

Holcim Ltd.

Construction Materials Switzerland SWX:HOLN

ESG Risk Rating

18.2

Last Full Update Sep 3, 2025

-4.5

Momentum

Low Risk

NEGL

LOW

MED

HIGH

SEVERE

0-10

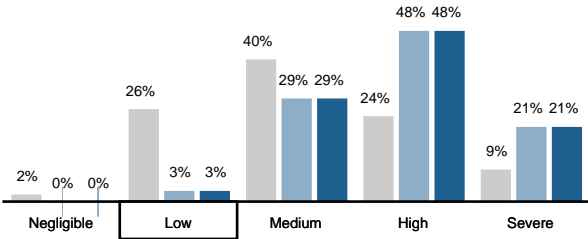
10-20

20-30

30-40

40+

ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK		PERCENTILE	
	(1 st = lowest risk)		(1 st = Top Score)	
Global Universe	2933	14400	21 st	
Construction Materials Industry	2	120	2 nd	
Construction Materials Subindustry	2	120	2 nd	

Peers Table

Peers (Market cap \$38.5 - \$75.9bn)	Exposure	Management	ESG Risk Rating
1. CRH Plc	51.3 Medium	73.4 Strong	17.8 Low
2. Holcim Ltd.	51.8 Medium	73.0 Strong	18.2 Low
3. Heidelberg Materials AG	53.1 Medium	58.3 Strong	25.6 Medium
4. Vulcan Materials Co.	46.6 Medium	44.7 Average	27.9 Medium
5. UltraTech Cement Ltd.	55.6 High	52.8 Strong	29.4 Medium

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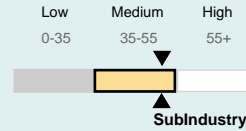
ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

ESG Risk Exposure

51.8
Medium
Beta = 1.00

-4.6
Momentum



The company's carbon footprint is determined by the nature of its operations and the source of energy it uses to power them. Increasingly stringent carbon regulations and energy efficiency requirements could lead to higher energy prices, higher associated costs for the company and compliance issues. Exposure to ethical breaches is derived mostly from the company's business relations within its value chain, as well as from its countries of operation and size. These may include political lobbying, conflicts of interest, anti-competitive practices, corruption, tax and accounting irregularities. There is increasing customer demand for more environmentally and socially responsible products and services. Companies that adapt to this trend have an opportunity to improve their brand image and to differentiate within the market.

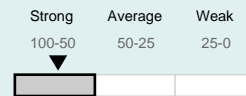
The company's overall exposure is medium and is similar to subindustry average. Carbon -Own Operations, Business Ethics and E&S Impact of Products and Services are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

ESG Risk Management

73.0
Strong

+6.7
Momentum



Holcim designated board level responsibility to oversee ESG issues and its ESG reporting standards follow best practice. Additionally, the policy addressing environmental issues is very strong. The company's whistleblower and green building membership programmes are robust as well.

The company's overall management of material ESG issues is strong.

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Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure Score Category	ESG Risk Management Score Category	ESG Risk Rating Score Category	Contribution to ESG Risk Rating
Carbon -Own Operations	9.5 High	77.9 Strong	3.6 Low	19.6%
Emissions, Effluents and Waste	5.5 Medium	59.3 Strong	2.6 Low	14.1%
E&S Impact of Products and Services	5.7 Medium	76.0 Strong	2.2 Low	12.3%
Occupational Health and Safety	4.5 Medium	61.3 Strong	1.9 Negligible	10.3%
Water Use -Own Operations	4.4 Medium	73.3 Strong	1.8 Negligible	10.0%
Business Ethics	6.0 Medium	78.6 Strong	1.5 Negligible	8.3%
Human Capital	2.9 Low	53.4 Strong	1.4 Negligible	7.7%
Corporate Governance	6.7 Medium	82.2 Strong	1.2 Negligible	6.5%
Community Relations	2.9 Low	74.2 Strong	0.9 Negligible	5.2%
Raw Material Use	1.9 Low	65.8 Strong	0.9 Negligible	4.9%
Stakeholder Governance	2.0 Low	90.6 Strong	0.2 Negligible	1.0%
Overall	51.8 Medium	73.0 Strong	18.2 Low	100.0%

Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

Severe (0)

High (0)

Significant (0)

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Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

Moderate (5)

- Anti-Competitive Practices
- Community Relations
- Emissions, Effluents and Waste
- Labour Relations
- Occupational Health and Safety

Low (3)

- Business Ethics
- Corporate Governance
- Energy Use and GHG Emissions

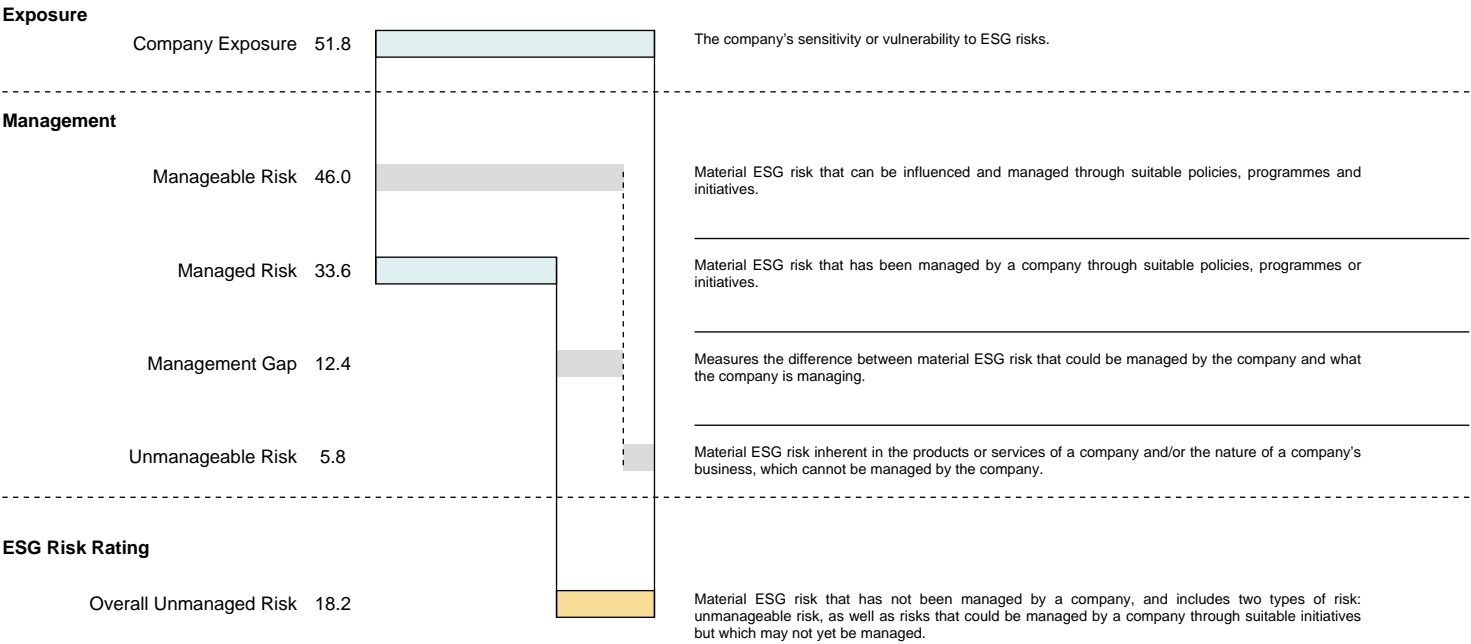
None (9)

- Accounting and Taxation
- Bribery and Corruption
- Environmental Impact of Products
- Intellectual Property
- Lobbying and Public Policy
- Sanctions
- Scarce Resource Use
- Social Impact of Products
- Water Use

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Risk Decomposition



Momentum Details



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GLOSSARY OF TERMS

Beta (Beta, β)

A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

	Negligible risk: enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
	Low risk: enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
	Medium risk: enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
	High risk: enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
	Severe risk: enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

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