated recoverable amount of the operating segment is then compared to its aggregated carrying amount. An impairment loss is recognized if the aggregated carrying amount of the operating segment exceeds its aggregated recoverable amount. The value-in-use is determined based on future discounted cash flows using the weighted average cost of capital (WACC). The discount rate reflects the current assessment of the time value of money and the risks specific to the CGU (essentially country risk).

The WACC used for the impairment test is a post-tax discount rate and is applied to post-tax cash flows. There is no material difference in the outcome of the impairment test using the discount rate applied when compared with using a pre-tax discount rate for pre-tax cash flows.

Cash flow projections are generally based on a four-year financial planning period using business plans approved by management. Cash flows beyond the planning period are extrapolated based on increasing sustainable cash flows. Business plans include, among others, the management's current view on market growth, pricing, and costs. In any event, the growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the long-term average growth rate for the relevant market for the products and country in which the cash-generating unit operates. The long-term average growth rate is based on the long-term inflation rate and gross domestic product for the relevant market, as published by the International Monetary Fund (IMF).

On disposal of a subsidiary or joint operation, the portion of the goodwill from the related operating segment is allocated to the subsidiary or joint operation disposed of and is included in the determination of profit or loss on disposal.

Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill arising from an acquisition of a joint venture or associated company is included in the carrying amount of the net investment in an associate or a joint venture and is not separately recognized. Refer to Note 6 for further details.

Sustainability and goodwill impairment testing

Accelerating its net-zero ambition under the NextGen Growth 2030 strategy, Holcim has further tightened its decarbonization targets, aiming to reduce net emissions to below 400 kilograms of CO₂ per ton of cementitious materials by 2030. To reach this, the Group is investing in carbon capture, utilization, and storage (CCUS) projects, with eight large-scale projects across Europe to bring near-zero cement and concrete to market at scale from 2030. In line with financial reporting requirements, the business plans incorporate all future investment projects approved as of 31 December 2025.

Carbon pricing remains applicable in several markets where the Group operates, notably in Europe, and is reflected in production cost assumptions in the business plans.

The Group continues to monitor the emergence of new CO₂ regulatory pronouncements, which are factored into the business plans once enacted. Accordingly, the reform of the European Union Emissions Trading Scheme (EU ETS), adopted by the European Council and Parliament in 2023, according to which free CO₂ emissions allowances granted to industry under EU ETS gradually phase out between 2026 and 2034; similarly, the allowances granted under the newly introduced Carbon Border Adjustment Mechanism (CBAM) starting from 2026 are considered in the business plans. Holcim remains steadfast in its ambition to decarbonize its operations through CCUS, and to bring near-zero cement and concrete to market at scale from 2030.

Sensitivity analysis and goodwill impairment testing (see Note 11.3)

Discount rates

A sensitivity analysis was performed on the discount rates at cash-generating unit level which, accordingly, is at the relevant market level normally country related and then aggregated into an operating segment for goodwill impairment purposes.

Recurring EBITDA margin

Price and costs are also considered as key assumptions impacting the recurring EBITDA margin. Therefore, the sensitivity on those key assumptions is tested through the long-term recurring EBITDA margin variability.

Long-term growth rate

No sensitivity analysis is run on the long-term growth rate, as it is offset by the inflation rates included in the discount rates.

Intangible assets

Expenditure on acquired customer relationships, trademarks, mining rights, software, patented and unpatented technology, and other intangible assets are capitalized and amortized using the straight-line method over their estimated useful lives, but not exceeding 25 years, except for mining rights, which are depleted on a volume basis.

Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group calculates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value-in-use. If the calculated recoverable amount of a non-financial asset or cash generating unit is less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of income.

The Group assesses whether there is an indication that an impairment loss recognized in prior periods for an asset or cash generating unit other than goodwill may no longer exist or may have decreased. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined if no impairment loss had been recognized for that non-financial asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of income.

11.2 Property, plant and equipment

Million CHF	Land and mineral reserves	Buildings and installations	Machinery and equipment	Construction in progress	Total
2025					
At cost of acquisition	7 450	9 421	25 018	1 443	43 333
Accumulated depreciation/impairment	(2 543)	(5 295)	(15 155)	(33)	(23 026)
Net book value as of 1 January	4 907	4 126	9 863	1 411	20 307
Assets related to the spin-off of the North American business ³	(1 963)	(1 359)	(3 180)	(474)	(6 976)
Acquisitions ¹	66	55	146	10	277
Divestments ¹	(54)	(59)	(203)	(50)	(366)
Additions ⁵	4	5	15	1 495	1 519
Lease additions, modifications and reassessments of leases	67	112	261	0	440
Disposals	(20)	(9)	(30)	(4)	(62)
Reclassifications from construction in progress	70	240	790	(1 100)	0
Depreciation ⁴	(131)	(267)	(915)	0	(1 313)
Hyperinflation ²	20	24	41	5	90
Net impairment charges	(5)	(90)	(132)	(3)	(231)
Currency translation effects & others	(282)	(181)	(619)	(73)	(1 155)
Net book value as of 31 December	2 679	2 597	6 036	1 217	12 529
At cost of acquisition	4 078	6 408	15 276	1 234	26 995
Accumulated depreciation/impairment	(1 398)	(3 811)	(9 240)	(17)	(14 466)
Net book value as of 31 December	2 679	2 597	6 036	1 217	12 529
2024					
At cost of acquisition	7 025	8 608	23 453	1 405	40 491
Accumulated depreciation/impairment	(2 384)	(4 746)	(13 976)	(42)	(21 149)
Net book value as of 1 January	4 641	3 861	9 477	1 363	19 341
Acquisitions ¹	134	107	182	27	450
Divestments ¹	(41)	(24)	(225)	(21)	(310)
Additions ⁵	35	6	11	1 576	1 629
Lease additions, modifications and reassessments of leases	92	133	379	1	605
Disposals	(25)	(3)	(25)	(2)	(54)
Reclassifications from construction in progress	82	330	1 164	(1 575)	0
Depreciation ⁴	(170)	(362)	(1 308)	0	(1 840)
Hyperinflation ²	59	50	133	9	251
Net impairment charges	(3)	(71)	(113)	3	(184)
Currency translation effects & others	103	100	187	30	420
Net book value as of 31 December	4 907	4 126	9 863	1 411	20 307
At cost of acquisition	7 450	9 421	25 018	1 443	43 333
Accumulated depreciation/impairment	(2 543)	(5 295)	(15 155)	(33)	(23 026)
Net book value as of 31 December	4 907	4 126	9 863	1 411	20 307

¹ For more information, see Note 2.4.

² For more information, see Note 2.2.

³ For more information, see Note 13.2.

⁴ Depreciation for 2025 includes CHF -280 million (2024: CHF -766 million) attributable to the North American business.

⁵ Additions for 2025 include CHF 362 million (2024: CHF 558 million) attributable to the North American business.

In 2025, government grants of CHF 64 million mainly related to plant modernization (2024: CHF 7 million) and were deducted directly from additions.

As of 31 December 2025 and 2024, there is no pledged carrying amount of property, plant and equipment.

“Property, plant and equipment” includes owned property, plant and equipment and right-of-use assets for lease contracts, as described below:

- Land: Land is leased for production sites and distribution facilities;
- Buildings and installations: Buildings and installations include buildings and installations for production purposes as well as office rental;
- Machinery, equipment and vehicles: Machinery and equipment are used in the manufacturing and distribution processes. Heavy mobile equipment, trucks, and vehicles are leased for production and transportation purposes.

Right-of-use assets

Million CHF	Land	Buildings and installations	Machinery, equipment and vehicles	Total right-of-use assets
2025				
Net book value as of 1 January	424	388	811	1 623
Right-of-use assets related to the spin-off of the North American business ¹	(141)	(168)	(454)	(762)
Acquisitions	30	6	11	47
Divestments	0	0	(3)	(3)
Lease additions ³	57	87	270	414
Depreciation ²	(47)	(55)	(182)	(284)
Modifications and reassessments of leases	10	25	(9)	26
Currency translation effects	(21)	(25)	(50)	(96)
Net book value as of 31 December	312	258	395	965
2024				
Net book value as of 1 January	385	302	672	1 359
Acquisitions	1	9	3	12
Divestments	(3)	(1)	(6)	(9)
Lease additions ³	86	130	386	602
Depreciation ²	(62)	(66)	(261)	(389)
Modifications and reassessments of leases	6	3	(6)	3
Others	0	0	5	5
Currency translation effects	10	12	19	40
Net book value as of 31 December	424	388	811	1 623

¹ For further information, see Note 13.2.

² Depreciation for 2025 includes CHF -78 million (2024: CHF -195 million) attributable to the North American business.

³ Lease additions for 2025 include CHF 135 million (2024: CHF 346 million) attributable to the North American business.

11.3 Goodwill and intangible assets

Million CHF	Goodwill	Intangible assets
2025		
At cost of acquisition	15 913	4 026
Accumulated amortization/impairment	(1 318)	(1 646)
Net book value as of 1 January	14 594	2 380
Assets related to the spin-off of the North American business ³	(7 426)	(1 494)
Acquisitions ¹	255	72
Divestments ¹	(146)	(1)
Reclassification	0	17
Additions ⁵	0	74
Disposals	0	(1)
Amortization ⁴	0	(128)
Impairment charge	0	(2)
Hyperinflation ²	16	2
Currency translation effects	(941)	(167)
Net book value as of 31 December	6 352	751
At cost of acquisition	7 545	1 884
Accumulated amortization/impairment	(1 193)	(1 133)
Net book value as of 31 December	6 352	751
2024		
At cost of acquisition	14 992	3 577
Accumulated amortization/impairment	(1 403)	(1 451)
Net book value as of 1 January	13 589	2 127
Acquisitions ¹	561	293
Divestments ¹	(99)	(1)
Reclassification	0	1
Additions ⁵	0	50
Disposals	0	(1)
Amortization ⁴	0	(175)
Impairment charge	0	(18)
Hyperinflation ²	34	1
Currency translation effects	510	104
Net book value as of 31 December	14 594	2 380
At cost of acquisition	15 913	4 026
Accumulated amortization/impairment	(1 318)	(1 646)
Net book value as of 31 December	14 594	2 380

¹ For further information, see Note 2.4.

² For further information, see Note 2.2.

³ For further information, see Note 13.2.

⁴ Amortization for 2025 includes CHF -45 million (2024: CHF -121 million) attributable to the North American business.

⁵ Additions for 2025 include CHF 0 million (2024: CHF 2 million) attributable to the North American business.

Impairment testing of goodwill

Key assumptions used for value-in-use calculations in respect of goodwill 2025

Operating segments (Million CHF)	Carrying amount of goodwill	Currency	Post-tax discount rates ¹	Long-term growth rates ¹	Rec. EBITDA margins terminal value
Europe	4 346	Various	5.9%-13.9%	1.0%-5.0%	26.4%
Latin America	1 190	Various	7.6%-30.1%	1.5%-11.6%	40.1%
Asia, Middle East & Africa	794	Various	6.6%-17.8%	1.0%-5.6%	37.4%
Others	21	CHF/ USD	5.9%	1.0%	n.a
Total	6 352				

¹ The discount rates and long-term growth rates are determined on the relevant market level normally country related, and thus disclosed as a range at the operating segment level.

Key assumptions used for value-in-use calculations in respect of goodwill 2024

Operating segments (Million CHF)	Carrying amount of goodwill	Currency	Post-tax discount rates ¹	Long-term growth rates ¹	Rec. EBITDA margins terminal value
Europe	3 978	Various	5.9%-14.0%	1.0%-5.0%	24.7%
Latin America	1 187	Various	8.5%-32.4%	1.5%-26.3%	38.8%
Asia, Middle East & Africa	965	Various	6.7%-26.8%	1.0%-14.4%	25.1%
North America	4 391	USD/CAD	6.8%	2.1%	35.4%
Solutions & Products	4 050	Various	6.5%-6.9%	1.8%-2.1%	27.5%
Others	23	CHF/ USD	5.9%	1.0%	n.a
Total	14 594				

¹ The discount rates and long-term growth rates are determined on the relevant market level, usually country- or product-related, and thus disclosed as a range at the operating segment level.

In 2025 and 2024, no goodwill impairment charge was recognized.

Sensitivity analysis

With regard to the assessment of value-in-use of the different operating segments, management concluded that a reasonably possible change in the post-tax discount rate, or in the long-term recurring EBITDA margin, would not cause their carrying amounts to exceed their recoverable amounts.

12. Financial investments and other financial assets

12.1 Accounting principles

Financial investments and other financial assets consist of:

- a) “Financial investments – third parties” are strategic equity investments classified at fair value through other comprehensive earnings.
- b) “Long-term receivables – associates and joint ventures” are classified as receivables at amortized cost, as the Group intends to hold the assets to maturity to collect contractual cash flows.
- c) “Long-term receivables – third parties” are classified as receivables at amortized cost, as the Group intends to hold the assets to maturity to collect contractual cash flows.
- d) “Other long-term assets” are classified as receivables at amortized cost and notably comprise various deposits in connection with ongoing legal and tax cases.

Financial assets at amortized cost are measured using the effective interest method.

All purchases and sales of long-term financial assets are recognized on trade date, which is the date that the Group commits to purchase or sell the asset. The purchase cost includes transaction costs, except for derivative instruments.

Strategic equity investments are investments where the Group generally owns less than 20% of the shares and where it does not exercise control, joint control or significant influence and which it intends to hold for long-term strategic purposes. Gains and losses arising from changes in the fair value of strategic equity investments at fair value through other comprehensive earnings are included in other reserves until the asset is disposed of, at which time the cumulative gain or loss previously recognized in other reserves is transferred to retained earnings.

Financial assets measurement

At initial recognition, in the case of a financial asset not classified at fair value through profit or loss, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

a) Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Loans and receivables at amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of income when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Financial assets at fair value through profit or loss: Assets that do not meet the criteria for amortized cost and are held for trading are measured at fair value through profit or loss. Gains and losses on debt investments that are subsequently measured at fair value through profit or loss and are not part of a hedging relationship are recognized in the statement of income and presented net in the statement of income in the period in which they arise. Interest income from these financial assets is included in financial income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Equity instruments at fair value

The Group subsequently measures all equity investments at fair value. Where the Group’s management has elected to present fair value gains and losses on strategic equity investments at fair value through other comprehensive earnings, there is no subsequent reclassification of fair value gains and losses to the statement of income. Dividends from such investments continue to be recognized in the statement of income when the Group’s right to receive payments is established.

12.2 Long-term financial investments and other long-term assets

Million CHF	2025	2024
Financial investments – third parties	159	152
Financial investments – unconsolidated group companies	1	46
Long-term receivables – associates and joint ventures	25	25
Long-term receivables – third parties	86	136
Deferred charges	11	47
Other long-term assets	69	131
Total	350	538

Long-term receivables and other long-term assets are primarily denominated in USD, EUR, and DZD. The repayment dates vary between one and 39 years (2024: one and 26 years).

In 2024, “Financial investments – unconsolidated Group companies” related to the acquisition of Ghielmicementi SA in Switzerland, which was consolidated in the first quarter of 2025 (see Note 2.4).

12.3 Current financial receivables

Million CHF	2025	2024
Marketable securities	3	5
Current financial receivables – associates and joint ventures	16	13
Current financial receivables – third parties	65	119
Total	83	137
Of which pledged/restricted	33	56

13. Discontinued operations and assets and related liabilities classified as held for sale

13.1 Accounting principles

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use (see Note 1.2).

13.2 Discontinued operations

The spin-off was completed on 23 June 2025; see Note 2.3, "Completion of the full capital market separation of the North American business through a dividend-in-kind distribution to Holcim Ltd shareholders."

Discontinued operations include the operational results from the North American business, referring to affiliates in the United States, Canada, and Jamaica.

In 2025, the consolidated statement of income and cash flows of the discontinued operations are translated into the Group's reporting currency (Swiss francs) at the average exchange rates until 23 June 2025, and the consolidated statement of financial position is translated at the exchange rates prevailing on 23 June 2025. The consolidated statement of income of discontinued operations reflects for 2025 the period from 1 January to 23 June 2025, and for 2024 the 12 months ended 31 December 2024.

Million CHF	2025 ¹	2024
Net sales	4 235	10 205
Expenses	(3 660)	(8 299)
Net income before taxes	575	1 906
Income taxes	(122)	(437)
Net income from discontinued operations before gain on distribution of Amrize to Holcim Ltd shareholders	453	1 469
Gain on distribution of Amrize to Holcim Ltd shareholders ²	12 337	0
Net income from discontinued operations	12 790	1 469

¹ The consolidated statement of income from discontinued operations is for the period from 1 January to 23 June 2025.

² Of which CHF -12 million recorded in the second half of 2025.

In 2025, the net income from discontinued operations includes the non-cash and non-taxable gain on disposal recognized at the spin-off date amounted to CHF 12 337 million (see Note 2.3).

The transaction costs incurred in 2025 and 2024, which are directly attributable to the spin-off, have also been allocated to discontinued operations. In 2025, these costs are recorded in "Gain on distribution of Amrize to Holcim Ltd shareholders." In 2024, these costs are recorded in "Net income from discontinued operations before gain on distribution of Amrize to Holcim Ltd shareholders." The transaction costs include, among others, legal and advisory, bank fees and audit-related fees.

The net assets of the North American business derecognized as of 23 June 2025 (date of the spin-off distribution) are presented below:

Million CHF	23 June 2025
Cash and cash equivalents	362
Other current assets	2 968
Property, plant and equipment	6 976
Goodwill	7 426
Intangible assets	1 494
Other long-term assets	246
Bank overdrafts	(5)
Other current liabilities	(2 456)
Long-term provisions	(961)
Other long-term liabilities	(5 907)
Carrying amount of the net assets derecognized	10 144
Carrying amount of the non-controlling interests derecognized	2
Carrying amount of the net assets derecognized after non-controlling interests	10 146

Net cash flows from discontinued operations:

Million CHF	2025	2024
Cash flow from operating activities	(339)	2 552
Cash flow from investing activities	(926)	(723)
Cash flow from financing activities	3 560	(186)
Net cash flows from discontinued operations	2 295	1 643

Million CHF	2025	2024
Derecognition of cash and cash equivalents, net of bank overdrafts attributable to the spin-off of the North American business	(357)	0
Purchase of property, plant and equipment	(368)	(565)
Disposal of property, plant and equipment	6	82
Other cash flow from investing activities	(206)	(240)
Cash flow from investing activities from discontinued operations	(926)	(723)

In 2025, the other cash flow from the investing activities from discontinued operations includes the payments related to the transaction costs related to the spin-off of the North American business and the cash out for the acquisitions of OX Engineered Products (US), Langley Concrete Group Inc. (Canada) and Jamaica Aggregates Ltd (Jamaica).

Million CHF	2025	2024
Net movement in current financial liabilities	763	0
Proceeds from long-term financial liabilities	2 897	1
Repayment of long-term lease liabilities	(100)	(187)
Cash flow from financing activities from discontinued operations	3 560	(186)

In 2025, the cash flow from financing activities from discontinued operations totaled CHF 3 560 million. This includes the bond of USD 3 400 million issued on 7 April 2025, reflected net of transaction costs for a total of CHF 2 897 million.

13.3 Assets and related liabilities classified as held for sale

The assets and related liabilities classified as held for sale as of 31 December 2025 relate to a cement plant in China and Holcim's business in Lebanon (including Cyprus) (see Note 20).

Million CHF	2025	2024
Cash and cash equivalents	16	0
Inventories	18	0
Other current assets	1	0
Property, plant and equipment	53	58
Intangible assets	21	23
Long-term financial investments and other long-term assets	8	0
Assets classified as held for sale	118	81
Current liabilities	14	0
Long-term liabilities	8	0
Liabilities directly associated with assets classified as held for sale	22	0
Net assets classified as held for sale	96	81

14. Net financial debt

14.1 Accounting principles

Cash and cash equivalents

Cash and cash equivalents are financial assets. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents is presented net of bank overdrafts and includes cash classified as held for sale, where applicable.

Derivative instruments and hedging

The Group mainly uses derivative financial instruments to reduce its exposure to changes in interest rates, foreign currency exchange rates, and commodity prices. The Group enters into foreign exchange contracts and interest rate swaps and options to hedge certain exposures relating to debt, into foreign exchange contracts to hedge firm commitments for the acquisition of certain property, plant and equipment, and into swaps and options to manage its exposure to commodity risks.

Derivatives are regarded as hedging instruments under hedge accounting relationships, unless they are not designated as hedges, in which case they will be classified as held for trading. The forward element of derivatives not designated as hedges is recognized in financial income or financial expense in the statement of income and is included in the cash flow from operating activities. Financial derivatives expected to be settled within 12 months after the end of the reporting period are classified as current liabilities or current assets. For cash flow hedges, gains and losses are recorded in the cash flow hedging reserve, a separate component of equity, and recycled to the statement of income or as a basis adjustment to inventory or property, plant and equipment as the hedged transaction occurs.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss is dependent on the nature of the item being hedged. On the date a derivative contract is entered into, the Group designates certain derivatives as either (a) a hedge of the fair value of a recognized asset or liability (fair value hedge), or (b) a hedge of a particular risk associated with a recognized asset or liability, such as future interest payments on floating rate debt (cash flow hedge), or (c) a hedge of a foreign currency risk of a firm commitment or highly probable forecast transaction (cash flow hedge), or (d) a hedge of a net investment in a foreign entity (accounted for similarly to a cash flow hedge).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective are recorded in the statement of income, along with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income.

Where the firm commitment results in the recognition of an asset, for example, property, plant and equipment, or a liability, the gains or losses previously deferred in the cash flow hedging reserve are transferred from equity and included in the initial measurement of the non-financial asset or liability. Otherwise, amounts deferred in equity are transferred to the statement of income and classified as income or expense in the same periods during which the cash flows, such as hedged firm commitments or interest payments, affect the statement of income.

On inception of a hedge, the Group documents the economic relationship between hedging instruments and hedged items, including whether the hedging instrument is expected to offset changes in cash flows of hedged items as well as its risk management objective and strategy.

Long-term financial liabilities

Bank loans acquired and bonds issued are initially recognized at fair value (i.e., the proceeds received), net of transaction costs incurred. Subsequently, bank loans and bonds are stated at amortized cost, using the effective interest method, with any difference between proceeds (net of transaction costs) and the redemption value recognized in the statement of income over the term of the borrowings.

Financial liabilities that are due within 12 months of the end of the reporting period are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for more than 12 months after the reporting period.

The repayment of the current portion of such liabilities is shown in the statement of cash flows in the line "Repayment of long-term financial liabilities."

14.2 Net financial debt

Million CHF	31.12.2024	Cash flow from continuing operations	Cash flow from discontinued operations	Total cash flows impact	Non cash flows	31.12.2025
Current financial liabilities ¹	1 842	(4)	766	761	(1 223)	1 380
Long-term financial liabilities	12 014	(1 864)	2 797	933	(5 079)	7 867
Gross financial debt	13 856	(1 869)	3 563	1 694	(6 303)	9 247
Derivative assets	(61)	0	0	0	39	(22)
Cash and cash equivalents	(5 347)	–	–	(774)	681	(5 440)
Net Financial Debt	8 448	–	–	920	(5 582)	3 785

¹ Including bank overdraft cash flow movement for CHF 9 million and non cash movement for CHF -3 million.

Million CHF	2025	2024
Net Financial Debt as of 1 January	8 448	7 896
Cash flow from operating activities	(2 788)	(5 667)
Cash flow from investing activities	1 960	2 037
Payout on ordinary shares	1 714	1 570
Dividends paid to non-controlling interests	107	164
Coupon paid on subordinated fixed rate resettable notes	0	13
Net movement of treasury shares	(76)	951
Increase in participation in existing Group companies	3	12
Repayment from subordinated fixed rate resettable notes ¹	0	490
Total cash effective movements as per statement of cash flows	920	(430)
Change in scope ²	76	36
Financial liabilities related to the spin-off of the North American business	(5 859)	0
Currency translation effects	(338)	211
Increase in long-term lease liabilities	407	600
Others	131	134
Total non cash effective movements	(5 582)	982
Net Financial Debt as of 31 December	3 785	8 448

¹ For more information, see Note 17.1.

² Change in scope predominantly relates to acquisitions (see Note 2.4).

14.3 Cash and cash equivalents

Million CHF	2025	2024
Cash at banks and on hand	2 808	3 190
Short-term deposits ¹	2 632	2 157
Total	5 440	5 347
Bank overdrafts	(19)	(13)
Cash and cash equivalents classified as held for sale	16	0
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	5 437	5 334

¹ Of which CHF 7 million (2024: CHF 396 million) relates to investments in money market funds. The sizable reduction compared to 2024 is mainly due to the spin-off of the North American business.

14.4 Financial liabilities

Million CHF	2025	2024
Current financial liabilities – associates and joint ventures	10	29
Current financial liabilities – third parties	105	150
Current portion of long-term financial liabilities	1 221	1 630
Derivative liabilities (note 14.5)	43	33
Total current financial liabilities	1 380	1 842
Long-term financial liabilities – associates and joint ventures	1	0
Long-term financial liabilities – third parties	7 387	11 113
Derivative liabilities (note 14.5)	480	900
Total long-term financial liabilities	7 867	12 014
Total	9 247	13 856

Details of total financial liabilities

Million CHF	2025	2024
Loans from financial institutions	219	290
Bonds and private placements	7 530	10 941
Total loans and bonds	7 749	11 231
Lease liabilities (note 14.7)	975	1 692
Derivative liabilities (note 14.5)	523	934
Total	9 247	13 856

“Loans from financial institutions” include amounts due to banks and other financial institutions. Repayment dates vary between one and ten years (2024: one and ten years). As per the loan agreements, the Group is required to comply with certain provisions or covenants. As of 31 December 2025, the Group complied with its debt covenants in all respects.

As of 31 December 2025, the unused committed credit lines totaled CHF 3 312 million (2024: CHF 4 883 million).

Financial liabilities by currency

Currency	2025			2024		
	Million CHF	In %	Interest rate ¹	Million CHF	In %	Interest rate ¹
EUR	6 514	70.4	+2.2%	6 633	47.9	+2.1%
CHF	1 291	14.0	+0.6%	1 476	10.7	+0.7%
GBP	769	8.3	+3.1%	738	5.3	+2.5%
USD	292	3.2	+5.0%	4 435	32.0	+5.5%
AUD	93	1.0	+5.3%	82	0.6	+5.1%
PLN	61	0.7	+3.7%	67	0.5	+3.8%
CAD	0	0.0	0%	243	1.8	+4.7%
Others	228	2.5	+11.7%	182	1.2	+6.2%
Total	9 247	100.0	+2.4%	13 856	100.0	+3.2%

¹ Weighted average nominal interest rate on financial liabilities as of 31 December.

Information on the maturity of financial instruments is disclosed in Note 14.6.

Bonds and private placements as of 31 December

Nominal value	Nominal interest rate	Term	Description ¹	Net book value in CHF ²	
				2025	2024
Million				2025	2024
Holcim Ltd					
CHF	150	1.00%	2015–2025 Bonds	0	150
Lafarge S.A.					
USD	38	7.13%	2006–2036 Bonds (partially cancelled following an exchange offer)	33	483
Holcim Finance (Luxembourg) S.A.					
EUR	33	2.00%	2016–2026 Schuldschein loan guaranteed by Holcim Ltd	30	31
EUR	1 150	2.25%	2016–2028 Bonds guaranteed by Holcim Ltd, swapped into floating interest rate in 2019	1 012	1 000
EUR	750	1.75%	2017–2029 Bonds guaranteed by Holcim Ltd	695	701
EUR	500	0.50%	2019–2026 Bonds guaranteed by Holcim Ltd	458	455
EUR	500	2.38%	2020–2025 Bonds guaranteed by Holcim Ltd	0	470
EUR	850	0.50%	2020–2031 Bonds guaranteed by Holcim Ltd (sustainability-linked), swapped into floating interest rate 	674	674
EUR	500	0.13%	2021–2027 Bonds guaranteed by Holcim Ltd, swapped into floating interest rate	446	438
EUR	650	0.63%	2021–2033 Bonds guaranteed by Holcim Ltd, swapped into floating interest rate in 2025	490	497
EUR	500	0.63%	2021–2030 Bonds guaranteed by Holcim Ltd	462	466
EUR	1 000	0.50%	2021–2030 Bonds guaranteed by Holcim Ltd, partially swapped into floating interest rate	874	878
EUR	300	1.38%	2021–2036 Private placement guaranteed by Holcim Ltd	277	279
EUR	500	1.50%	2022–2025 Bonds guaranteed by Holcim Ltd	0	470
EUR	150	1.63%	2022–2026 Private placement guaranteed by Holcim Ltd (sustainability-linked) 	140	141
Holcim US Finance (Luxembourg) S.A.					
USD	50	4.20%	2013–2033 Bonds guaranteed by Holcim Ltd (cancelled following an exchange offer)	0	45
USD	100	2.24%	2021–2031 Private placement guaranteed by Holcim Ltd (sustainability-linked) 	79	90
USD	50	7.65%	2001–2031 Private placement guaranteed by Holcim Ltd (assigned to Holcim Finance US LLC, now Amrize Finance US LLC)	0	45
USD	59	6.88%	2009–2039 Bonds guaranteed by Holcim Ltd (partially cancelled following an exchange offer)	45	220
USD	11	6.50%	2013–2043 Bonds guaranteed by Holcim Ltd (partially cancelled following an exchange offer)	9	220
USD	74	3.50%	2016–2026 Bonds guaranteed by Holcim Ltd (partially cancelled following an exchange offer, Holcim US Finance (Luxembourg) S.A. was substituted in place of Holcim Finance US LLC as the issuer of these bonds)	59	361
USD	36	4.75%	2016–2046 Bonds guaranteed by Holcim Ltd (partially cancelled following an exchange offer, Holcim US Finance (Luxembourg) S.A. was substituted in place of Holcim Finance US LLC as the issuer of these bonds)	28	521
Holcim Sterling Finance (Netherlands) B.V.					
GBP	300	3.00%	2017–2032 Bonds guaranteed by Holcim Ltd	317	337
GBP	250	2.25%	2021–2034 Bonds guaranteed by Holcim Ltd, partially swapped into CHF and floating interest rate	231	240
Subtotal				6 359	9 213

¹ With fixed rates unless indicated.

² Includes adjustments for fair value hedge accounting, where applicable.

 Sustainability-linked instrument.

Nominal value	Nominal interest rate	Term	Description ¹		Net book value in CHF ²	Net book value in CHF ²
					2025	2024
Million						
Subtotal					6 359	9 213
Holcim International Finance Ltd						
USD	60	4.59%	2018-2025	Schuldschein loan guaranteed by Holcim Ltd	0	54
USD	65	5.31%	2022-2025	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked)	0	59
USD	58	5.52%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked) (early repaid)	0	52
USD	25	5.77%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked) (early repaid)	0	23
Holcim Continental Finance Ltd						
EUR	5	1.68%	2018-2025	Schuldschein loan guaranteed by Holcim Ltd	0	5
EUR	2	2.22%	2018-2028	Schuldschein loan guaranteed by Holcim Ltd	1	1
EUR	55	3.37%	2022-2025	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked)	0	52
EUR	42	2.11%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	39	39
EUR	250	2.94%	2022-2027	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked) (early repaid)	0	235
EUR	59	2.53%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	54	55
EUR	86	3.19%	2022-2029	Schuldschein loan guaranteed by Holcim Ltd with floating interest rate (sustainability-linked) (early repaid)	0	80
EUR	24	2.99%	2022-2032	Schuldschein loan guaranteed by Holcim Ltd (sustainability-linked)	22	23
Holcim Helvetia Finance Ltd						
CHF	300	0.25%	2021-2027	Bonds guaranteed by Holcim Ltd	300	300
CHF	145	0.13%	2021-2027	Bonds guaranteed by Holcim Ltd	145	145
CHF	185	0.50%	2021-2031	Bonds guaranteed by Holcim Ltd	185	183
CHF	325	0.38%	2022-2026	Bonds guaranteed by Holcim Ltd (sustainability-linked)	324	323
CHF	100	1.00%	2022-2032	Bonds guaranteed by Holcim Ltd (sustainability-linked)	100	100
Total					7 530	10 941

¹ With fixed rates unless indicated.

² Includes adjustments for fair value hedge accounting, where applicable.

 Sustainability-linked instrument.

14.5 Derivative financial instruments

Derivative liabilities are included in financial liabilities (Note 14.4) and derivative assets are separately disclosed in the consolidated statement of financial position. The Group assessed the effects of existing netting arrangements in place for financial instruments and these were considered to be immaterial.

Derivative assets and liabilities

Million CHF	Fair value assets	Fair value liabilities	Nominal amount	Fair value assets	Fair value liabilities	Nominal amount
	2025	2025	2025	2024	2024	2024
Fair value hedges						
Interest rate	0	391	3 547	0	460	3 776
Total fair value hedges	0	391	3 547	0	460	3 776
Cash flow hedges						
Interest rate	8	0	465	1	0	470
Currency	1	3	187	4	2	235
Cross-currency	0	27	176	0	365	2 348
Commodity	9	102	478	25	103	877
Total cash flow hedges	18	132	1 306	30	471	3 930
Held for trading						
Currency	4	0	1 320	31	3	2 698
Total held for trading	4	0	1 320	31	3	2 698
Total	22	523	6 174	61	934	10 403

14.6 Financial risks associated with operating activities

Group Risk Management

Group Risk Management supports the Board of Directors, the Executive Committee, and the countries' management teams in analyzing overall risk exposure. Group Risk Management aims to systematically identify, monitor, and manage major risks encountered by the Group. All types of risks from industrial, operational, financial, and legal risks, up to risks associated with the external business environment, are considered, including compliance, sustainability, and reputational aspects. Risks are understood as the effect of uncertainty on business objectives, which can present an opportunity or a threat. The risk horizon includes long-term strategic risks but also short- to medium-term business risks. Potential risks are identified and evaluated at an early stage and monitored. Mitigating actions are proposed and implemented at the appropriate level, so that risk management remains a key management responsibility.

The Group's risk map is established by strategic, operational, and topical risk assessments, which are combined into a Group risk report. Besides the countries, the Board of Directors, the Executive Committee, and the Corporate Function Heads are involved in the risk assessment during the Group's management cycle. The results of the annual Group risk process are presented to the Executive Committee and the conclusions reported to the Board of Directors and the Audit Committee.

Country risk

Holcim operates in many countries across the world and is exposed, directly or indirectly, to the effects of economic, political, and social instability such as trade protectionism, foreign exchange volatility, geopolitical tensions, terrorism, civil war, and unrest. Holcim's broad geographic footprint exposes the Group to the adverse consequences of shifts in the geopolitical dynamics, which can spark social unrest, government interventionism leading to reduced access to utilities and raw materials, changes in the sanctions environment, and supply chain disruptions.

Financial risk management

The Group's activities expose it to a variety of financial risks, including liquidity, interest rate, foreign exchange, commodity, and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts, commodity and interest rate swaps, and options to hedge certain exposures. The Group does not enter into derivative or other financial transactions which are unrelated to its business needs or for speculative purposes. Financial risk management within the Group is governed by policies approved by key management personnel. It provides principles for overall risk management as well as policies covering specific areas such as interest rate risk, foreign exchange risk, credit risk, use of derivative financial instruments, and the investment of cash.

Liquidity risk

Group companies need liquidity to meet their obligations. Individual companies are responsible for raising internal and external credit lines to cover their liquidity needs, subject to guidance from the Group.

The Group monitors its liquidity risk by using a recurring liquidity planning tool and maintains cash, readily realizable marketable securities, and unused committed credit lines to meet its liquidity requirements. In addition, the strong creditworthiness of the Group allows it to access international financial markets for financing purposes. Cash is primarily invested with highly rated banks or money market funds and is readily accessible in the respective entities.

Contractual maturity analysis

Million CHF	Contractual undiscounted cash flows							Carrying amount
	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	Total	
2025								
Trade accounts payable and others ¹	3 481	0	0	0	0	0	3 481	3 481
Loans from financial institutions	133	45	9	3	16	13	219	219
Bonds, private placements and commercial paper notes	1 019	949	1 072	753	1 396	2 763	7 953	7 530
Interest payments	98	87	85	60	47	159	536	55
Lease liability payments	218	159	135	102	86	378	1 078	975
Derivative financial instruments, net ²	109	103	46	42	38	86	423	501
Total	5 058	1 343	1 347	960	1 583	3 399	13 690	
2024								
Trade accounts payable and others ¹	4 612	0	0	0	0	0	4 612	4 612
Loans from financial institutions	206	59	13	5	2	6	290	290
Bonds, private placements and commercial paper notes	1 259	1 328	1 241	1 083	863	5 634	11 408	10 941
Interest payments	235	208	183	175	148	1 154	2 103	108
Lease liability payments	397	324	277	226	149	570	1 943	1 692
Derivative financial instruments, net ²	130	189	243	104	101	474	1 242	873
Total	6 840	2 108	1 956	1 593	1 263	7 838	21 598	

¹ Trade accounts payable and others include trade accounts payable and payables related to the purchase of property, plant and equipment included in other current liabilities.

² The contractual cash flows include both cash inflows and outflows.

The maturity profile is based on contractual undiscounted amounts, including both interest and principal cash flows, and is based on the earliest date on which Holcim could be required to pay. Contractual interest cash flows relating to a variable interest rate are calculated based on the rates prevailing as of year-end.

The table below shows outflows (inflows) for net and gross settled derivatives entered into for the purpose of managing financial risks. Additional information is disclosed in Note 14.5.

Cash outflows / (inflows) for derivative financial instruments

	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	Total	Carrying amount
2025								
Net settled derivatives	116	109	51	47	43	83	450	476
Gross settled derivatives	(7)	(6)	(6)	(6)	(6)	3	(27)	25
- of which inflows	(1 512)	(12)	(8)	(8)	(8)	(180)	(1 727)	
- of which outflows	1 504	6	2	2	2	183	1 700	
Total	109	103	46	42	38	86	423	501
2024								
Net settled derivatives	117	136	119	66	63	181	682	538
Gross settled derivatives	14	53	124	38	38	293	560	335
- of which inflows	(3 047)	(74)	(545)	(59)	(59)	(1 734)	(5 519)	
- of which outflows	3 061	127	668	97	97	2 027	6 078	
Total	130	189	243	104	101	474	1 242	873

Interest rate risk

Interest rate risk arises from movements in interest rates, which could affect the Group's financial result and the market value of its financial instruments. The Group is primarily exposed to fluctuations in interest rates on its financial liabilities at floating rates, which could influence the Group's financial result. This exposure is mainly addressed through the management of the fixed/floating ratio of financial liabilities. To manage this mix, the Group may enter into interest rate swap and options agreements, whereby it exchanges periodic payments based on notional amounts and agreed-upon fixed and floating interest rates. The Group is also exposed to the evolution of interest rates and credit markets for its future refinancing, which could result in a lower or higher cost of financing. The Group constantly monitors credit markets and its financing strategy aims to achieve a well-balanced maturity profile to reduce both the refinancing risk and significant fluctuations in its financing costs.

The Group's risk management policy with regard to interest rate risk is to keep the risk at an acceptable level, while minimizing the interest expense over the long term, in accordance with the Group's funding strategy. Consequently, under the Group's risk management policy, the Group may enter into derivative contracts which are designated as either cash flow hedges or fair value hedges – as appropriate – and also include the hedging of forecasted transactions.

Interest rate sensitivity

The Group's sensitivity analysis has been determined based on the interest rate exposure relating to the Group's financial liabilities at a variable rate on a post hedge basis corresponding to CHF 3 136 million as of 31 December 2025 (2024: CHF 4 213 million).

A one percentage point change is used when the interest rate risk is reported internally to key management personnel and represents management's assessment of a reasonably possible change in interest rates.

As of 31 December 2025, a one percentage point shift in interest rates, with all other assumptions held constant, would result in approximately CHF 32 million (2024: CHF 44 million) of annual additional/lower financial expenses before tax on a post hedge basis.

Foreign exchange risk

The Group's global footprint exposes it to foreign exchange risks.

The translation of foreign operations into the Group reporting currency leads to currency translation effects. The Group may hedge certain net investments in foreign entities with foreign currency borrowings or other instruments. To the extent that the net investment hedge is effective, all foreign exchange gains or losses are recognized in equity and included in currency translation adjustments.

Due to the local nature of the construction materials business, foreign exchange risk is limited. However, for many Group companies, income is primarily in local currency, whereas debt servicing and a significant proportion of capital expenditures may be in foreign currencies. Consequently, under the Group's risk management policy, the Group may enter into derivative contracts which are designated as either cash flow hedges or fair value hedges and may also include the hedging of forecasted transactions.

Foreign exchange sensitivity

The Group's sensitivity analysis is performed on the basis of the Group's net transaction exposure arising on monetary financial assets and liabilities denominated in foreign currencies as of 31 December. The Group's net foreign currency transaction risk mainly arises from CHF, USD, and EUR against the respective currencies in which the Group operates.

A 5% change is used when the net foreign currency transaction risk is reported internally to key management personnel and represents the management's assessment of a reasonably possible change in foreign exchange rates.

A 5% change in CHF, USD, and EUR against the respective currencies in which the Group operates would have an immaterial impact on foreign exchange (losses) gains on a post hedge basis in both the current and prior year.

The impact on equity of derivative instruments is considered immaterial in relation to the Group's shareholders' equity.

Commodity risk

The Group is primarily subject to commodity risk with respect to price changes in the electricity, natural gas, petcoke, coal, oil, refined products, and sea freight markets. In accordance with the Group's risk management policy, the Group uses derivative instruments to hedge part of its exposure to these risks. Derivative instruments are generally limited to swaps and options.

Effects of hedge accounting

Hedge effectiveness is determined at the inception of the hedging relationship as well as through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

Ineffectiveness is recognized on hedges if the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. Ineffectiveness may arise if there is a difference in the principal terms of the hedging instrument and designated hedged risk, from credit valuation of the hedging instrument, or if the timing of the transaction changes from what was originally estimated.

The effects of applying hedge accounting on the Group's financial position with regard to cash flow, fair value and net investment hedge accounting relationships are as follows:

a) Cash flow hedge accounting

In 2025, the change in fair value of hedging instruments under cash flow hedge accounting was CHF 38 million (2024: CHF 76 million). In 2025, the change in related hedged items was CHF -45 million (2024: CHF -76 million) and CHF -7 million ineffectiveness was recorded in the consolidated statement of income (2024: CHF 0 million).

Cash flow hedge – hedging instruments: maturity analysis	2025	2024
Foreign exchange forwards	2026-2027	2025
Interest rate swaps and options	2033	2033
Commodity swaps and options	2026-2032	2025-2037
Cross-currency swaps	2034	2027-2034

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss deferred in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as property, plant and equipment or inventory against which the cumulative gains and losses are adjusted. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to the consolidated statement of income.

In 2025, the closing balance in the cash flow hedge reserve for hedges that are accounted for as cash flow hedge was CHF -62 million (2024: CHF -25 million).

b) Fair value hedge accounting

In 2025, the change in fair value of hedging instruments under fair value hedge accounting was CHF 52 million (2024: CHF 112 million). In 2025, the change in related hedged items was CHF -52 million (2024: CHF -112 million) and no ineffectiveness was recorded directly in the consolidated statement of income in 2025 (2024: CHF 0 million).

Fair value hedge – hedging instruments: maturity analysis	2025	2024
Interest rate swaps	2027-2034	2027-2034

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss recorded in the carrying value of the hedged item is amortized over the life of the hedged item using the effective interest rate. When the hedged item is sold or terminated, the cumulative gains and losses recorded in the carrying value are recognized in financial income (expense).

c) Net investment hedge accounting

There were no outstanding hedging instruments as of 31 December 2025 or 31 December 2024.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss deferred in equity remains in equity and will be reclassified to profit (loss) on disposal when the forecast transaction occurs (i.e., disposal of a subsidiary).

In 2025, the closing balance in the foreign currency translation reserve for hedges that are accounted for as net investment hedges was CHF -17 million (2024: CHF -1 million).

Credit risk

Credit risk arises in part from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses its customers' financial reliability.

Credit risk, or the risk of counterparties defaulting, is constantly monitored. Counterparties to financial instruments consist of a large number of established financial institutions. The Group does not expect any counterparty to be unable to fulfil its obligations under its respective financing agreements. At year-end, Holcim had no significant concentration of credit risk with any single counterparty or group of counterparties.

The Group considers the probability of default on initial recognition of accounts receivable, based on lifetime expected credit losses (ECL), by considering available, reasonable and supportable historical and forward-looking information.

The Group considers the probability of default on initial recognition of long-term loans and receivables, and assesses whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period, by considering available, reasonable and supportable historical and forward-looking information.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated statement of financial position.

The following credit risk modeling is applied to financial assets:

a) Accounts receivable

For accounts receivable, the Group applies the IFRS 9 simplified approach to calculating expected lifetime credit losses.

b) Long-term loans and receivables

The Group uses three categories for long-term loans and receivables, reflecting their credit risk and how the loan loss provision is determined for each of those categories.

The assumptions underpinning the Group's expected credit loss model are summarized below:

Category	Definition
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows
Non-performing	Interest and/or principal repayments are past due and credit risk level shows an increase
Write-off	Based on observable data, the payments will not be collected

Each exposure is allocated to a credit risk category on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk category.

Over the term of the loans, the Group accounts for its credit risk by providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the company considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data. No significant changes to estimation techniques or assumptions were made during the reporting period.

Capital structure

The Group's objectives when managing capital are to secure the Group's financial needs as a going concern, as well as to cater to its growth targets, enabling it to provide returns to shareholders and benefits to other stakeholders as well as to maintain a solid investment-grade rating.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, business activities, investment and expansion programs as well as the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, increase debt, or sell assets to reduce debt.

Fair value estimation

The fair value of publicly traded financial instruments is generally based on quoted market prices at the end of the reporting period.

For non-publicly traded financial instruments, the fair value is determined by using a variety of methods, such as the discounted cash flow method and option pricing models. The valuation methods seek to maximize the use of observable market data available at the end of the reporting period.

The fair value of current financial assets and liabilities at amortized cost is assessed to approximate their carrying amounts due to the short-term nature of these financial instruments.

Fair values as of 31 December 2025

Million CHF	IFRS 9 category	Carrying amount (by measurement basis)					Comparative fair value
		Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	Total	
Current financial assets							
Cash and cash equivalents	Financial assets	5 440				5 440	
Trade accounts receivable	Receivables at amortized cost	1 714				1 714	
Current financial receivables	Receivables at amortized cost	83				83	
Short-term derivative assets	Held for hedging at fair value			7		7	
Short-term derivative assets	Held for trading at fair value			4		4	
Long-term financial assets							
Long-term receivables	Loans at amortized cost	111				111	111 ¹
Financial investments third parties	Strategic equity investments at fair value through other comprehensive earnings		4	129	26	159	
Long-term derivative assets	Held for hedging at fair value			11		11	
Current financial liabilities							
Trade accounts payable and others ²	Financial liabilities at amortized cost	3 481				3 481	
Current financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	1 337				1 337	
Derivative liabilities	Held for hedging at fair value			43		43	
Derivative liabilities	Held for trading at fair value						
Long-term financial liabilities							
Long-term financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	7 387				7 387	7 237 ³
Derivative liabilities	Held for hedging at fair value ⁴			454	26	480	

¹ The comparative fair value for long-term receivables consists of level 2 fair value measurements.

² Trade accounts payable and others include payables related to the purchase of property, plant and equipment included in other liabilities.

³ The comparative fair value for long-term financial liabilities consists of CHF 6 249 million level 1 and CHF 988 million level 2 fair value measurements.

⁴ In 2025, the derivatives held for hedging classified as level 3 are linked to long-term virtual power purchase agreements.

Fair values as of 31 December 2024

Million CHF	IFRS 9 category	Carrying amount (by measurement basis)				Comparative fair value
		Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	
Current financial assets						
Cash and cash equivalents	Financial assets	5 347				5 347
Trade accounts receivable	Receivables at amortized cost	2 613				2 613
Current financial receivables	Receivables at amortized cost	137				137
Short-term derivative assets	Held for hedging at fair value			24		24
Short-term derivative assets	Held for trading at fair value			31		31
Long-term financial assets						
Long-term receivables	Loans at amortized cost	161				161
Financial investments third parties	Strategic equity investments at fair value through other comprehensive earnings			152		152
Long-term derivative assets	Held for hedging at fair value			6		6
Current financial liabilities						
Trade accounts payable and others ²	Financial liabilities at amortized cost	4 612				4 612
Current financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	1 809				1 809
Derivative liabilities	Held for hedging at fair value			31		31
Derivative liabilities	Held for trading at fair value			3		3
Long-term financial liabilities						
Long-term financial liabilities (excluding derivative liabilities)	Financial liabilities at amortized cost	11 113				11 113
Derivative liabilities	Held for hedging at fair value ⁴			871	29	900

¹ The comparative fair value for long-term receivables consists of level 2 fair value measurements.

² Trade accounts payable and others include payables related to the purchase of property, plant and equipment included in other liabilities.

³ The comparative fair value for long-term financial liabilities consists of CHF 8 813 million level 1 and CHF 2 044 million level 2 fair value measurements.

⁴ In 2024, the derivatives held for hedging classified as level 3 are linked to long-term virtual power purchase agreements.

The table above shows the carrying amounts and fair values of financial assets and liabilities.

The levels of fair value hierarchy used are defined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets.
- Level 2 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are observable market data, either directly or indirectly. Such valuation techniques include the discounted cash flow method and option pricing models. For example, the fair value of interest rate and currency swaps is determined by discounting estimated future cash flows, and the fair value of forward foreign exchange contracts is determined using the forward exchange market at the end of the reporting period.
- Level 3 fair value measurements are those derived from valuation techniques using inputs for the asset or liability that are not based on observable market data. In 2025 and 2024, the hedging derivative instruments classified as level 3 are linked to long-term virtual power purchase agreements.

There were no material transfers between the different hierarchy levels in 2025 or 2024.

14.7 Leases

At the inception of a contract, the Group assesses whether it contains a lease under IFRS 16 and accordingly recognizes a right-of-use asset and a lease liability if it meets the definition of a lease, with the exception of short-term leases and leases of low-value.

The lease liability is measured as of the commencement date at the present value of the future lease payments and discounted using the interest rate implicit in the lease or, if not readily determinable, using the lessee's respective incremental borrowing rate. Future lease payments include in-substance fixed payments, variable lease payments depending on an index or rate, and payments under termination and extension options when these are reflected in the lease term. The lease term comprises the non-cancellable lease term together with the period covered by extension options, if it is assessed as reasonably certain that these will be exercised, and termination options, if it is assessed as reasonably certain that these will not be exercised. Non-lease components in contracts are separated from lease components and accordingly accounted for in operating profit on a cost-incurred basis.

The right-of-use asset is recognized at the commencement date at cost, which includes the amount of the lease liability recognized, any lease payments made on or before the commencement date of the lease, initial direct costs incurred, and an estimate of costs to be incurred in dismantling and removing the underlying asset or restoring the asset to the condition agreed with the lessor. Unless the Group is reasonably certain to exercise a purchase option, the right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to the impairment requirements defined in IAS 36 Impairments of Assets. The right-of-use assets recorded as of 31 December 2025 are outlined in Note 11.2.

In the event that the tax base of a right-of-use asset is not the same as its carrying amount for IFRS purposes, on initial recognition of a lease contract, the Group recognizes the deferred tax impact arising on the temporary difference between the carrying amount of the right-of-use asset and its tax base. The aforementioned treatment is also applied to the initial recognition of the lease liability.

As of 31 December 2025, the current portion of the long-term lease liability included in current financial liabilities amounted to CHF 192 million (2024: CHF 343 million) and the long-term lease liabilities included in long-term financial liabilities amounted to CHF 782 million (2024: CHF 1 349 million). The decrease in lease liabilities is mainly driven by the North America spin-off.

Various contracts entered into by the Group include extension options, which provide the Group with greater flexibility in terms of the future procurement of assets and services. Extension options are included in the lease liability only if it is assessed by management as reasonably certain that these will be exercised. The undiscounted future lease payments relating to periods covered by extension options not included in the lease liability as of 31 December 2025 amount to CHF 32 million (2024: CHF 168 million).

Additional information related to leases

Million CHF	2025	2024 ¹
Statement of income		
Expenses for short-term lease payments	(44)	(55)
Expenses for variable lease payments	(25)	(24)
Cash outflow for leases		
Cash outflow for short-term, low value and variable leases ²	(68)	(79)
Payment of interest ²	(47)	(41)
Payment of lease liabilities ³	(210)	(202)
Total	(325)	(322)

¹ Comparative information restated for discontinued operations (see note 13.2).

² Included within cash flow from operating activities.

³ Included within cash flow from financing activities.

In certain lease agreements for machinery, equipment, and vehicles, variable lease payments are included based on operating hours used, kilometers traveled, or output. These leases provide greater flexibility in terms of usage, such as for certain types of trucks and vehicles where operating levels depend on production capacity and demand.

The contractual undiscounted future cash outflows for leases included in lease liabilities as of 31 December 2025 are disclosed in Note 14.6.

15. Employee benefits and share compensation plans

15.1 Accounting principles

Employee benefits – Defined benefit plans

Some Group companies provide defined benefit pension (pension) or other post-employment benefit plans for employees. The Group uses professionally qualified independent actuaries to value the defined benefit obligations on a regular basis. The obligation and costs of pension benefits are determined using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs, which comprise plan amendments and curtailments, and gains or losses on the settlement of pension benefits, are recognized immediately in the statement of income when they occur.

Remeasurements, which comprise actuarial gains and losses on the pension and other post-employment obligations, the return on plan assets, and changes in the effect of the asset ceiling excluding amounts in net interest, are recognized directly in other comprehensive earnings and are not reclassified to the statement of income in a subsequent period. The pension and other post-employment obligations are measured as the present value of estimated future cash flows using discount rates that are determined by reference to the interest rates on high-quality corporate bonds, with the currency and terms of the corporate bonds consistent with the currency and estimated terms of the pension and other post-employment obligations.

A net pension asset is recorded only to the extent that it does not exceed the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of pension and other post-employment plans charged to the statement of income consists of service cost (current service cost, past service cost and curtailments, and gains or losses on settlements) and the net interest expense. The service costs are recorded in “Production cost of goods sold,” “Distribution and selling expenses,” or “Administration expenses” based on the beneficiaries of the plans; the net interest expense is recorded in “Financial expenses” (Note 7.3).

Employee benefits – Defined contribution plans

In addition to the defined benefit plans described above, some Group companies sponsor defined contribution plans based on local practices and regulations. The Group’s contributions to defined contribution plans are charged to the statement of income in the period to which the contributions relate.

Employee benefits – Other long-term employment benefits

Other long-term employment benefits include long-service leave or sabbatical leave, medical aid, jubilee or other long-service benefits, long-term disability benefits, and, if they are not expected to be settled fully within 12 months after the year-end, profit sharing and variable and deferred compensation.

The measurement of these obligations differs from defined benefit plans in that all remeasurements are recognized immediately in the statement of income.

Employee benefits – Share compensation plans

The Group operates various equity-settled share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options or shares is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted. The amounts are charged to the statement of income over the relevant vesting periods and adjusted to reflect actual and expected levels of vesting.

15.2 Group risk management

The Group operates a range of defined benefit pension schemes and similar contingent obligation schemes across various countries. The assets and liabilities of these schemes may experience significant volatility based on prevailing market conditions.

Unforeseen deficits may require cash contributions to fund unrecoverable amounts, which could vary significantly from year to year due to external factors. These contributions may in turn impact the Group's financial results. To mitigate these risks, where possible, the Group has taken measures to close, freeze, and terminate these defined benefit pension schemes and has deployed scheme-appropriate asset allocations in order to mitigate volatility and optimize investment returns.

15.3 Employee benefits

Personnel expenses and number of employees

The Group's total personnel expenses, including social charges, are recognized in the relevant expenditure line by function in the consolidated statement of income, amounting to CHF 2 828 million (2024¹: CHF 2 937 million). As of 31 December 2025, the Group employed 45 536 FTEs (2024¹: 48 318 FTEs).

¹ Comparative information restated for discontinued operations (see Note 13.2).

Defined benefit pension plans

Oversight of the Group's pension plans is conducted by the Pension and Benefits Governance Team, an interdisciplinary team comprising representatives from the Finance, Human Resources, and Legal functions. This team, which makes recommendations to the Group Chief Financial Officer (CFO), serves as a center of expertise for all issues relating to pension and other post-employment benefits. A documented directive is used as the foundation for management actions and decisions.

The Group's principal defined benefit pension plans are situated in the UK and Switzerland. They respectively represent 58% and 33% of the Group's total defined benefit obligation for pensions. These main plans are funded through legally separate trustee-managed funds. The cash funding of these plans, which may sometimes include special payments, is designed to ensure that past, present, and future contributions should be sufficient to meet future liabilities.

Where feasible, defined benefit pension schemes have been closed and frozen. Given the potential for substantial volatility in the assets and liabilities of these plans, several strategic actions are continuously under consideration and implementation to mitigate and eliminate, where possible, the associated risks. These include, for example, employing investment strategies that consider the benefit obligations and selective settlements.

Unfunded pension plans are mainly those which do not require advanced funding, often plans outside of the qualification limits of tax regimes, or mandatory retirement indemnity schemes.

United Kingdom (UK)

The company operates three defined benefit pension plans in the UK: the Lafarge UK Pension Plan, the Aggregate Industries Pension Plan, and the Ronez 2000 Pension Plan. Pensions payable to employees are determined by the average final salary and length of service. Independent Boards of Trustees manage the plans, with the Lafarge UK Pension Plan and Aggregate Industries Pension Plans registered under UK tax law, while the Ronez 2000 Pension Plan is located in the Channel Islands. All three plans are closed to new entrants and are frozen to future accrual. Funding deficits within these plans, if any, are addressed through employer contributions. These contributions are negotiated every three years based on plan valuations carried out by independent actuaries.

For the Lafarge UK Pension Plan, based on the 30 June 2024 funding valuation, no deficit repair contributions were required.

For the Aggregate Industries Pension Plan, based on the 31 March 2024 funding valuation, no deficit repair contributions were required.

As of the 31 December 2024 funding valuation for the Ronez 2000 Pension Plan, no deficit repair contributions were required.

In relation to risk management and asset allocation, the Boards of Trustees aim to ensure that they can fulfil their obligations to the beneficiaries of the plans, both in the short and long term. While prioritizing this primary objective, the Boards of Trustees target to maximize the long-term investment return while appropriately minimizing risk and volatility. The Boards of Trustees are responsible for the plans' long-term investment strategies but usually delegate strategy design and monitoring to Investment Committees.

There was a High Court ruling in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others in June 2023, and subsequent appeal outcome on 25 July 2024, which make void any amendment to the rules of a contracted-out pension scheme without the required actuarial confirmation under Regulation 42(2) of the Occupational Pension Schemes (Contracting Out) Regulations 1996 for the pension plans in question. This confirmed that actuarial confirmation should have been provided for amendments made to contracted-out schemes in the period between 6 April 1997 and 5 April 2016. The Trustees of the Plans and the Directors work closely together and take appropriate legal and professional advice when making amendments to the plans' rules.

Since the appeal ruling, the Company has engaged its legal advisers to undertake a review of historic documentation, liaising with the plans' Trustees. While this is a considerable exercise, significant progress has been made, and, at the time of preparation of the accounts, no amendments reviewed by the Company's legal advisers had been found to be void. In June 2025, the Department for Work and Pensions in the UK announced the Government's intention to introduce further flexibility in the legislation around retrospective confirmation of historic changes, should it be necessary, and the relevant draft legislative changes are contained in the Pension Schemes Bill 2025. Therefore, in accordance with the approach being adopted by most UK pension schemes, the legal review has been paused subject to the relevant legislation in the UK being finalized.

Switzerland

In Switzerland, the pension plans of the Swiss entities are structured as cash balance benefit plans and are accounted for as defined benefit plans. Contributions, from both employer and employees, are determined in the various pension fund rules based on age-related percentages of salary. Under Swiss law, the pension fund guarantees the vested benefit amount to its members. Additionally, interest above legal requirements may be added to member balances at the discretion of the Board of Trustees (composed of half employer and half employee representatives). Upon reaching the retirement date, members have the right to take their retirement benefit as a lump sum, an annuity, or a combination of both, with the balance converted to a fixed annuity at the rates defined in the fund rules. The Board of Trustees may also increase the annuity at their discretion, contingent on the plan's funded status and the availability of sufficient free funds, as determined according to Swiss statutory valuation rules. These Swiss pension plans comply with the regulatory framework, ensuring a minimum level of benefits.

Consolidated Swiss entities maintain pension plans in ten pension funds. The two primary pension funds for the Swiss entities are Holcim Pension Fund and Pension Fund of Holcim Switzerland. These funds exclusively cover Holcim employees, accounting for around 95% of the consolidated plan assets and liabilities in Switzerland.

Status of the Group's defined benefit plans

The status of the Group's defined benefit plans, based on actuarial assumptions, is determined in accordance with IAS 19 Employee Benefits rules. The tables provide reconciliations of defined benefit obligations and plan assets, as well as the funded status for the defined benefit pension plans, to the amounts recognized in the statement of financial position.

Reconciliation of post-employment defined benefit plans to the statement of financial position

Million CHF	2025	2024
Net liability arising from defined benefit pension plans	86	27
Net liability arising from other post-employment defined benefit plans	4	142
Net liability	90	169

Million CHF	2025	2024
Present value of funded obligations	3 773	4 306
Fair value of plan assets	(4 147)	(4 643)
Plan surplus of funded obligations	(374)	(337)
Present value of unfunded obligations	223	503
Effect of asset ceiling	241	4
Net liability from funded and unfunded plans	90	169

Reflected in the statement of financial position as follows:

	2025	2024
Pension assets	(174)	(378)
Provision for pensions and other post-employment defined benefit plans	264	548
Net liability	90	169

Million CHF	2025			2024		
	Defined benefit pension plans	Other post-employment defined benefit plans	Total	Defined benefit pension plans	Other post-employment defined benefit plans	Total
Amounts recognized in the statement of income are as follows:						
Current service costs	(50)	(1)	(50)	(49)	(1)	(50)
Past service costs (including curtailments)	4	0	4	5	0	5
Settlements	0	0	0	0	1	1
Net interest expense	(9)	(4)	(13)	(14)	(7)	(21)
Special termination benefits	(2)	0	(2)	0	0	0
Total recorded in the statement of income	(56)	(5)	(61)	(59)	(7)	(66)
of which continuing	(53)	(2)	(54)	(50)	(1)	(51)
of which discontinued	(4)	(3)	(7)	(9)	(6)	(15)
Amounts recognized in other comprehensive earnings are as follows:						
Actuarial gains (losses) arising from changes in demographic assumptions	59	0	59	12	(3)	9
Actuarial gains arising from changes in financial assumptions	112	1	113	229	5	234
Actuarial gains (losses) arising from experience adjustments	(33)	(3)	(36)	(63)	2	(61)
Return on plan assets excluding interest income	(62)	0	(62)	(238)	0	(238)
Change in effect of asset ceiling excluding interest income	(237)	0	(237)	140	0	140
Total recorded in other comprehensive earnings	(162)	(2)	(164)	79	5	84

Reconciliation of present value of funded and unfunded obligations

Million CHF	2025			2024		
	Defined benefit pension plans	Other post-employment defined benefit plans	Total	Defined benefit pension plans	Other post-employment defined benefit plans	Total
Opening balance as of 1 January	4 667	142	4 809	5 176	147	5 323
Change in scope	2	(29)	(26)	47	0	47
Pension liability related to the spin-off of the North American business	(281)	(97)	(379)	0	0	0
Current service costs	50	1	50	49	1	50
Interest expense	172	4	175	193	7	200
Contribution by the employees	21	0	21	20	0	20
Actuarial (gains) losses	(137)	2	(135)	(178)	(5)	(183)
Benefits paid	(312)	(8)	(319)	(808)	(12)	(820)
Past service costs (including curtailments)	(4)	0	(4)	(5)	0	(5)
Settlements	(11)	0	(11)	0	(1)	(1)
Special termination benefits	2	0	2	0	0	0
Currency translation effects	(176)	(11)	(187)	173	5	178
Closing balance as of 31 December	3 992	4	3 996	4 667	142	4 809
Of which:						
UK	2 323	0	2 323	2 619	0	2 619
North America (U.S. and Canada)	0	0	0	263	107	370
Switzerland	1 330	0	1 330	1 419	0	1 419
Others	340	4	344	366	35	401

Reconciliation of fair value of plan assets

Million CHF	2025			2024		
	Defined benefit pension plans	Other post-employment defined benefit plans	Total	Defined benefit pension plans	Other post-employment defined benefit plans	Total
Opening balance as of 1 January	4 643	0	4 643	5 174	0	5 174
Change in scope	0	0	0	43	0	43
Fair value of plan asset related to the spin-off of the North American business	(186)	0	(186)	0	0	0
Interest income	162	0	162	181	0	181
Return on plan assets excluding interest income	(62)	0	(62)	(238)	0	(238)
Contribution by the employer	62	8	70	100	12	112
Contribution by the employees	21	0	21	20	0	20
Benefits paid	(312)	(8)	(319)	(808)	(13)	(821)
Settlements	(11)	0	(11)	0	0	0
Currency translation effects	(172)	0	(172)	173	0	173
Closing balance as of 31 December	4 147	0	4 147	4 643	0	4 643
Of which:			0			0
UK	2 370	0	2 370	2 691	0	2 691
North America (U.S. and Canada)	0	0	0	155	0	155
Switzerland	1 655	0	1 655	1 674	0	1 674
Others	122	0	122	123	0	123

Reconciliation of asset ceiling

Million CHF	2025			2024		
	Defined benefit pension plans	Other post-employment defined benefit plans	Total	Defined benefit pension plans	Other post-employment defined benefit plans	Total
Opening balance as of 1 January	4	0	4	142	0	142
Interest expense on asset ceiling	0	0	0	2	0	2
Change in asset ceiling	237	0	237	(140)	0	(140)
Closing balance as of 31 December	241	0	241	4	0	4

Plan asset allocation

Million CHF	Defined benefit pension plans	
	2025	2024
Equity instruments	29%	25%
Real estate investments	19%	20%
Debt instruments	38%	38%
Insurance contracts	5%	7%
Cash and cash equivalents	1%	3%
Other assets	8%	7%
Total plan assets	100%	100%

Plan assets based on non-quoted prices represent 26% (2024: 27%) of the total plan assets and mainly consist of insurance policies and real estate investments.

In some of the plans, Liability-Driven Investment (LDI) strategies are in place and consist in using index-linked government bonds and swaps to hedge the plans against liquidity risk and changes in interest rates or inflation yields.

The value of insurance contracts is determined on the basis of the membership and benefit payable under the contract using the IAS 19 Employee Benefits assumptions.

The other assets mainly consist of hedge funds and various other hedging instruments.

Principal actuarial assumptions (weighted average) used at the end of the reporting period for defined benefit pension plans

	Total Group		UK		Switzerland	
	2025	2024	2025	2024	2025	2024
Discount rate in %	4.0%	4.0%	5.5%	5.5%	1.3%	1.0%
Life expectancy in years after the age of 65	22.5	23.0	22.7	23.5	23.6	23.6

Weighted average duration of defined benefit pension plans

	Total Group		UK		Switzerland	
	2025	2024	2025	2024	2025	2024
Weighted average duration in years	11.3	12.0	10.9	12.2	12.7	12.8

Sensitivity analysis as of 31 December 2025 on defined benefit pension plans

Impact on the defined benefit obligation Million CHF	Total Group		UK		Switzerland	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate ($\pm 0.5\%$ change in assumption)	(193)	211	(108)	117	(71)	80
Life expectancy (± 1 year change in assumption)	152	(155)	104	(108)	42	(43)

Sensitivity analysis as of 31 December 2024 on defined benefit pension plans

Impact on the defined benefit obligation Million CHF	Total Group		UK		Switzerland	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate ($\pm 0.5\%$ change in assumption)	(252)	276	(144)	155	(80)	90
Life expectancy (± 1 year change in assumption)	173	(177)	116	(118)	46	(47)

The sensitivity analysis above may not be representative of the actual change in the defined benefit pension plans because it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Moreover, it is worth considering that, for most funded plans, liability hedging strategies (such as LDI investments) are used to mitigate the impact of changes in financial assumptions on the net pension liability.

15.4 Share compensation plans

The total personnel expense arising from Holcim share compensation plans amounted to CHF 30.2 million in 2025 (2024: CHF 34.8 million), as presented in the following table:

Million CHF	Personnel expenses	Personnel expenses
	2025	2024
Employee share purchase plan	0.5	0.6
Restricted shares	7.7	6.9
Performance Share Plan and Performance Option Plan	22.0	27.3
Total	30.2	34.8

All shares granted under these plans are either purchased from the market or derived from treasury shares.

Description of plans

Employee share purchase plan

Holcim offers an employee share ownership plan. This plan entitles employees to acquire a limited number of discounted Holcim Ltd shares, namely 50 shares at 50% of the market value and further shares at 70% of the market value based on the average share price of the previous month. The shares cannot be sold for a period of two years from the purchase date.

Restricted shares

Half of the annual incentive amount for the Executive Committee is paid out in blocked Holcim Ltd shares in the first quarter of the following financial year. The share price used to convert the annual incentive amount into shares is the average of the three closing share prices preceding the award date. The shares are blocked for a period of three years from the award date.

Restricted share awards are also granted to senior management upon hire, compensating for share awards forfeited from the previous employer. The vesting of these restricted shares reflects the vesting dates of forfeited awards.

Board compensation consists of an annual retainer which is paid half in shares subject to a five-year restriction period.

Performance share plan and performance option plan

Performance shares and/or options are granted to executives and senior management for their contribution to the continuing success of the business. These shares and options are delivered after a three-to-five-year vesting period following the grant date and are subject to internal and external performance conditions. Exceptionally in 2025, as the new plans were granted in August 2025, performance shares and options granted will be delivered after 31 to 55 months vesting period. Performance options have a maturity of 10 years.

In connection with the spin-off of the North American business in June 2025, all unvested performance shares and options held were converted into equivalent awards reflecting Holcim's post-spin-off value. The equity conversion ratio was calculated as follows: Holcim's closing share price on the day before the spin-off of the North American business divided by Holcim's opening share price on its first trading day post spin-off. This resulted in an equity conversion ratio of 1.8558.

Information related to awards granted through the plans is presented below:

	2025		2024	
	Performance shares	Performance options	Performance shares	Performance options
1 January	1 472 998	4 205 732	1 583 636	5 035 616
Granted ¹	605 893	357 349	536 032	490 393
Increase due to the conversion ²	503 366	1 002 180	0	0
Forfeited	(612 957)	(1 364 869)	(293 691)	(356 077)
Delivered	(346 696)	(1 669 835)	(352 979)	(964 200)
31 December	1 622 604	2 530 557	1 472 998	4 205 732

¹ 17 207 performance share units were granted to new joiners in 2025 linked to the 2022, 2023, and 2024 performance share plans.

² Following the spin-off of the North American business, all unvested performance shares and options were converted into equivalent awards reflecting Holcim's post-spin-off value.

- 588 686 (2024: 536 032) performance shares at a fair value of CHF 64.98 per share (2024: CHF 73.50) were granted for the 2025 performance share plan. Performance shares are subject to a three-year vesting period. Internal performance conditions are attached to the shares and are based on earnings per share before impairment and divestments, Group return on invested capital (ROIC), and sustainability indicators (CO₂ emitted, construction demolition materials, freshwater withdrawn).

- 357 349 (2024: 490 393) performance options at a fair value of CHF 5.24 (2024: CHF 4.02) were granted in 2025. Performance options are subject to a five-year vesting period. External conditions are attached to the options and are based on Holcim's relative total shareholder return (TSR) compared to a group of peer companies. The valuation of the performance options is based on the Enhanced American Model (calculation of the fair value without considering the performance condition) and a Monte Carlo simulation (estimation of the expected achievement factor).

Performance option plan

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

	Weighted average exercise price	Number	
		2025	2024 ¹
1 January	CHF 35.75	4 205 732	5 048 216
Granted ²	CHF 39.06	1 359 529	490 393
Forfeited	CHF 28.74	(1 364 869)	(356 077)
Exercised	CHF 45.62	(1 669 835)	(976 800)
31 December	CHF 34.81	2 530 557	4 205 732
Of which exercisable at the end of the year		0	0

¹ The number of outstanding options as of 1 January 2024 includes 12 600 vested but unexercised options.

² Granted includes the increase due to the conversion in 2025.

Underlying assumptions for the fair value of the performance options granted in 2025 and 2024 are presented below:

	01 August 2025
Grant date	
Share price at grant date	64.98
Exercise price	64.86
Expected dividend yield (continuous) ¹	3.3%
Expected volatility of stock ²	25.0%
Risk-free interest rate	0.4%
Expected life of the options	7.1 years

¹ Continuously compounded dividend yield based on expected future dividend payments according to Refinitiv (formerly Thomson Reuters).

² Based on historical volatility over the most recent period that is commensurate with the expected term of the options.

	01 March 2024
Grant date	
Share price at grant date	73.50
Exercise price	71.21
Expected dividend yield (continuous) ¹	+3.9%
Expected volatility of stock ²	+23.8%
Risk-free interest rate	+1.1%
Expected life of the options	7.5 years

¹ Continuously compounded dividend yield based on expected future dividend payments according to Refinitiv (formerly Thomson Reuters).

² Based on historical volatility over the most recent period that is commensurate with the expected term of the options.

Outstanding options

In 2025, 1 669 835 options were exercised. Options outstanding at the end of the year have the following expiry dates and give the right to acquire one registered share of Holcim Ltd at the exercise prices listed below:

Option grant date	Expiry date	Exercise price ¹	Number	
			2025	2024
2020	2030	CHF 45.62	0	1 669 835
2021	2031	CHF 27.52	647 955	723 975
2022	2032	CHF 24.86	629 914	831 895
2023	2033	CHF 31.03	400 910	546 961
2024	2034	CHF 38.37	494 429	433 066
2025	2035	CHF 64.86	357 349	0
Total			2 530 557	4 205 732

¹ Following the spin-off of the North American business, exercise prices for the 2021–2024 performance option plans have been adjusted to maintain the same percentage spread as held pre-spin-off.

16. Provisions and contingencies

16.1 Accounting principles

Site restoration and other environmental provisions

The Group provides for the costs of site restoration where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. The cost of raising a provision before exploitation of the raw materials has commenced is included in property, plant and equipment and depreciated over the life of the site. The effect of any adjustments to the provision due to further environmental damage caused by exploitation activities is recorded through operating costs over the life of the site, in order to reflect the best estimate of the expenditure required to settle the obligation at the end of the reporting period. Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the cost of the related asset to the extent that they relate to the asset's installation, construction, or acquisition. All provisions are discounted to their present value.

Climate-related matters may affect the level of provisions recognized, such as site restoration provisions, as a result of levies imposed by governments for failure to meet climate-related targets or new regulations and requirements to remediate environmental damages on Holcim's sites.

Specific business risks provisions

Specific business risks comprise litigation provisions, provisions for contractual risks recorded in connection with purchase price allocations. The figures in 2024 included service-type warranties related to the former North American business. Provisions for litigation mainly relate to antitrust and commercial disputes, environmental claims, and product liabilities, and are set up to cover legal and administrative proceedings.

The timing of cash outflows to settle provisions for litigation is uncertain, since this will largely depend on the outcome of administrative and legal proceedings.

The sensitivity associated with certain provisions led management to limit the extent of the disclosure discussed above, as it believes this could seriously prejudice the position of the Group.

Restructuring provisions

The provision for restructuring only includes direct expenditures arising from the restructuring, notably severance payments, early retirement costs, costs for notice periods not worked, and other costs directly linked largely to the closure of facilities.

Other provisions

Other provisions include liabilities with cash flows of uncertain timing or amount that cannot be included in the above categories.

16.2 Provisions

Million CHF	Site restoration and other environmental provisions	Specific business risks provisions	Restructuring provisions	Other provisions	Total 2025	Total 2024
1 January	734	551	45	923	2 253	2 056
Change in scope	(2)	(6)	(1)	(5)	(15)	14
Reclassification	(4)	9	2	(10)	(3)	0
Provisions recognized	60	106	32	256	454	460
Provisions used during the year	(39)	(23)	(24)	(24)	(110)	(147)
Provisions reversed during the year	(11)	(26)	(9)	(144)	(190)	(214)
Unwinding of discount and discount rate changes	27	0	0	1	28	28
Derecognition due to North American business spin-off	(273)	(340)	(1)	(256)	(870)	0
Currency translation effects	(39)	(38)	(1)	(32)	(110)	56
31 December	455	232	43	709	1 438	2 253
Of which short-term provisions	36	80	32	230	378	387
Of which long-term provisions	418	152	11	479	1 060	1 866

As of 31 December 2025, other provisions of CHF 709 million mainly comprise indemnification provisions, insurance claims reserves, and long-term employee benefits that do not qualify as pension schemes.

16.3 Contingencies, guarantees, and commitments

Contingencies

In the ordinary course of its business, the Group is involved in lawsuits, claims of various natures, investigations, and proceedings, including product liability, commercial, competition, environmental, health, and safety matters, among others. The Group operates in countries where political, economic, social, and legal developments could have an impact on the Group's operations.

In connection with disposals of businesses, the Group provided customary indemnification warranties, notably related to accounting, tax, legal compliance, litigation, labor, and environmental matters. Holcim and its subsidiaries have received or may in the future receive notices of claims arising from such indemnification warranties.

The Group is exposed to varying degrees of uncertainty related to tax matters as well as to regulatory reviews and audits. It accounts for its income taxes on the basis of its own internal analyses, supported by external advice, where appropriate. The Group continuously monitors its global tax position and, whenever uncertainties arise, assesses the potential consequences and either accrues the liability or discloses a contingent liability in its financial statements, depending on the strength of the Group's position and the resulting risk of loss.

As of 31 December 2025, the Group's contingencies amounted to CHF 302 million (2024: CHF 600 million).

The reduction in contingencies primarily results from the spin-off of the North American business from the Group.

Except for what has been provided for as disclosed in Note 16.2, the Group has concluded that due to the uncertainty with some of the matters mentioned below, the potential losses from some of these cases cannot be reliably estimated. There are no further single matters pending that the Group expects to be material in relation to the Group's business, financial result, or results of operations.

The following is a description of the material legal and tax matters currently ongoing.

Legal and tax matters with new developments since last reporting period

The criminal proceedings in France against Lafarge S.A. related to its legacy operations in Syria during the country's civil war in 2013 and 2014 are still pending in Paris. Lafarge S.A. was placed under formal investigation on 28 June 2018 for complicity in crimes against humanity, financing of terrorism, deliberate endangerment of life of others, and customs violations. On 16 January 2024, the Supreme Court decided to uphold the charge of complicity in crimes against humanity and to drop the charge of deliberate endangerment of life of others. On 16 October 2024, the investigating judges referred Lafarge S.A., along with eight individuals, to the criminal court to be judged for the offenses of financing terrorism and customs violations. The hearings took place from 4 November 2025 to 19 December 2025. The public prosecutor requested prison sentences for all accused individuals ranging from 18 months to 8 years, as well as fines of varying amounts. For Lafarge S.A., the prosecutor sought a fine of EUR 1.1 million, partial confiscation of assets amounting to EUR 30 million, a contribution to administrative costs (approximately EUR 30 thousand), and EUR 4.6 million in customs fines jointly and severally among the defendants. The criminal court is not bound by the public prosecutor's requests and may impose a different sentence. The judgment will be delivered on 13 April 2026. In addition, the investigation is still ongoing for the offense of complicity in crimes against humanity. These decisions are not rulings on the merits of the case and Lafarge S.A. continues to cooperate fully with the French judicial authorities.

Between January 2023 and December 2025, nine civil lawsuits were commenced in the U.S. District Court for the Eastern District of New York against Lafarge S.A. by individuals who were allegedly injured or killed in terrorist attacks in Syria, Iraq, Libya, Jordan, Lebanon, France, Spain, Turkey, Niger, and Belgium from 2012 to 2017, and/or their heirs and family members. Lafarge Cement Holding Limited and Lafarge Cement Syria S.A. have also been named defendants in all such lawsuits (together with Lafarge S.A., "Defendants"). These lawsuits were filed shortly after Lafarge S.A. and Lafarge Cement Syria S.A. pleaded guilty in U.S. federal court to one count of criminal conspiracy to provide material support to foreign terrorist organizations (FTOs) under U.S. law. The civil lawsuits assert claims under the U.S. Anti-Terrorism Act ("ATA"), as amended by the Justice Against Sponsors of Terrorism Act ("JASTA"), based upon allegations that Defendants aided and abetted and/or conspired with designated foreign terrorist organizations that allegedly committed, planned, or authorized these attacks. None of the complaints specified the amount of the damages claimed. On 29 August 2025, the Court entered an order holding that it has personal jurisdiction over Defendants and that plaintiffs adequately alleged claims for civil conspiracy under the ATA. The Court dismissed the aiding and abetting claims. The court initially issued the order in three of the cases, but the parties in the other cases have stipulated or likely will stipulate that it applies to the related cases as well. In December 2025, Defendants filed a petition seeking a writ of mandamus from the U.S. Court of Appeals for the Second Circuit with respect to the district court's ruling that it has personal jurisdiction over Defendants. As of the present date, the Second Circuit has not ruled on the petition. Discovery in eight of the cases is scheduled to end in February 2027. Defendants expect that a similar schedule will be entered in the ninth case in due course. It is difficult to predict at this early stage the outcome of these matters, including the timing or any possible impact on Lafarge S.A. There is also a risk that additional plaintiffs will join these lawsuits or commence separate actions based on the same or similar allegations. Lafarge S.A., Lafarge Cement Holding Limited, and Lafarge Cement Syria S.A. are continuing to aggressively defend the actions.

In July 2016, LafargeHolcim (Brasil) S.A. received an assessment from the Brazilian Internal Revenue Service (BRA IRS), claiming the reversal of deducted goodwill for the years 2011 and 2012. The amount in dispute was CHF 62 million (BRL 431 million). In September 2024, the company received a favorable final decision from the Superior Administrative Chamber covering most of the disputed amount. An amount of CHF 1 million (BRL 7 million) remains contested. In November 2018, LafargeHolcim (Brasil) S.A. received a further assessment from the Brazilian Internal Revenue Service, again claiming reversal of deducted goodwill for the years 2013 and 2014. The amount in dispute for this case is CHF 56 million (BRL 385 million). The company challenged it and received a favorable decision at the 2nd Administrative Level in February 2025. The BRA IRS may still appeal to the Superior Administrative Chamber. In December 2019, LafargeHolcim (Brasil) S.A. received a third assessment on the same topic, referring to the year 2015. The amount in dispute for this year is CHF 5 million (BRL 31 million). The company has challenged it at 1st Administrative Level, had an unfavorable decision, and appealed in November 2020 to the Administrative Tax Appeals Council who, in February 2025, decided in favor of the company. The BRA IRS has appealed the decision. The Group divested LafargeHolcim (Brasil) S.A. in 2022, but will continue to be liable for these assessments.

Previously disclosed legal matters with no developments since last reporting period

There has been litigation in Hungary for a number of years related to the ownership of assets and damage compensation in the context of the privatization of one of the former Holcim cement plants in Hungary. The plant was closed a number of years ago and remains inactive and the Group believes the plant is illegally occupied by the counterparty in the litigation. The litigation related to the ownership of assets was closed in 2023. The litigation regarding damage compensation is ongoing in courts in Hungary and Holcim will continue to defend its legal position.

On 28 May 2014, the Administrative Council for Economic Defense ("CADE") ruled that Holcim Brazil (subsequently LafargeHolcim (Brasil) S.A., now under the control of CSN Cimentos S.A.) along with other cement producers had engaged in price collusion and other anti-competitive behavior. The ruling includes behavioral remedies prohibiting certain greenfield projects, divestment of a ready-mix concrete plant, and M&A activities and fines against the defendants. This order became enforceable on 21 September 2015 and applies to LafargeHolcim Brazil, which has been fined CHF 122

million (BRL 509 million) as at the date of the order. In September 2015, LafargeHolcim Brazil filed an appeal against the order, offering a cement plant as guarantee to support its appeal. The fine and the behavioral remedies imposed by CADE were suspended by two decisions of the court of first instance on 29 September 2016 and 21 October 2016. In 2024, CADE's request to challenge the guarantee offered was granted by the Superior Court of Justice. An appeal may be filed against this decision. Regardless of this recent procedural development, CADE's decision remains suspended for now. On the substantive proceedings, a decision on the merits of the case by the court of first instance is expected within 1 to 2 years, and the decision may be subject of appeal to the Federal Court of Appeals, and, subsequently, to the Superior Courts. Following the divestment of LafargeHolcim Brazil to CSN, the Group provided an indemnification guarantee for the fine including interests which as of the closing date of 6 September 2022 was CHF 163 million (BRL 849 million).

The Competition Commission of India ("CCI") issued in June 2012 and, after a successful appeal, again in August 2016 an order imposing a penalty of CHF 60 million (INR 4 900 million) as of the closing date 15 September 2022 on the divested subsidiary Lafarge India for which the Group provided an indemnification guarantee. The order found Lafarge India together with other cement producers in India to have engaged in price coordination and imposed penalties on the cement companies and their trade association. The company appealed the order before the Competition Appellate Tribunal ("COMPAT"). As per the interim order passed by COMPAT in 2016, the company placed a deposit of 10% of the penalty amounts with a financial institution with a lien in favor of COMPAT. In May 2017, all matters pending before COMPAT were transferred to the National Company Law Appellate Tribunal ("NCLAT"). In July 2018, the NCLAT dismissed the appeal of Lafarge India (now known as Nuvoco Vistas Corporation) against the CCI order and upheld the fine imposed. The company filed an appeal with the Supreme Court, which was admitted on 5 October 2018, and the interim order passed by COMPAT was directed to be continued. The tentative next date of hearing before the Supreme Court will be during 2026.

Guarantees

At 31 December 2025, the Group's guarantees issued in the ordinary course of business amounted to CHF 391 million (2024: CHF 1 028 million).

The significant reduction in guarantees primarily results from the spin-off of the North American business.

Commitments

In the ordinary course of business, the Group enters into purchase commitments for goods and services including power purchase agreements, buy and sell investments, associated companies and Group companies or portions thereof. It is common practice for the Group to make offers or receive call or put options in connection with such acquisitions and divestments. As part of its strategy to decarbonize its energy mix, the Group enters into power purchase agreements to secure sourcing of power from renewable energy.

At 31 December 2025, the Group's commitments amounted to CHF 1 500 million (2024: CHF 2 578 million) and included CHF 1 095 million (2024: CHF 1 943 million) related to the purchase of various products, inventories and services and CHF 404 million (2024: CHF 635 million) related to the purchase of property, plant and equipment and intangible assets.

The significant reduction in commitments primarily results from the spin-off of the North American business.

Contingent assets

A contingent asset is a possible asset that arises from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

At 31 December 2025, the total contingent assets in favor of the Group are estimated at CHF 98 million (2024: CHF 0 million) in connection with former businesses divested.

17. Shareholders' information

17.1 Equity

On 28 May 2024, Holcim exercised the redemption option on the EUR 500 million (CHF 490 million) subordinated fixed rate resettable perpetual notes issued on 5 April 2019 at an initial fixed coupon of 3.0%.

There were no outstanding subordinated fixed rate resettable perpetual notes carried in equity as of 31 December 2025 and 31 December 2024.

In accordance with the provisions of IAS 32 Financial Instruments – Presentation, and given their characteristics, these instruments were recognized in equity in the Group's consolidated financial statements.

The redemption of the subordinated fixed rate resettable perpetual notes is disclosed in "Repayment from subordinated fixed rate resettable notes" in the consolidated statement of cash flows.

Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects. Treasury shares (own equity instruments held by the Group) are accounted for as a reduction of equity at acquisition cost and are not subsequently remeasured. When shares are sold out of treasury shares, the resulting profit or loss is recognized in equity, net of tax.

17.2 Information on share capital

Number of registered shares 31 December	2025	2024
Total outstanding shares	553 125 111	551 015 549
Treasury shares		
Share buyback program	0	12 249 093
Other treasury shares	13 750 402	15 859 964
Total treasury shares	13 750 402	28 109 057
Total issued shares	566 875 513	579 124 606
Shares out of conditional share capital		
Reserved for convertible bonds	1 422 350	1 422 350
Total shares out of conditional share capital	1 422 350	1 422 350
Total shares	568 297 863	580 546 956

The par value per share is CHF 2.00. The share capital amounts to nominal CHF 1 134 million (2024: CHF 1 158 million) and the carrying amount of the treasury shares amounts to CHF 645 million (2024: CHF 1 744 million).

In March 2024, Holcim initiated a share buyback program of up to CHF 1 billion. Through this program, Holcim repurchased 12 249 093 shares – equivalent to 2.1% of its share capital – for a total amount of CHF 1 billion at an average purchase price of CHF 81.6 per share. Cancellation of the repurchased shares was approved at the Annual General Meeting held on 14 May 2025. As a result, the share capital of Holcim Ltd was reduced to CHF 1 134 million divided into 566 875 513 shares and the carrying amount of the treasury shares was reduced by CHF 1 billion.

Swiss tax regulations prescribe the use of at least 50% from the capital contribution reserves for shares purchased back for cancellation. The nominal value of CHF 2.00 per share is tax-exempt. For the shares bought back as of 31 December 2024, the domestic capital contribution reserves are affected by a reduction of CHF 488 million.

Number of registered shares 31 December	2025	2024
Total issued shares as of 1 January	579 124 606	579 124 606
Share buyback program	(12 249 093)	0
Total issued shares as of 31 December	566 875 513	579 124 606

18. Related party transactions

The main related parties are associates and joint ventures, the members of the Board of Directors, and the members of the Executive Committee.

Key management compensation

Board of Directors

The total annual compensation for the Board of Directors for 2025 amounted to CHF 4.7 million (2024: CHF 4.8 million), of which CHF 2.6 million was paid out in cash (2024: CHF 2.7 million), CHF 0.03 million in the form of social security contributions (2024: CHF 0.03 million), and CHF 1.9 million in shares (2024: CHF 2.0 million). Other compensation paid totaled CHF 0.1 million (2024: CHF 0.1 million).

Executive Committee

The total annual compensation for the Executive Committee for 2025 amounted to CHF 21.6 million (2024: CHF 27.0 million). This amount comprises base salaries, other fixed pay, and annual incentives totaling CHF 13.0 million (2024: CHF 17.3 million), equity-based long-term incentives totaling CHF 6.7 million (2024: CHF 7.2 million), as well as employer contributions to social security and pension plans totaling CHF 1.9 million (2024: CHF 2.5 million).

Compensation for former members of governing bodies

In 2025, two former members of the Executive Committee received total compensation of CHF 1.5 million (2024: CHF 0.9 million) during the notice period.

In 2025 and 2024, no payments were made to parties closely related to members of the governing bodies.

Loans granted to members of governing bodies

There were no loans granted to members of the Executive Committee, members of the Board of Directors, or to parties closely related to members of governing bodies outstanding on 31 December 2025 or 2024.

Other transactions

As part of the employee share purchase plan, Holcim manages employees' shares. It sells Holcim Ltd shares to employees and purchases shares in the open market. In 2025 and 2024, the company did not purchase any Holcim Ltd shares from members of the Executive Committee.

Transactions with associates and joint ventures

The Group's transactions and outstanding balances with associates and joint ventures are summarized in the table below:

Million CHF	2025	2024 Restated ¹
Net sales	200	178
Purchase of goods	(244)	(242)
Trade accounts receivable	35	42
Other current receivables	11	10
Current financial receivables	16	13
Long-term financial receivables	25	25
Trade accounts payable	149	141
Other current liabilities	18	3
Current financial liabilities	10	29
Long-term financial liabilities	1	0

¹ Comparative income statement information restated for discontinued operations (see Note 13.2).

19. Cash flow from investing activities from continuing operations

Million CHF	Notes	2025	2024 Restated ¹
Purchase of property, plant and equipment, net			
Replacements		(665)	(578)
Proceeds from sale of property, plant and equipment		88	91
Capital expenditures on property, plant and equipment to maintain productive capacity and to secure competitiveness		(577)	(487)
Expansion investments		(396)	(507)
Total purchase of property, plant and equipment, net (a)		(973)	(994)
Acquisition of participation in Group companies (net of cash and cash equivalents acquired)	2.4	(489)	(768)
Disposal of participation in Group companies (net of cash and equivalents disposed of)	2.4	552	472
Purchase of financial assets, intangible and other assets			
Purchase of financial investments including associates and joint ventures		(19)	(8)
Purchase of other financial assets, intangible and other assets		(212)	(214)
Total purchase of financial assets, intangible and other assets		(232)	(222)
Disposal of financial assets, intangible and other assets			
Disposal of financial investments including associates and joint ventures		9	6
Disposal of other financial assets, intangible and other assets		99	193
Total disposal of financial assets, intangible and other assets		108	198
Total (purchase) disposal of Group companies, financial assets, intangible and other assets, net (b)		(61)	(320)
Total cash flow from investing activities from continuing operations (a + b)		(1 034)	(1 314)

¹ Comparative information restated for discontinued operations (see Note 13.2).

20. Events after the reporting period

On 9 January 2026, Holcim completed the disposal of its business in Lebanon (including Cyprus), representing a 52% stake in the company.

21. Authorization of the financial statements for issuance

The Consolidated Financial Statements were authorized for issuance by the Board of Directors of Holcim Ltd on 26 February 2026 and are subject to shareholder approval at the Annual General Meeting of shareholders scheduled for 13 May 2026.

Responsibility statement

We certify that, to the best of our knowledge and having made reasonable inquiries to that end, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, and of the financial position and results of the company and of its consolidated subsidiaries, and that this Annual Report provides a true and fair view of the evolution of the business, results, and financial condition of the company and of its consolidated subsidiaries, and a description of the main risks and uncertainties to which the company and its consolidated subsidiaries are exposed.

Zug, 26 February 2026



KIM FAUSING
Chairman



MILJAN GUTOVIC
Chief Executive Officer



STEFFEN KINDLER
Chief Financial Officer

TO THE GENERAL MEETING OF HOLCIM LTD, ZUG



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To the General Meeting of
Holcim Ltd, Zug

Zurich, 26 February 2026

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Holcim Ltd and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of income, consolidated statement of comprehensive earnings, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 3 to 80) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



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We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Impairment of goodwill and long-lived assets

Area of focus As described in note 6 – “Investments in associates and joint ventures” and note 11 – “Property, plant and equipment, goodwill, and intangible assets” of the consolidated financial statements, the Group has CHF 6 352 million of goodwill and CHF 16 345 million long-lived assets subject to impairment test (property, plant and equipment, intangible assets, as well as investments in associates and joint ventures), the sum of which represents 68% of total assets.

Management performed annual impairment tests for all Cash Generating Units (“CGUs”) to which goodwill has been allocated as of 31 December 2025. Management also reviewed all Cash Generating Units (“CGUs”) and operating segments for their design and for any indicators of impairment and impairment reversal as of 31 December 2025.

The impairment assessment requires management to estimate future cash flows based on several assumptions related to future profitability, including revenue growth, Recurring EBITDA margins, the determination of an appropriate discount rate and long-term growth rate. The outcome of the impairment assessments could vary significantly based on the judgments applied on the different assumptions.

In the year ended 31 December 2025, net impairment charges of CHF 235 million have been recorded against long-lived assets.

Management has performed a sensitivity analysis and concluded that a reasonably possible change in the key assumptions, particularly, post-tax discount rate, or in the Recurring EBITDA margin, would not lead to an impairment in goodwill and long-lived assets.

Our audit response Our audit procedures included obtaining an understanding of the Group’s impairment testing process, the controls implemented by management in testing for impairment and the determination of key assumptions used in the impairment valuation tests.

We performed the below procedures consistently between all asset groups.

We recalculated the mathematical accuracy of the discounted cash flow models and compared the extracted inputs to the source documents.



We performed an independent assessment of impairment indicators, including challenging management's sensitivity analysis by performing an independent sensitivity analysis utilizing management's models.

We considered management's determination of CGUs for long-lived assets' impairment testing and management's determination that goodwill is monitored at the operating segment level for goodwill impairment testing. We considered whether there existed any contradictory evidence by reviewing internal financial reporting presented to the Board of Directors, CEO and executive committee and other information included in the Annual Report. We held discussions with the CEO and Regional Executives to understand both the process of evaluating results, monitoring performance and how decisions are made on the allocation of capital.

We agreed the underlying cash flow forecasts to the Board-approved plans.

We held discussions with management to identify areas where Holcim's 2030 sustainability targets will impact future cash flows. We have performed procedures to confirm that the impact of these projects had been appropriately taken into consideration.

We validated whether the Group's goodwill and long-lived assets impairment methodology was appropriate.

We assessed management's historical forecasting accuracy as well as any revisions made to improve the accuracy. We assessed whether estimates have been determined on a consistent basis across the Group and where relevant, compared management's prior year models for testing impairment with the current year models.

We considered the adequacy of management's disclosures in respect of long-lived assets and goodwill impairment testing.

Further, we performed the following substantive procedures on the key assumptions:

Recurring EBITDA margin

We analyzed the individual components of the Recurring EBITDA margin, including market growth, cement prices and cost components, and benchmarked these against external sources. We performed a lookback analysis on the historical trends as well as held discussions with regional and country management to corroborate their views on the market developments on the four-year forecast.

Discount rates

We involved internal valuation specialists to develop an independent estimate of the relevant discount rates and compared these to discount rates used by management.



Long-term growth

We performed a reconciliation to confirm that the long-term growth rate used to extrapolate cash flow projections beyond the planning period does not exceed the combination of long-term inflation rate and Gross Domestic Product growth rate for the relevant market.

Contingent Liabilities

Area of focus The group is involved in lawsuits, claims of various natures, investigations and proceedings, as disclosed in note 16.3 – “Contingencies, guarantees and commitments” of the consolidated financial statements.

In particular, the criminal proceedings in France against Lafarge SA related to legacy operations in Syria during the country’s civil war are still ongoing. The hearings took place from 4 November 2025 to 19 December 2025. The public prosecutor proposed certain financial penalties; however, the criminal court is not bound by the public prosecutor’s requests and may impose a different sentence. The judgment will be delivered on 13 April 2026. The courts’ decisions at this stage are not rulings on the merits of the case and Lafarge SA continues to cooperate fully with the French judicial authorities.

In addition, and pertaining to the same legacy operations, nine civil lawsuits were commenced in the U.S. District Court for the Eastern District of New York against Lafarge S.A. and its subsidiaries Lafarge Cement Syria S.A. and Lafarge Cement Holding Limited, by individuals who were allegedly injured or killed in terrorist attacks in Syria, Iraq, Libya, Jordan, Lebanon, France, Spain, Turkey and Niger, and Belgium from 2012 to 2017, and/or their heirs and family members. Management has concluded, considering all available evidence, including advice from both external and internal legal counsels, that the outcome of the above-mentioned legal proceedings in the U.S. cannot be reliably estimated. Consequently, no liabilities have been recognized, and an estimate of the contingent liability in relation to these matters cannot be quantified and therefore disclosed as of 31 December 2025.

Our audit response We gained an understanding of the Group’s design and implementation of processes and controls for the identification and evaluation of legal proceedings and regulatory investigations at the different levels of management, including those charged with governance, as well as for the continuous assessment and recording of the related contingent liabilities and provisions required by IAS 37 Provisions, contingent liabilities and contingent assets.

We enquired the Group General Counsel and the Group’s external legal counsels as to the current status of the proceedings and their professional assessment of their outcome and obtained written legal opinions when deemed necessary.



We obtained minutes of meetings of the Board of Directors. We assessed whether any of the evidence obtained contradicted management's assessment.

We assessed the adequacy of the related disclosures made in the consolidated financial statements.

Spin-off of the North American business

Area of focus As described in note 2.3 – “Completion of the full capital market separation of the North American business through a dividend-in-kind distribution to Holcim Ltd shareholders” of the consolidated financial statements, on 14 May 2025, at the Annual General Meeting, Holcim's shareholders approved a special distribution by way of a dividend-in-kind to effect the spin-off of the North American business (“Amrize”). Upon shareholder approval, the North American business was reported as discontinued operations in accordance with IFRS 5 ‘Non-current Assets Held for Sale and Discontinued Operations’.

On 23 June 2025, the spin-off was completed. The dividend-in-kind distribution liability was finally determined at CHF 25 442 million through retained earnings based on the share price of Amrize on 23 June 2025 at the opening of the SIX Swiss Exchange, leading to the recognition of a gain of CHF 12 337 million.

The North American business represented a separate geographical area and a major line of business, therefore the spin-off transaction has a significant impact on the consolidated financial statements. Management has analyzed the accounting impact and disclosure requirements to ensure compliance with IFRS 5.

Our audit response We obtained an understanding of the recognized gain by reviewing the calculation and examining the related legal documentation. To verify the components of the gain, we recalculated the fair value of the dividend-in-kind, reperformed the calculation of the carrying amount of the net assets derecognized, recalculated the mathematical accuracy of the currency translation adjustment and tested the transaction costs and other related expenses.

We directed and supervised the work of the component auditor related to the 2025 results of the North American business up to the spin-off date.

We assessed the presentation and disclosures in respect to the discontinued operations in the consolidated financial statements. In particular, we focused on the classification of continuing and discontinued operations and the disclosure of basic and diluted earnings per share.



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Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



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Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

A handwritten signature in black ink, appearing to be 'JP'.

Jacques Pierres

Licensed audit expert
(Auditor in charge)

A handwritten signature in black ink, appearing to be 'D. Zaugg'.

Daniel Zaugg

Licensed audit expert

HOLDING COMPANY RESULTS

Statement of income Holcim Ltd

Million CHF	Notes	2025	2024
Dividend income – Group companies		1 251	791
Financial income – Group companies	2	330	470
Financial income – third parties		108	44
Other income	3	1 290	742
Total income		2 979	2 047
Financial expenses – Group companies		(101)	(205)
Financial expenses – third parties		(7)	(14)
Other expenses	4	(559)	(360)
Reversal of impairment / (impairment) of financial investments and financial receivables – Group companies	5	56	(145)
Total expenses		(611)	(724)
Net income before taxes		2 368	1 323
Income taxes		(47)	(39)
Net income		2 321	1 284

Statement of financial position Holcim Ltd

Million CHF	Notes	2025	2024
Cash and cash equivalents		933	229
Current financial receivables – Group companies		366	226
Current financial receivables – third parties		350	248
Other current receivables – Group companies		136	151
Other current receivables – third parties		24	8
Total current assets		1 809	862
Non-current financial receivables – Group companies	6	1 540	5 106
Financial investments – Group companies	7	22 082	31 227
Other non-current assets		0	18
Total non-current assets		23 622	36 351
Total assets		25 431	37 213
Current interest-bearing liabilities – Group companies		947	553
Current interest-bearing liabilities – third parties	8	0	150
Other current liabilities – Group companies		106	67
Other current liabilities – third parties		59	173
Total current liabilities		1 112	943
Non-current interest-bearing liabilities – Group companies		474	4 672
Other non-current liabilities – third parties		95	95
Total non-current liabilities		569	4 767
Total liabilities		1 681	5 710
Share capital	13	1 134	1 158
Capital reserves from tax capital contributions			
– Domestic		63	63
– Foreign	13	7 096	10 584
Statutory retained earnings		2 531	2 531
Retained earnings	13	11 250	17 627
Net income		2 321	1 284
Treasury shares	9	(645)	(1 744)
Total shareholders' equity		23 750	31 503
Total liabilities and shareholders' equity		25 431	37 213

NOTES TO THE FINANCIAL STATEMENTS OF HOLCIM LTD

Holcim Ltd, with registered office in Zug, is the ultimate holding company of Holcim Group, which comprises subsidiaries, associated companies, and joint ventures around the world. During the reporting period, Holcim Ltd employed fewer than ten employees (2024: fewer than ten employees).

1. Accounting policies

Basis of preparation

The financial statements of Holcim Ltd comply with the requirements of the Swiss accounting legislation of the Swiss Code of Obligations (SCO). Holcim Ltd is presenting consolidated financial statements according to IFRS® Accounting Standards. As a result, these financial statements and notes do not include additional disclosures, a cash flow statement, or a management report.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount.

Accounting principles applied

Other income and expenses

Non-monetary assets and liabilities are carried at historical rates. Monetary assets and liabilities in foreign currencies are translated at year-end exchange rates. Realized exchange gains and losses and all unrealized exchange losses arising from these as well as those from business transactions are recorded as other income or other expenses. Unrealized exchange gains on non-current assets and liabilities are deferred.

Cash and cash equivalents

Cash and cash equivalents are bank accounts and short-term deposits, highly liquid and readily convertible to known amounts of cash with maturities of three months or less from the date of acquisition.

Financial receivables

Financial receivables are valued at cost less any impairment of value.

The CO₂ certificates are classified as current financial receivables and valued at cost less impairment of the value. The result of the sales of the CO₂ certificates is recorded in other income and other expenses.

Financial investments

Financial investments are initially recognized at cost. Investments in Holcim Group subsidiaries are assessed annually and, in case of an impairment, adjusted to their recoverable amount.

Other assets

Other assets contain goodwill and other intangible assets, which are capitalized and amortized over a period between three and seven years.

Interest-bearing liabilities

Interest-bearing liabilities are valued at nominal value. Any bond premium is accrued over the duration of the bond so that, at maturity, the balance sheet amount will equal the amount that is due to be paid.

Provisions

Provisions are made to cover general business risks.

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from equity. Gains and losses on the sale are recognized in the statement of income.

2. Financial income – Group companies

The financial income – Group companies amounts to CHF 330 million (2024: CHF 470 million), of which CHF 83 million (2024: CHF 154 million) financial income related to prior-year transactions.

3. Other income

The other income contains intangible property-related fees of CHF 247 million (2024: CHF 309 million), net gains on disposal of investments of CHF 966 million (2024: CHF 0 million), net foreign exchange gains of CHF 0 million (2024: CHF 397 million) and other income of CHF 77 million (2024: CHF 36 million).

4. Other expenses

The other expenses contain stewardship, project and litigation expenses of CHF 377 million (2024: CHF 323 million), administrative expenses of CHF 16 million (2024: CHF 16 million), other expenses of CHF 9 million (2024: CHF 21 million) and net foreign exchange losses of CHF 157 million (2024: CHF 0 million).

5. Reversal of impairment / (impairment) of financial investments and financial receivables – Group companies

In the reporting period, there has been a reversal of impairment in the amount of CHF 56 million (2024: CHF 0 million) and there has been no impairment on financial investments and financial receivables (2024: CHF 145 million).

6. Non-current financial receivables – Group companies

The non-current financial receivables amount to CHF 1 540 million (2024: CHF 5 106 million). Holcim Ltd granted a subordinated loan of USD 3 500 million to a fully owned subsidiary, which was fully repaid in 2025.

7. Financial investments – Group companies

The principal direct and indirect subsidiaries and other holdings of Holcim Ltd are shown in Note 2.5 to the Group's Consolidated Financial Statements.

8. Current interest-bearing liabilities – third parties

Million CHF	2025	2024
1.00% fixed, Bond, 2015-2025	0	150
Total	0	150

9. Treasury shares movements in equity

		Number held by Holcim Ltd	Million CHF	Average price per share in CHF	Number held by subsidiaries	Reserve for treasury shares held by subsidiaries in Million CHF	Average price per share in CHF
01.01.2025	Opening	28 109 057	1 744	62.0	0	0	0.0
2025	Cancellation of shares from share buyback program	(12 249 093)	(1 000)	81.6	0	0	0.0
2025	Sales and delivery for remuneration plans	(2 109 562)	(99)	46.9	0	0	0.0
31.12.2025	Closing	13 750 402	645	46.9	0	0	0.0
01.01.2024	Opening	17 301 182	811	46.9	0	0	0.0
2024	Purchases share buyback program	12 249 093	1 000	81.6	0	0	0.0
2024	Sales and delivery for remuneration plans	(1 441 218)	(67)	46.9	0	0	0.0
31.12.2024	Closing	28 109 057	1 744	62.0	0	0	0.0

In March 2024, Holcim initiated a share buyback program of up to CHF 1 billion. Through this program, Holcim repurchased 12 249 093 shares – equivalent to 2.1% of its share capital – for a total amount of CHF 1 billion at an average purchase price of CHF 81.6 per share. The cancellation of the repurchased shares was approved at the Annual General Meeting held on 14 May 2025.

10. Contingent liabilities

Million CHF	2025	2024
Guarantees in favor of subsidiaries to cover capital and interest of bonds, private placements, Schuldschein loans, credit facilities and commercial paper programs	8 715	11 916
Guarantees for committed credit lines, utilization CHF 0 million (2024: CHF 0 million)	2 921	4 576
Other guarantees and commitments	252	275
Total	11 888	16 767

Holcim Ltd is part of a value added tax group and therefore jointly liable to the Swiss Federal Tax Administration for the value added tax liabilities of the other members.

Holcim Ltd guarantees Holcim Finance (Luxembourg) S.A. any amount needed to fulfill its obligations from financing agreements.

11. Share interests of the Board of Directors and Executive Committee

Board of Directors

On 31 December 2025, the members of the Board of Directors held a total of 56 414 (2024: 624 101) registered shares in Holcim Ltd. This number comprises privately acquired shares and those allotted under the participation and compensation schemes.

Number of shares held by the Board of Directors

Name	Position	Shares held as of 31 December 2025	Shares held as of 31 December 2024
Kim Fausing	Chairman	11 991	6 575
Jan Jenisch	Chairman (until 14 May 2025)	n/a	540 000
Hanne B. Sørensen	Vice-Chairwoman (until 14 May 2025)	n/a	23 176
Philippe Block	Member	7 680	6 575
Leanne Geale	Member	3 743	2 638
Catrin Hinkel	Member	645	0
Naina Lal Kidwai	Member	9 647	8 542
Ilias Läber	Member	12 416	11 043
Michael McGarry	Member	645	0
Jürg Oleas	Member (until 14 May 2025)	n/a	17 010
Adolfo Orive	Member (since 14 May 2025)	0	n/a
Sven Schneider	Member (since 14 May 2025)	0	n/a
Claudia Sender Ramirez	Member	9 647	8 542
Total		56 414	624 101

Executive Committee: Shares and options

As of 31 December 2025, the members of the Executive Committee held a total of 384 982 (2024: 308 626) registered shares in Holcim Ltd. This figure includes both privately acquired shares and those allocated under participation and the Group's compensation schemes.

Furthermore, at the end of 2025, the Executive Committee held a total of 962 531 (2024: 749 916) registered options (at target) and 226 710 (2024: 136 132) performance shares (at target); these arose as a result of the participation and compensation schemes of various years. Options are issued solely on registered shares in Holcim Ltd. One option entitles the holder to buy one registered share in Holcim Ltd.

Number of shares and options held by Executive Committee members as of 31 December 2025

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Miljan Gutovic	CEO	163 973	351 403	702 805	72 129	144 258
Steffen Kindler	Member	15 801	87 329	174 657	31 042	62 084
Carmen Diaz	Member	3 801	11 544	23 088	9 419	18 838
Martin Kriegner	Member	127 318	231 032	462 064	36 119	72 238
Simon Kronenberg	Member	7 693	12 548	25 096	9 851	19 702
Dragan Maksimovic	Member	2 509	12 548	25 096	12 079	24 158
Ram Muthu	Member	8 971	11 544	23 088	10 533	21 066
Oliver Osswald	Member	50 000	233 039	466 078	36 119	72 238
Lukas Studer	Member	4 916	11 544	23 088	9 419	18 838
Total		384 982	962 531	1 925 060	226 710	453 420

Number of shares and options held by Executive Committee members as of 31 December 2024

Name	Position	Total number of shares owned	Total number of performance options held (at target)	Total number of performance options held (at maximum)	Total number of performance shares held (at target)	Total number of performance shares held (at maximum)
Miljan Gutovic	CEO	107 040	218 731	437 461	35 466	70 932
Steffen Kindler	Member	7 455	38 267	76 534	15 631	31 262
Nollaig Forrest	Member	4 370	23 246	46 491	10 254	20 508
Jamie Gentoso	Member	30 997	99 869	199 738	23 235	46 470
Martin Kriegner	Member	108 764	183 961	367 922	25 535	51 070
Oliver Osswald	Member	50 000	185 842	371 683	26 011	52 022
Total		308 626	749 916	1 499 829	136 132	272 264

12. Significant shareholders

According to the share register and disclosed through notifications filed with Holcim Ltd and the SIX Swiss Exchange, shareholders owning 3% or more are as follows:

Percentage of shares outstanding	2025	2024
Thomas Schmidheiny ¹	5.7	6.5
UBS Fund Management (Switzerland) AG ²	5.8	5.6
BlackRock Inc. ³	5.3	5.2
Martin and Rosmarie Ebner ⁴	3.0	3.1
Holcim Ltd ⁵	< 3.0	4.9
FMR LLC ⁶	3.1	< 3.0

¹ Excluding the shares of the family members: Thomas Schmidheiny directly and indirectly held 5.7% as of 31 December 2025.

² As of 9 May 2024, UBS Fund Management (Switzerland) AG declared holdings of 5.6% before share capital reduction (5.8% after share capital reduction).

³ As of 24 June 2023, BlackRock Inc. declared holdings of 5.2% before share capital reduction (5.3% after share capital reduction).

⁴ Martin and Rosmarie Ebner held 3.0% as of 31 December 2025.

⁵ Holcim Ltd's participation fell under 3.0% as of 16 June 2025.

⁶ FMR LLC declared holdings of 3.1% as of 4 November 2025.

The individual reports can be accessed on the reporting and publication platform of the Disclosure Office of SIX Swiss Exchange under: ser-ag.com/significant-shareholders

13. Share capital and shareholders' equity

As of 31 December 2025, Holcim Ltd's share capital amounts to CHF 1 134 million (2024: CHF 1 158 million) and consists of 566 875 513 registered shares (2024: 579 124 606) with a nominal value of CHF 2.00 each.

The Annual General Meeting held on 14 May 2025 approved the cancellation of the shares repurchased under the share buyback program. Through this program, Holcim repurchased 12 249 093 shares – equivalent to 2.1% of its share capital – for a total amount of CHF 1 billion. As result, the share capital of Holcim Ltd was reduced to CHF 1 134 million divided into 566 875 513 shares and the retained earnings were reduced by CHF 976 million.

The Annual General Meeting held on 14 May 2025 approved a special distribution by way of a dividend-in-kind to effect the spin-off of the North American business into an independent, publicly traded company, Amrize Ltd, which was completed through the distribution of the common stock of Amrize Ltd to the shareholders of Holcim Ltd on 23 June 2025. The distribution was made at the book value of Amrize Ltd, which amounted to CHF 8 459 million at the date of distribution, and was recognized as a reduction of the foreign reserves from tax capital contributions for CHF 1 774 million and of the retained earnings for CHF 6 685 million.

APPROPRIATION OF AVAILABLE EARNINGS AND RESERVES

Appropriation of available earnings

Million CHF	2025	2024
Available earnings:		
Retained earnings carryforward previous year	12 226	17 627
Reduction due to cancellation of treasury shares	(976)	0
Net income of the year	2 321	1 284
Total available earnings	13 571	18 911
Special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd	0	(6 685)
Balance to be carried forward	13 571	12 226

The Board of Directors proposes to the Annual General Meeting of shareholders to carry the balance forward to the new accounts.

Distribution of cash dividend payable out of foreign capital reserves from tax capital contributions

Million CHF	2025	2024
Capital reserves from tax capital contributions:		
– Domestic	63	63
– Foreign	7 096	10 584
Total available capital reserves from tax capital contributions	7 159	10 647
Special distribution by way of a dividend-in-kind to effect the spin-off of Amrize Ltd	0	(1 774)
Proposed distribution of a cash dividend from foreign capital reserves from tax capital contributions (gross dividend of CHF 1.70 (2024: CHF 3.10) per dividend-bearing share)	(964)	(1 714)
Balance to be carried forward	6 195	7 159

The Board of Directors proposes to the Annual General Meeting of shareholders to distribute a cash dividend from the foreign reserves from tax capital contributions of CHF 1.70 (2024: CHF 3.10) per registered share of CHF 2.00 par value up to an amount of CHF 964 million.

No distribution will be made with respect to treasury shares held by Holcim Ltd at the time of the distribution of the cash dividend.

TO THE GENERAL MEETING OF HOLCIM LTD, ZUG



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To the General Meeting of
Holcim Ltd, Zug

Zurich, 26 February 2026

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Holcim Ltd (the Company), which comprise the statement of financial position as of 31 December 2025, the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 89 to 96) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.



Financial investments – Group companies

Area of focus Holcim Ltd holds financial investments in Group companies with a carrying amount of CHF 22 082m as at 31 December 2025, which represents 87% of the Company's total assets. The Company's note in respect of the accounting policies on financial investments is included in Note 1 of the statutory financial statements. The principal direct and indirect subsidiaries and other holdings of Holcim Ltd are disclosed on pages 20 to 22 of the consolidated financial statements.

The assessment of the carrying value of investments includes certain complexity and judgement. It is related to the value of the underlying assets held by each investment which themselves depends on the value of other underlying assets. Management has developed valuation models that depend on estimation of the future earnings and the discount rates applied.

Due to this complexity and judgment in relation to whether the carrying amount of the financial investments is supported through their value in use calculated on the basis of budgeted future cash flows, this area represents a key audit matter.

Our audit response We assessed the Company's accounting policy in respect of financial investments valuation.

We obtained an understanding of the internal controls surrounding the valuation process for financial investments valuation and assessed their design and implementation.

We assessed, with involvement of our valuation specialists, the valuation methodology, the underlying assumptions and the mathematical accuracy of the valuation models. Our procedures included assessment of the assumptions and methodologies used by the Company in its value-in-use calculation and discount rates applied. We analyzed, for each financial investment, the excess of the recoverable amount over carrying amount.

We compared the amount of investment impairment recognized in the financial statements with impairment assessment in the valuation models.

Our audit procedures did not lead to any reservations concerning the valuation, presentation and disclosure of investments in group companies.



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Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



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Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

A handwritten signature in black ink, appearing to be 'JP'.

Jacques Pierres

Licensed audit expert
(Auditor in charge)

A handwritten signature in black ink, appearing to be 'D. Zaugg'.

Daniel Zaugg

Licensed audit expert

5-YEAR-REVIEW HOLCIM GROUP

		2025	2024 Restated ¹	2023	2022	2021
Statement of income						
Net sales	Million CHF	15 724	16 201	27 009	29 189	26 834
Gross profit	Million CHF	6 658	7 066	11 498	11 614	11 536
Recurring EBITDA ²	Million CHF	3 992	3 966	6 737	6 912	6 932
Recurring EBIT	Million CHF	2 876	2 837	4 760	4 752	4 612
Recurring EBIT margin	%	18.3	17.5	17.6	16.3	17.2
Operating profit (EBIT)	Million CHF	2 543	2 551	4 577	3 221	4 401
Depreciation, amortization and impairment of operating assets	Million CHF	(1 351)	(1 329)	(2 076)	(2 845)	(2 337)
Income taxes	Million CHF	(474)	(544)	(999)	(1 027)	(963)
Tax rate	%	51	26	24	23	26
Net income ³	Million CHF	460	1 573	3 176	3 528	2 681
Net income – shareholders of Holcim Ltd ³	Million CHF	387	1 456	3 060	3 308	2 298
Net income before impairment and divestments, Group share ³	Million CHF	1 779	1 713	3 089	2 218	2 448
Earnings per share before impairment and divestments ³	CHF	3.22	3.07	5.42	3.66	3.98
Statement of cash flows						
Cash flow from operating activities ³	Million CHF	3 127	3 115	5 470	4 562	5 045
Investments in property, plant and equipment for maintenance net ³	Million CHF	(577)	(487)	(921)	(865)	(829)
Investments in property, plant and equipment for expansion ³	Million CHF	(396)	(507)	(487)	(570)	(591)
Free cash flow ^{2,3}	Million CHF	2 154	2 121	4 062	3 127	3 626
Free cash flow after leases ³	Million CHF	1 944	1 919	3 705	2 765	3 264
Statement of financial position						
Current assets	Million CHF	9 805	12 187	12 842	16 784	13 696
Non-current assets	Million CHF	23 800	42 098	39 844	40 819	46 188
Total assets	Million CHF	33 605	54 285	52 686	57 603	59 885
Current liabilities	Million CHF	7 403	9 754	8 904	8 857	9 745
Non-current liabilities	Million CHF	10 116	16 575	16 999	19 132	19 666
Total shareholders' equity	Million CHF	16 086	27 956	26 783	29 614	30 473
Shareholders' equity as % of total assets	%	47.9	51.5	50.8	51.4	50.9
Non-controlling interests	Million CHF	708	716	786	940	2 788
Net financial debt ⁴	Million CHF	3 785	8 448	7 896	6 032	9 977
Debt leverage ⁴	times	0.9	1.2	1.2	0.9	1.4
Return on Invested Capital (ROIC)	%	11.2	11.1	10.6	9.5	8.9
Personnel						
Number of personnel (FTE)		45 536	48 318	63 448	60 422	69 672

¹ 2024 information restated for discontinued operations (see Note 13.2 in 2025 Financial Report), except for the Statement of financial position.

² Post spin-off, recurring EBITDA and free cash flow are presented before leases to allow better comparability with peers and align with industry practice.

³ 2025 and 2024 indicators refer to continuing operations.

⁴ From 2021 to 2024, Holcim Group's net financial debt and leverage ratio reflect the scope of Holcim and its subsidiaries, including the North American business. In 2025, Holcim Group's net financial debt and leverage ratios reflect the scope of Holcim post spin-off.

DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES USED IN THE 2025 INTEGRATED ANNUAL REPORT

Organic growth

Organic growth information factors out changes in the scope of consolidation (such as divestments and acquisitions occurring in the current year and the prior year) and currency translation effects (current-year figures are converted with prior-year exchange rates in order to calculate the currency effects).

Growth in local currency excluding large M&A

Growth in local currency excludes currency translation effects and large M&A.

Large M&A

Large M&A refers to divestments and acquisitions of entities or group of companies with annual net sales over CHF 200 million.

Recurring operating costs

The recurring operating costs indicator represents all recurring costs. It is defined as:

- +/- Recurring EBITDA
- Net sales
- Share of profit of joint ventures

Recurring EBITDA

The recurring EBITDA (earnings before interest, tax, depreciation, and amortization) measures the performance of the Group, excluding the impacts of non-recurring items. It is defined as:

- +/- Operating profit/loss (EBIT)
- Depreciation, amortization, and impairment of operating assets
- Restructuring, litigation, and other non-recurring costs

Post spin-off, recurring EBITDA is presented before leases to allow better comparability with peers and align with industry practice.

Recurring EBITDA margin

The recurring EBITDA margin measures the profitability of the Group, excluding the impacts of non-recurring items. It is defined as the recurring EBITDA divided by net sales.

Post spin-off, recurring EBITDA is presented before leases to allow better comparability with peers and align with industry practices.

Recurring EBIT

The recurring EBIT is defined as operating profit/loss (EBIT), adjusted for restructuring, litigation, other non-recurring costs, and impairment of operating assets.

Recurring EBIT margin

The recurring EBIT margin measures the profitability of the Group, excluding the impacts of restructuring, litigation, and other non-recurring costs. It is defined as the recurring EBIT divided by net sales.

Restructuring, litigation, and other non-recurring costs

Restructuring, litigation, and other non-recurring costs relate to significant items that, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing performance, such as strategic restructuring, major items relating to antitrust fines, and other business-related litigation cases.

Profit (loss) on disposals and other non-operating items

Profit and loss on disposals and other non-operating items comprise gains or losses on the disposals of Group companies, associates, and joint ventures, other non-operating items that are not directly related to the Group's operating activities such as revaluation gains or losses on previously held equity interests, and indemnification provisions.

Operating profit/loss (EBIT) before impairment

The operating profit/loss (EBIT) before impairment measures the profit earned from the Group's core business activities, excluding impairment charges which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

- +/- Operating profit/loss
- Impairment of goodwill and long-term assets

Net income/loss before taxes, impairment and divestments

Net income/loss before taxes, impairment and divestments excludes impairment charges and capital gains and losses arising on disposals of Group companies, joint ventures and associates which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. It is defined as:

- +/- Net income/loss before taxes
- Gains and losses on disposals of Group companies, joint ventures and associates
- Impairment of goodwill and long-term assets

This indicator is presented only for continuing operations.

Net income/loss before impairment and divestments

Net income/loss before impairment and divestments excludes impairment charges and capital gains and losses arising on disposals of investments which, because of their exceptional nature, cannot be viewed as inherent to the Group's ongoing activities. This indicator is net of taxation and is defined as:

- +/- Net income/loss
- Gains and losses on disposals of Group companies, joint ventures and associates, net of taxation
- Impairment of goodwill and long-term assets, net of taxation

This indicator is presented only for continuing operations.

Earnings per share (EPS) before impairment and divestments

Earnings per share (EPS) before impairment and divestments measures the theoretical profitability per share of stock outstanding based on net income/loss before impairment and divestments. It is defined as net income/loss before impairment and divestments attributable to the Holcim Ltd shareholders divided by the weighted average number of shares outstanding.

This indicator is presented only for continuing operations.

Growth (development) CapEx

Expenditure to increase capacity and geographical footprint, transform or diversify products and services through innovation, and enhance operational efficiency and productivity to drive strategic growth and competitiveness.

Maintenance CapEx

Expenditure to sustain the functional capacity of a particular component, assembly, equipment, production line or the whole plant, which may or may not generate a change of the resulting cash flow.

CapEx or net CapEx (net maintenance and growth (development) CapEx)

The CapEx or net CapEx (net maintenance and growth (development) CapEx) measures the cash spent to maintain or develop the asset base. It is defined as:

- + Growth (development) CapEx
- + Maintenance CapEx
- Proceeds from the sale of property, plant and equipment

Employee benefits and other operating items

Employee benefits and other operating items reflect the non-cash impact on the operating profit of employee benefits schemes net of any cash payments, the non-cash impact of the specific business risks provisions net of any cash payments, the non-cash share based compensation expenses and any other non-cash operating expenses.

Change in other receivables and liabilities

Change in other receivables and liabilities includes the net change of other receivables and liabilities that are not already disclosed separately in the condensed interim consolidated statement of cash flows or that are not of a tax or financial nature.

Free cash flow

The free cash flow measures the level of cash generated by the Group after spending cash to maintain or expand its asset base. It is defined as:

- +/- Cash flow from operating activities
- Net maintenance and growth (development) CapEx

Post spin-off, free cash flow is presented before leases to allow better comparability with peers and align with industry practices.

This indicator is presented only for continuing operations.

Free cash flow after leases

The free cash flow after leases is defined as:

- +/- Free cash flow
- Repayment of long-term lease liabilities.

This indicator is presented only for continuing operations.

Cash conversion

Cash conversion measures the Group's ability to convert profits into available cash. It is defined as free cash flow divided by recurring EBITDA.

Post spin-off, cash conversion is presented before leases to allow better comparability with peers and align with industry practice.

This indicator is presented only for continuing operations.

Net financial debt (net debt)

The net financial debt (net debt) measures the financial debt of the Group after deduction of the cash. It is defined as:

- + Financial liabilities (short- and long-term) including derivative liabilities
- Cash and cash equivalents
- Derivative assets (short- and long-term)

Debt leverage

The net financial debt to recurring EBITDA ratio is used as an indicator of financial risk and shows the number of years it would take the Group to repay its debt if recurring EBITDA and net debt are held constant.

Invested capital

The invested capital measures total funds invested by shareholders, lenders, and any other financing sources. It is defined as:

- + Total shareholders' equity
- + Net financial debt
- Assets classified as held for sale
- + Liabilities classified as held for sale
- Current financial receivables
- Long-term financial investments and other long-term assets

Net operating profit/loss after tax (NOPAT)

It is defined as:

- +/- Net operating profit/loss (i.e., recurring EBIT and share of profit of associates)
- Income taxes (determined by applying the Group's effective tax rate to the net operating profit/loss as defined above)

This indicator is presented only for continuing operations.

Return on invested capital (ROIC)

The return on invested capital (ROIC) measures the Group's ability to efficiently use invested capital. It is defined as net operating profit/loss after tax (NOPAT) divided by the average invested capital. The average is calculated by adding the invested capital at the beginning of the period to that at the end of the period and dividing the sum by two (based on a rolling 12-month calculation). In case of a material change in scope during the year, the average invested capital is adjusted pro rata temporis.

Personnel (FTE)

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

Construction demolition materials

Construction demolition materials (CDM) are generated from the construction industry, renovation, repair, maintenance and demolition of houses, large building structures, roads, bridges, piers, dams and alike. This comprises alternative raw materials, recycled aggregates, recycled asphalt and return concrete reused in cement, aggregates, ready-mix concrete, asphalt and concrete products. CDM includes, but is not limited to, Construction and Demolition Waste (CDW) as defined by the EU construction & demolition waste management protocol.

Net sales from products with CDM inside

Net sales from products with CDM inside are defined as products and solutions with ECOCycle inside containing at least 10% recycled construction demolition materials.

Sustainable financing

Any committed financing instrument drawn and undrawn with a sustainability feature which includes performance-based (sustainability KPI, ESG linked) or use-of-proceed-based products (green, social, transition bonds) incurred by the parent company or consolidated entities.

This set of definitions can be found on the Group's website:

holcim.com/investors/publications/alternative-performance-measures

Reconciliation of alternative performance measures

Reconciling measures of profit and loss to the Consolidated Statement of Income

The indicators presented in the below tables are only for continuing operations.

Million CHF	2025	2024 Restated ¹
Net sales	15 724	16 201
Recurring operating costs	(12 046)	(12 488)
Share of profit of joint ventures	314	253
Recurring EBITDA²	3 992	3 966
Depreciation of right-of-use assets	(206)	(194)
Depreciation and amortization of property, plant and equipment, intangible and other long-term assets	(910)	(934)
Recurring EBIT	2 876	2 837
Restructuring, litigation and other non-recurring costs	(98)	(86)
Impairment of operating assets	(235)	(200)
Operating profit	2 543	2 551

Million CHF	2025	2024 Restated ¹
Net income before taxes, impairment and divestments	2 476	2 391
Impairment of goodwill and long-term assets	(235)	(200)
Net loss on disposals of Group companies, joint ventures and associates	(1 307)	(75)
Net income before taxes	934	2 116

Million CHF	2025	2024 Restated ¹
Net income before impairment and divestments, Group share	1 779	1 713
Net income before impairment and divestments, Non-controlling interests	99	113
Net income before impairment and divestments	1 878	1 826
Impairment of goodwill and long-term assets, net of taxation	(173)	(159)
Net loss on disposals of Group companies, joint ventures and associates, net of taxation	(1 245)	(95)
Net income	460	1 573
EPS before impairment and divestments in CHF	3.22	3.07

¹ Comparative information restated for discontinued operations (see Note 13.2 in 2025 Financial Report).

² Post spin-off, recurring EBITDA is presented before leases.

Reconciling measures of free cash flow to the Consolidated Statement of Cash Flows

The indicators presented in the below table are only for continuing operations.

Million CHF	2025	2024 Restated ¹
Cash flow from operating activities	3 127	3 115
Purchase of property, plant and equipment	(1 061)	(1 085)
Disposal of property, plant and equipment	88	91
Free cash flow²	2 154	2 121
Repayment of long-term lease liabilities	(210)	(202)
Free cash flow after leases	1 944	1 919

¹ Comparative information restated for discontinued operations (see Note 13.2 in 2025 Financial Report).

² Post spin-off, free cash flow is presented before leases.

Reconciling measures of net financial debt to the Consolidated Statement of Financial Position

Million CHF	2025	2024
Current financial liabilities	1 380	1 842
Long-term financial liabilities	7 867	12 014
Cash and cash equivalents	(5 440)	(5 347)
Short-term derivative assets	(11)	(55)
Long-term derivative assets	(11)	(6)
Net financial debt	3 785	8 448

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements relating to the Group's future business, development, and economic performance. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator, but rather trends or targets, as the case may be, including with respect to plans, initiatives, events, products, solutions, and services, their development and potential. Although Holcim believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions at the time of publishing this document, investors are cautioned that these statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements made in this document as a result of a number of risks and uncertainties, many of which are difficult to predict and generally beyond the control of Holcim, including but not limited to the risks described in the 2025 Integrated Annual Report and uncertainties related to the market conditions and the implementation of our plans. Accordingly, we caution you against relying on forward-looking statements. Holcim assumes no obligation to update or alter forward-looking statements as a result of new information, future events, or otherwise.

INTEGRATED REPORTING

This report applies the principles of Integrated Reporting to show how we manage the company sustainably, as well as the financial and non-financial value we created in 2025.

The 2025 Integrated Annual Report for Holcim Ltd is published in English in the form of a reporting suite, and is available on [holcim.com](https://www.holcim.com). A printed Executive Summary of the 2025 Integrated Annual Report will be available in English and German from April 2026. The English version is legally binding.

ALTERNATIVE PERFORMANCE MEASURES

Some alternative performance measures for financial and non-financial/sustainability terms are used in the Holcim 2025 Integrated Annual Reporting Suite to help describe the performance of Holcim. A full set of definitions of the alternative performance measures can be found on Holcim's website: www.holcim.com/investors/publications/alternative-performance-measures

ABOUT HOLCIM

Holcim (SIX: HOLN) is the leading partner for sustainable construction with net sales of CHF 15.7 billion in 2025, creating value across the built environment from infrastructure and industry to buildings. Headquartered in Zug, Switzerland, Holcim has over 45 000 employees in 43 attractive markets – across Europe, Latin America and Asia, Middle East & Africa – and has been recognized as a Global Top Employer by the Top Employers Institute. Holcim offers high-value end-to-end Building Materials and Building Solutions, from foundation and flooring to walling and roofing – powered by premium brands including ECOPact, ECOPlanet, and ECOCycle.

For more information visit: [holcim.com](https://www.holcim.com)

PHOTO CREDITS

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