



FY 2020

RESULTS

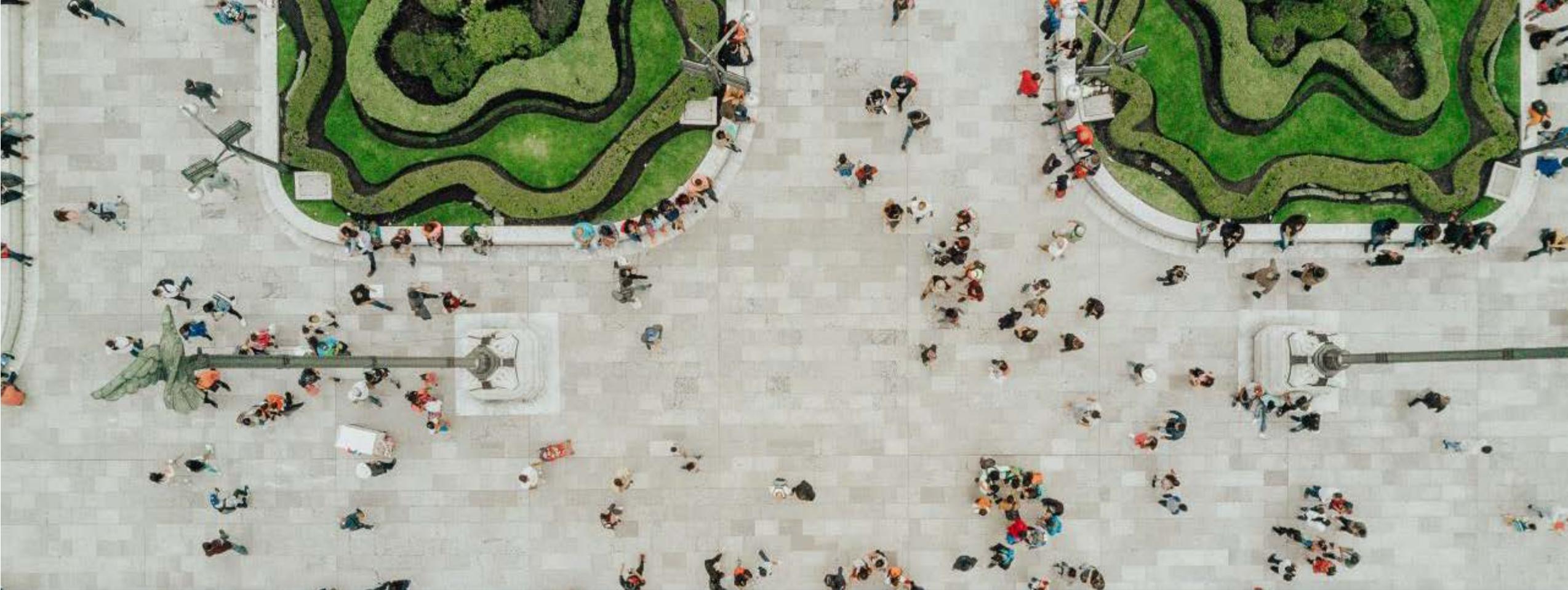
February 26, 2021

JAN JENISCH
CEO

GÉRALDINE PICAUD
CFO



LafargeHolcim



01 HIGHLIGHTS AND KEY DEVELOPMENTS

Jan Jenisch, Chief Executive Officer

STRONG MOMENTUM SINCE Q4 & RECORD 2020 FREE CASH FLOW



Strong momentum in Q4 with Net Sales **+1.5% LFL** and Recurring EBIT **+14.1% LFL**

Fast and disciplined execution of “HEALTH, COST & CASH” action plan

Record **Free Cash Flow** of **CHF 3'249 m** for 2020

Strong balance sheet with **Net Debt leverage improved to 1.4x**

A **milestone in the transformation** of LafargeHolcim with the acquisition of **Firestone Building Products**

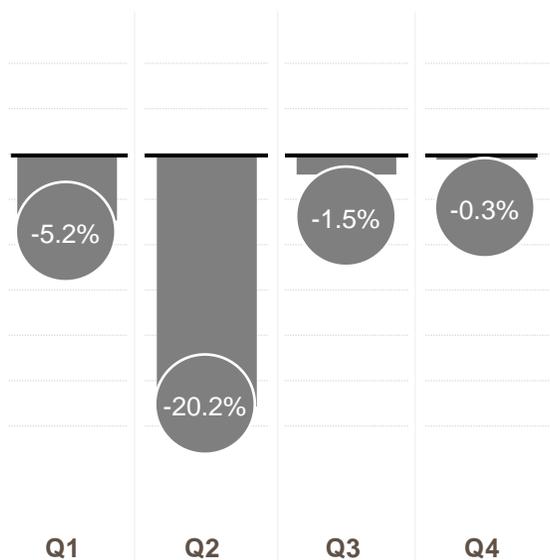
At the **forefront of sustainability** with **CDP Climate “A List” ranking**

Good demand momentum in 2021

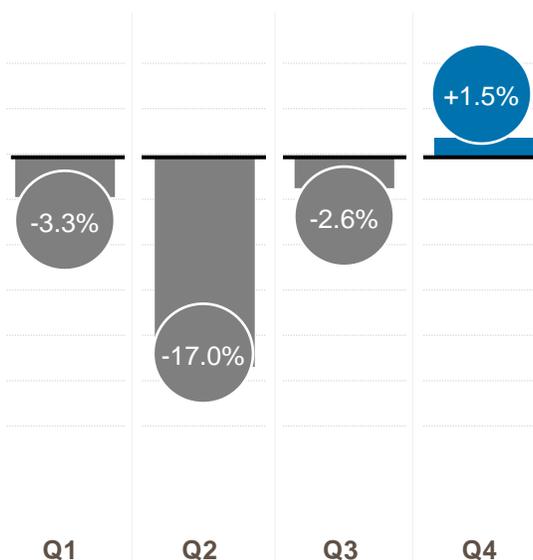
2020 KEY DEVELOPMENTS

STRONG MOMENTUM SINCE Q4

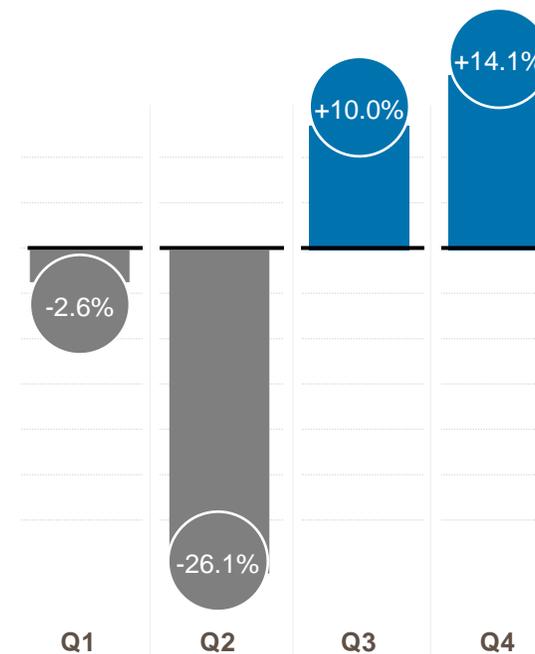
Cement Volumes



Net Sales



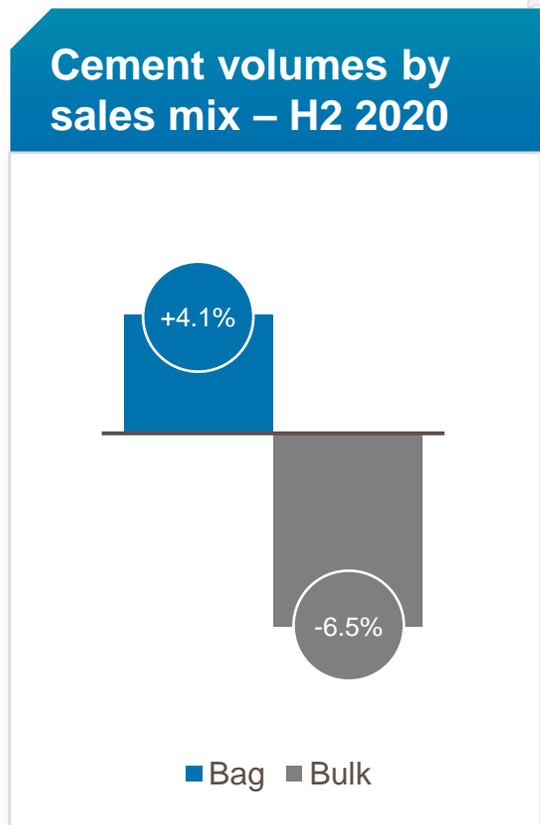
Recurring EBIT



 % LFL Growth / Decline

STRONG VOLUMES AND MARGINS DRIVEN BY BRANDED PRODUCTS

SELECTED LAFARGEHOLCIM BRANDED PRODUCTS



AGILE AND EFFECTIVE CRISIS MANAGEMENT

FAST EXECUTION OF “HEALTH, COST & CASH” ACTION PLAN



HEALTH

Safeguard the
Health and Safety
of our staff, partners and communities

Early establishment of **Business Resilience teams**
Projects to **support communities** in all our markets

6 million²



COST

Reduction in fixed costs¹ by CHF

300 million

In 2020

FY 2020

-385 m

Review of all
3rd party products and services
Realization of
reduction in energy prices¹

FY 2020

-125 m

Cost decline over-proportional compared to volumes



CASH

Reduction of CAPEX by CHF

400 million

Compared to 2019

FY 2020

-370 m

Reduction of
Net Working Capital
at least in line with level of activity

FY 2020

-11 DAYS

Free Cash Flow of CHF 3'249 m

ACQUISITION OF FIRESTONE BUILDING PRODUCTS LEADER IN ONE OF THE MOST ATTRACTIVE MARKET SEGMENTS

- Focused on the **growing flat roofing systems market**
- **Leading brand** based on innovation, IP, product certifications and warranty systems
- **Sustainability leader** with green, solar and cool roofs
- **60% of sales** in the **resilient repair and refurbishment market**
- **Strong network** of key owners, roofing contractors, distributors and field sales representatives
- Best-in-Class **system and value selling approach**

Firestone
BUILDING PRODUCTS
NOBODY COVERS YOU BETTER.™

Sales 2020F: **USD 1.8 billion**

EBITDA 2020F: **USD 270 million**

EBIT 2020F: **USD 238 million**

Employees **~2'000**

ACQUISITION OF FIRESTONE BUILDING PRODUCTS A MILESTONE IN THE TRANSFORMATION OF LAFARGEHOLCIM

- A milestone in our ambition to be **“The Global Leader in Innovative and Sustainable Building Materials and Solutions”**
- A new **growth and innovation platform** in the attractive market segment for flat roofing systems
- Establishing a new growth profile in the **most attractive US market with annual sales exceeding USD 6 billion**
- Firestone’s **leading environmental and energy efficient solutions** are a perfect fit to LafargeHolcim’s commitment to a Net Zero future
- The acquisition is **highly synergistic**, synergies of USD 110 million to be achieved from year 2, acquisition is EPS **accretive from year 1**
- Our ambition is to become **The Global Leader in Flat Roofing Systems**



Picture: Apple Park, Cupertino, California, USA
Product: RubberGard EPDM, Solar roof

ACQUISITION OF FIRESTONE BUILDING PRODUCTS

PROGRESS ON FIRESTONE ACQUISITION



2020

2020 results

Better than initially communicated



2021 OUTLOOK

Very good outlook for 2021, based on:
Encouraging trends in January

Significant opportunities to come from USD 2 trillion
Biden's "Build Back Better" plan



CLOSING

Closing of the deal

Earlier than planned

**Currently foreseen for end of March / April
2021**



FINANCING

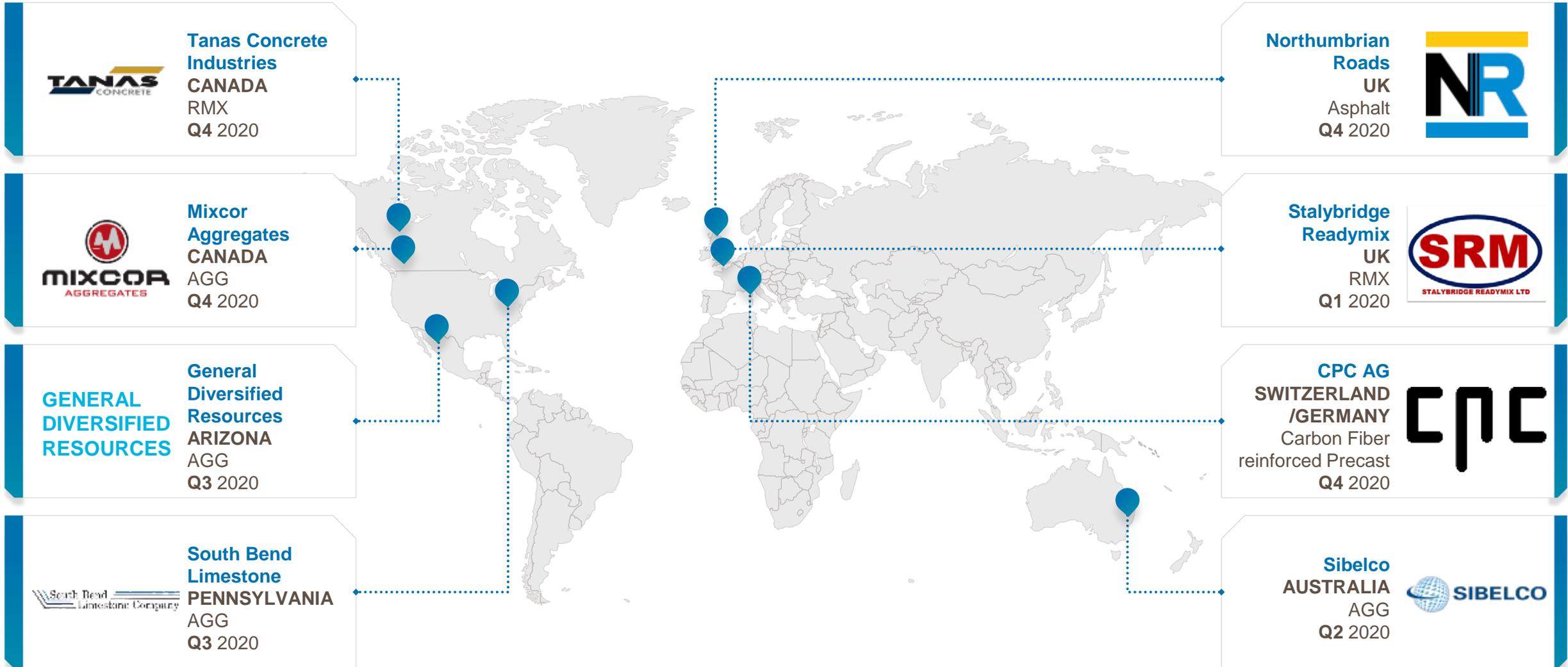
Financing secured

with EUR 1'150m bonds issued in January 2021
swapped into USD

Remaining acquisition price to be paid from available
USD cash

BOLT-ON ACQUISITIONS

8 BOLT-ON ACQUISITIONS CLOSED IN 2020



FURTHER STRENGTHENING OUR LEADERSHIP IN SUSTAINABILITY

KEY MILESTONES REACHED IN 2020



LafargeHolcim recognized as a

Global Climate Leader

entering the CDP's prestigious 'A List' for tackling climate change



LafargeHolcim joins as a

Founding Member of the MIT Climate and Sustainability Consortium

in January 2021



LafargeHolcim Signs Net Zero Pledge with Science-Based Targets:

Partnership with SBTi to support development of 1.5°C cement roadmap with approved 2030 targets



Global Launch of

EcoLabel to brand green building solutions:

EcoLabel applies to all cement and concrete with at least 30% lower CO2 footprint, or 20% recycled content



Global roll-out of

ECOPact green concrete:

30%-100% more sustainable than traditional concrete



LafargeHolcim successfully launches first

sustainability-linked bond for EUR 850 million

GREEN BUILDING SOLUTIONS GLOBAL ROLL-OUT OF ECOPACT

ECOPact
THE GREEN CONCRETE
WORLDWIDE



Adopted across 14 markets

GERMANY



BELGIUM



UNITED STATES



UK



FRANCE



CANADA



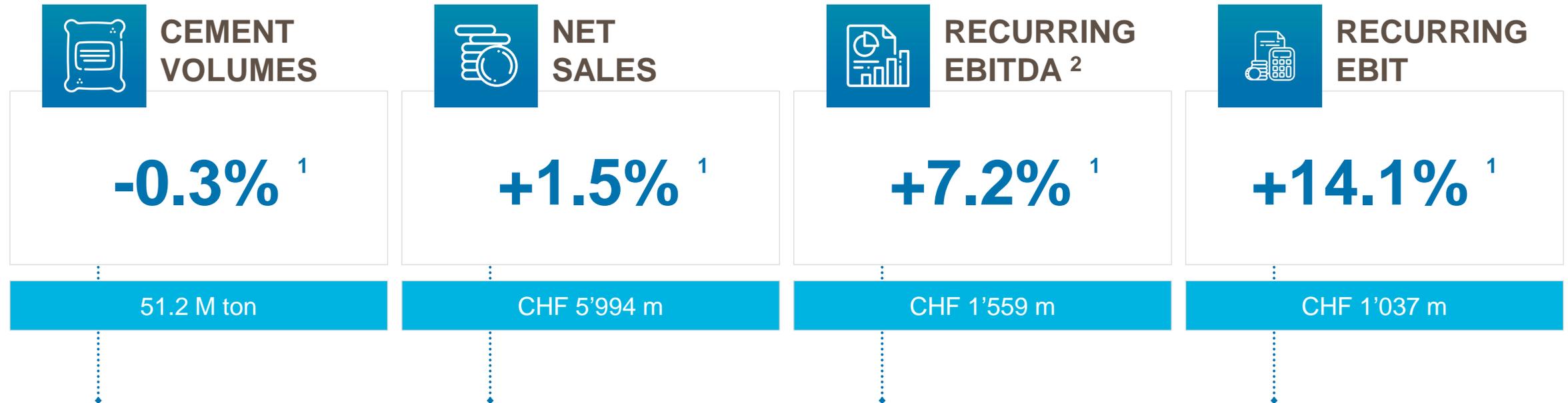
| Latin America | North America | Europe | | Asia Pacific |
|---|---------------------------|----------------------------|---|-----------------------------|
| DEC 2020 COLOMBIA MEXICO ECUADOR | JUL 2020 US | 2019 SWITZERLAND | FEB 2020 GERMANY | JUL 2020 FRANCE |
| Q1 2021 EL SALVADOR ARGENTINA | NOV 2020 CANADA | SEP 2020 UK | Q1 2021 BELGIUM ROMANIA GREECE SPAIN ITALY POLAND | JAN 2021 INDIA |
| | | | | Q2 2021 AUSTRALIA |



02 FULL-YEAR 2020 FINANCIAL RESULTS

Géraldine Picaud, Chief Financial Officer

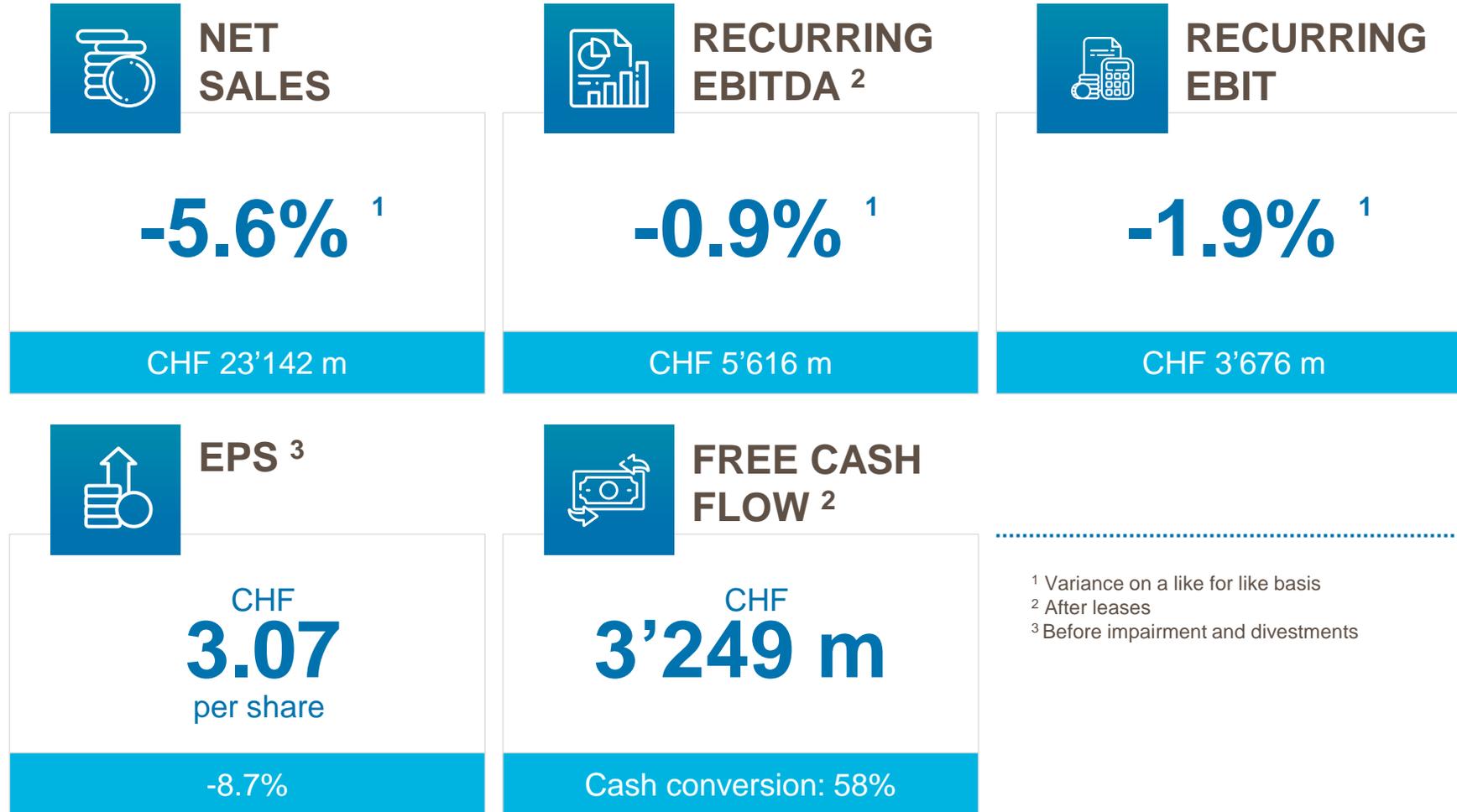
DOUBLE DIGIT GROWTH IN RECURRING EBIT IN Q4



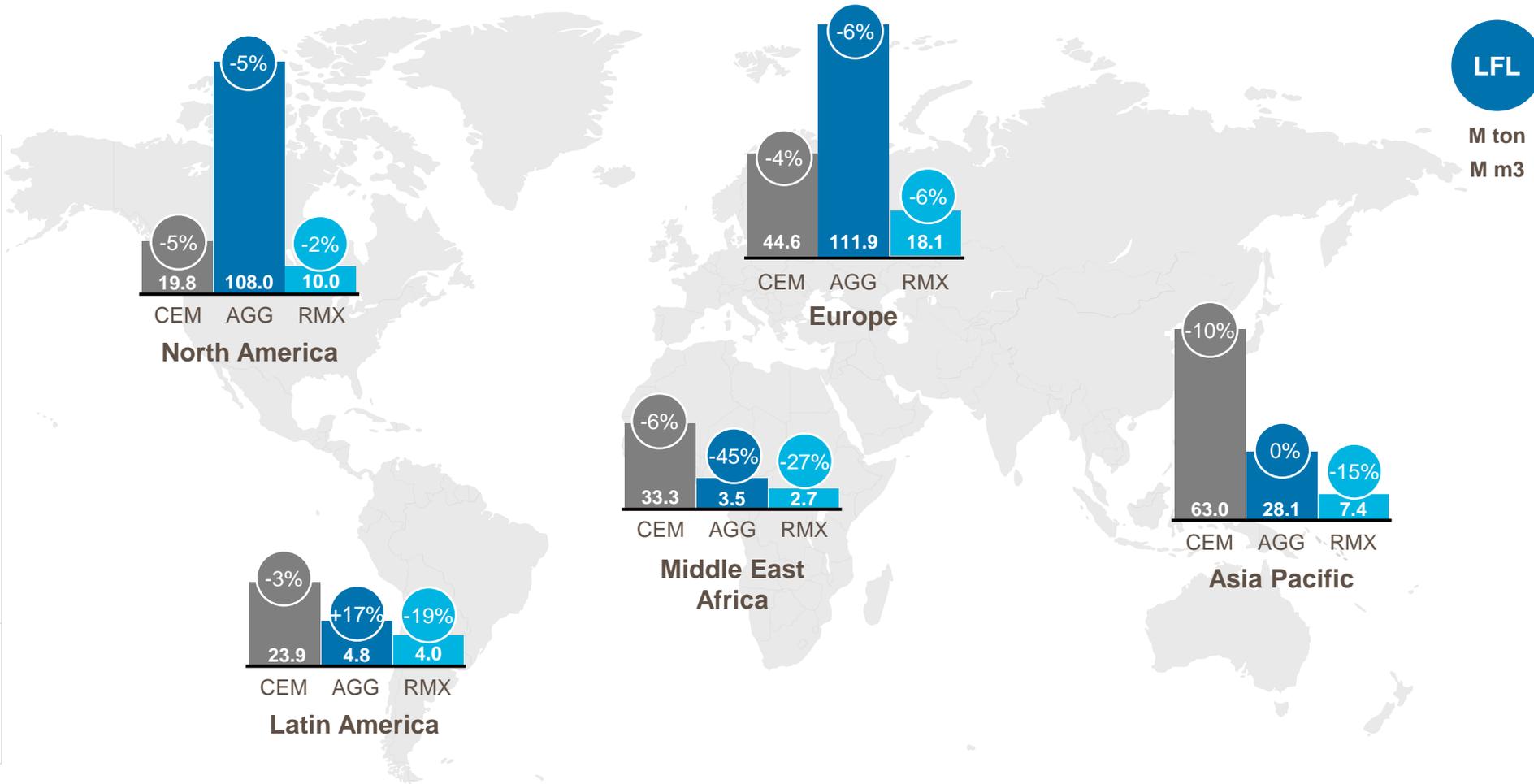
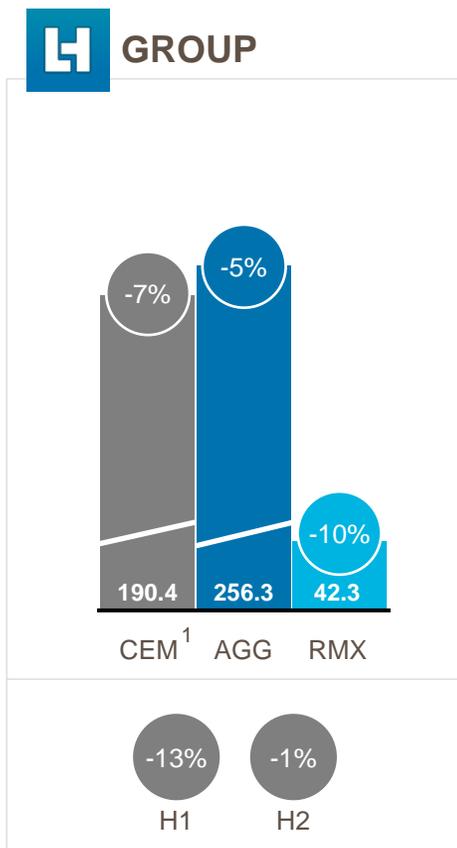
¹ Variance on a like for like basis

² After leases

STRONG FINISH TO THE YEAR AND RECORD FREE CASH FLOW

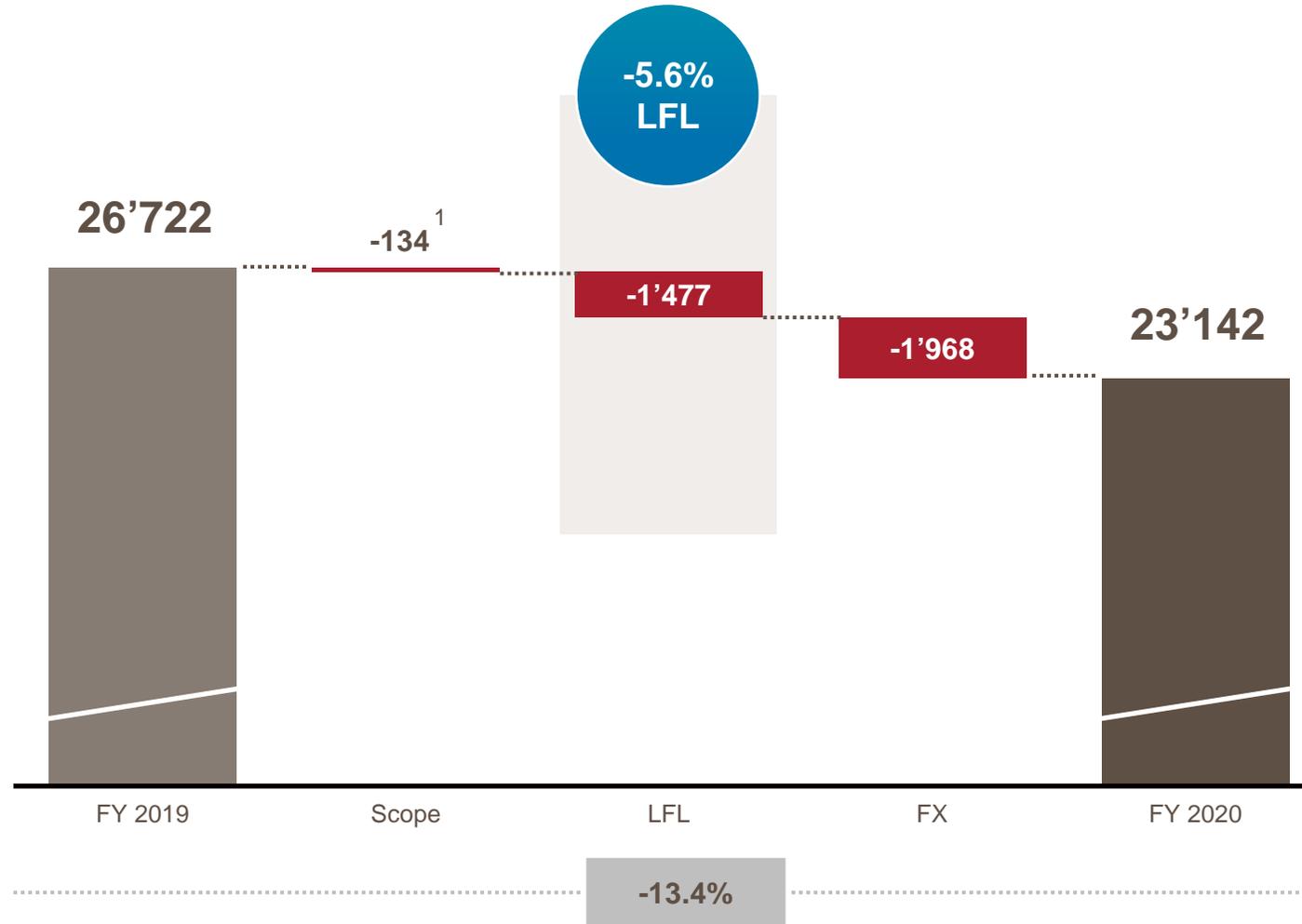


RESILIENT DEMAND IN ALL REGIONS IN SECOND HALF OF 2020



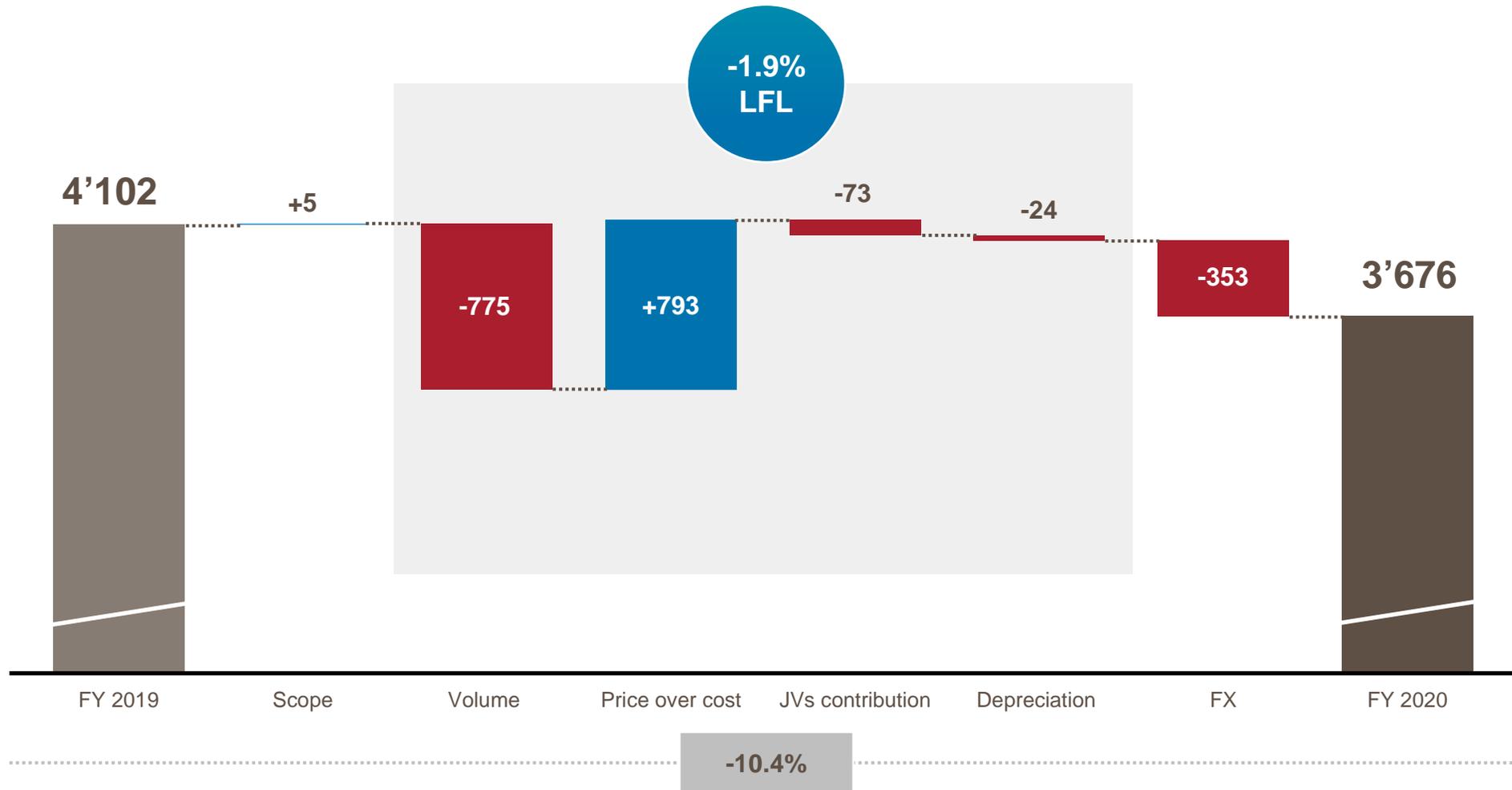
2020 NET SALES BRIDGE

NET SALES DECREASE OF 5.6% LFL



CHF M | ¹ Including divestments of Indonesia, Malaysia and Singapore

LOWER DECREASE OF RECURRING EBIT VS NET SALES



CHF M

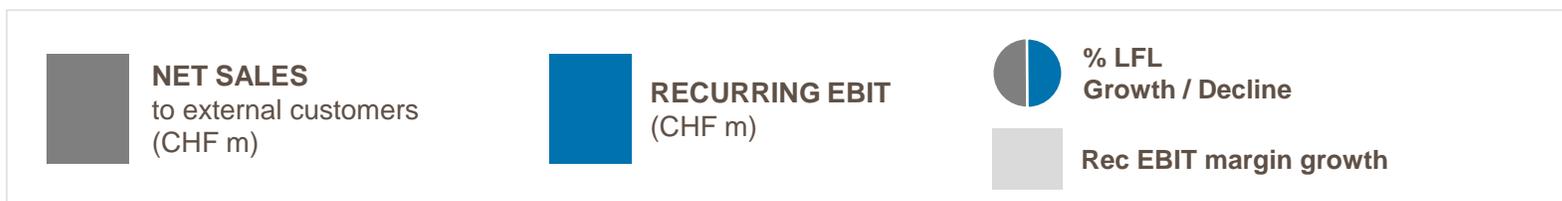
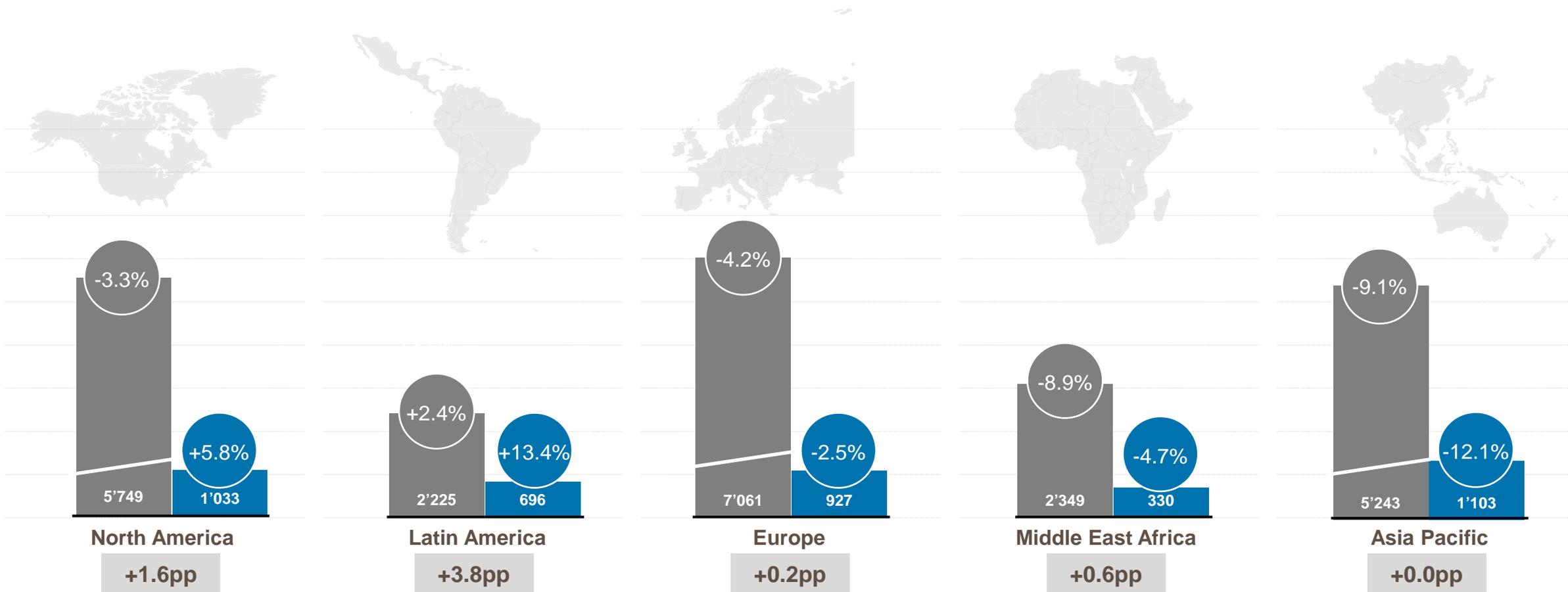
2020 NET SALES AND RECURRING EBIT BY SEGMENT

STRONG MARGIN EXPANSION IN CEMENT

| |  CEMENT |  AGGREGATES |  RMX |  SOLUTIONS & PRODUCTS |
|----------------------------------|---|---|--|---|
| <i>CHF M</i> | | | | |
| Net Sales | 15'043 -4.7% LFL | 3'713 -5.4% LFL | 4'610 -6.7% LFL | 1'893 -12.2% LFL |
| Recurring EBITDA after leases | 4'516 +4.0% LFL | 761 -12.3% LFL | 166 -33.8% LFL | 173 -21.5% LFL |
| Recurring EBIT | 3'112 +5.0% LFL | 432 -19.7% LFL | 32 -71.8% LFL | 100 -34.7% LFL |



RECURRING EBIT MARGIN IMPROVEMENT ACROSS ALL REGIONS



NORTH AMERICA

STRONG RECURRING EBIT MARGIN IMPROVEMENT

| CHF M | Q4 2020 | FY 2020 |
|-------------------------------|--------------------|--------------------|
| Net Sales ¹ | 1'392 -2.4% LFL | 5'749 -3.3% LFL |
| Recurring EBITDA after leases | 421 +6.1% LFL | 1'584 +2.9% LFL |
| Recurring EBIT | 269 +13.9% LFL | 1'033 +5.8% LFL |

¹ Net Sales to external customers

- Recovery of volumes across all business segments in Q4
- Excellent execution of 'HEALTH, COST & CASH' plan and effective price management
- Strong recurring EBIT margin improvement
- Canada West affected by slowdown in the oil & gas industry

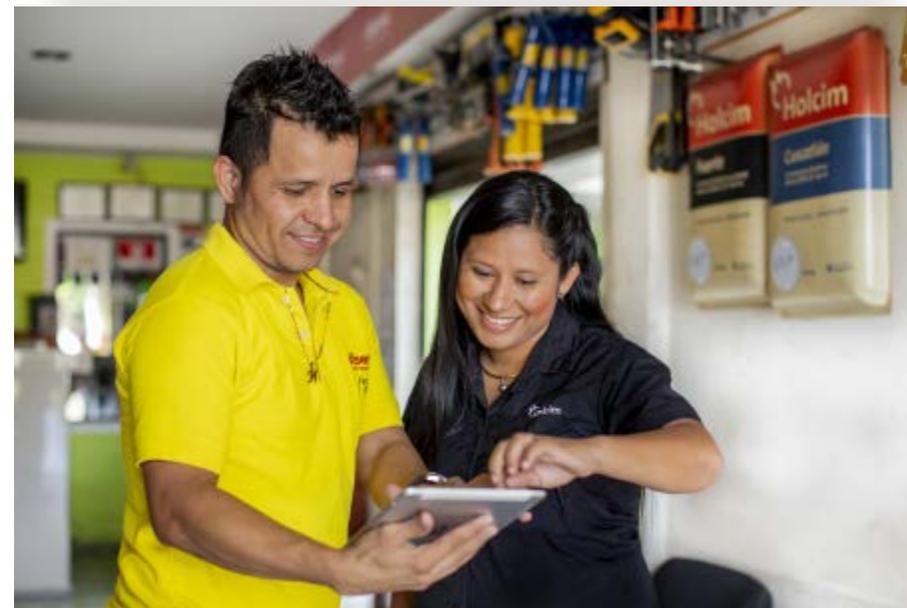


LATIN AMERICA OUTSTANDING PERFORMANCE IN Q4

| CHF M | Q4 2020 | FY 2020 |
|-------------------------------|-------------------|--------------------|
| Net Sales ¹ | 622 +20.1% LFL | 2'225 +2.4% LFL |
| Recurring EBITDA after leases | 243 +35.7% LFL | 847 +11.4% LFL |
| Recurring EBIT | 204 +42.1% LFL | 696 +13.4% LFL |

¹ Net Sales to external customers

- Q4 volumes significantly ahead of last year in all business segments
- Cement demand growth in major markets
- Growth driven by strong branded products sales in the retail & distribution channels
- Another quarter of outstanding recurring EBIT margin improvement

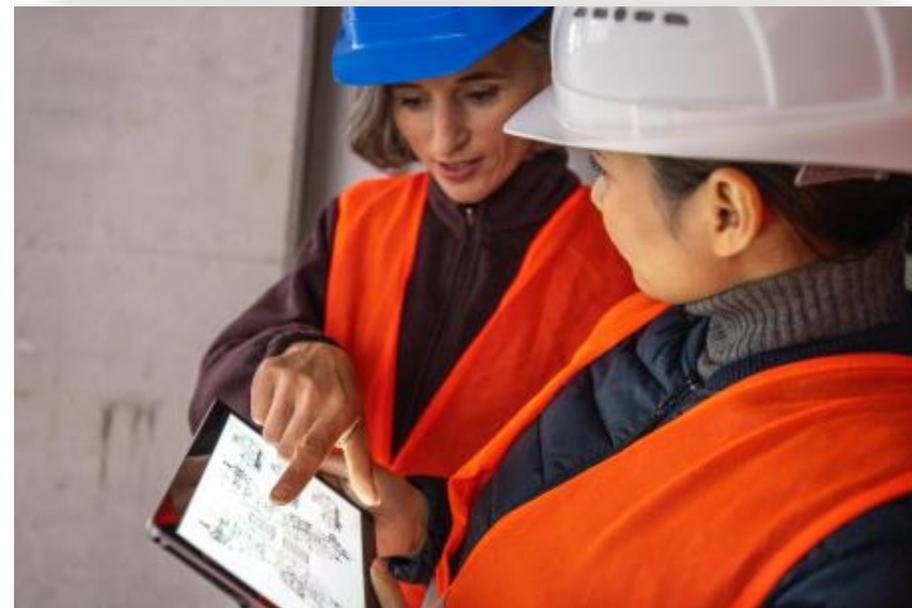


EUROPE BACK TO GROWTH IN Q4

| <i>CHF M</i> | Q4 2020 | FY 2020 |
|-------------------------------|---------------------------|---------------------------|
| Net Sales ¹ | 1'796 <i>+1.9% LFL</i> | 7'061 <i>-4.2% LFL</i> |
| Recurring EBITDA after leases | 410 <i>+0.1% LFL</i> | 1'507 <i>-1.8% LFL</i> |
| Recurring EBIT | 242 <i>+13.2% LFL</i> | 927 <i>-2.5% LFL</i> |

¹ Net Sales to external customers

- Q4 volumes back to 2019 level
- Strong demand in Western Europe, resilient Central Europe
- Strong pricing trends overall in the region
- UK impacted by strict lockdown measures and Brexit



MIDDLE EAST AFRICA SUCCESSFUL TURNAROUND WITH INCREASING EBIT MARGIN

| CHF M | Q4 2020 | FY 2020 |
|-------------------------------|-------------------------|---------------------------|
| Net Sales ¹ | 569 <i>-3.2% LFL</i> | 2'349 <i>-8.9% LFL</i> |
| Recurring EBITDA after leases | 138 <i>+3.0% LFL</i> | 563 <i>-4.3% LFL</i> |
| Recurring EBIT ² | 88 <i>+14.4% LFL</i> | 330 <i>-4.7% LFL</i> |

¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 48 m in 2020 vs. CHF 61 m in 2019

- Q4 cement volumes above last year
- Resilient cement volumes driven by strong branded products sales
- Good growth in Nigeria
- Successful turnaround driving further recurring EBIT margin improvement



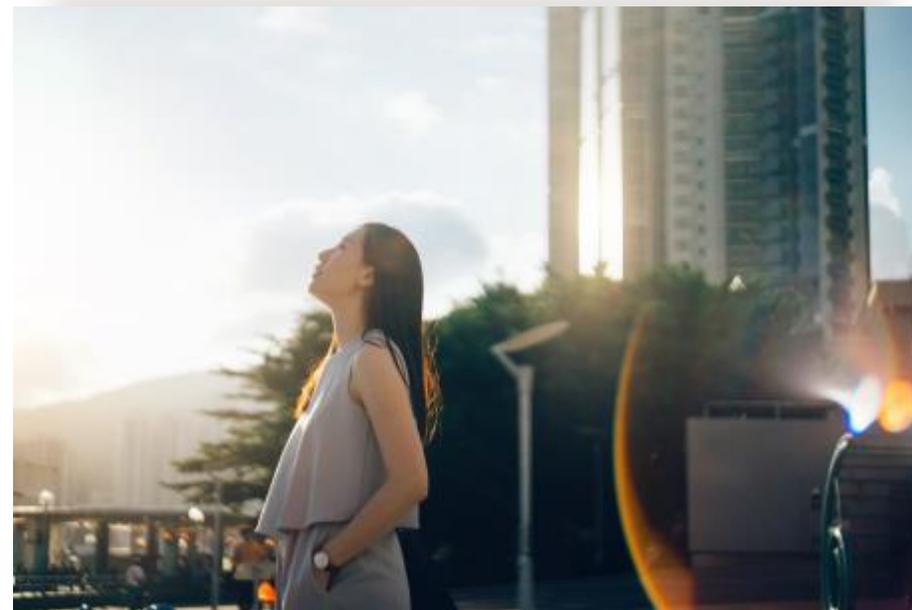
ASIA PACIFIC BACK TO GROWTH AND INCREASING MARGIN IN Q4

| CHF M | Q4 2020 | FY 2020 |
|-------------------------------|---------------------------|----------------------------|
| Net Sales ¹ | 1'489 <i>+0.7% LFL</i> | 5'243 <i>-9.1% LFL</i> |
| Recurring EBITDA after leases | 440 <i>+7.7% LFL</i> | 1'458 <i>-6.0% LFL</i> |
| Recurring EBIT ² | 349 <i>+4.8% LFL</i> | 1'103 <i>-12.1% LFL</i> |

¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 394 m in 2020 (of which CHF 316 m from Huaxin) vs. CHF 463 m in 2019 (of which CHF 382 m from Huaxin)

- Recovery of volumes in India supported by branded cement sales
- Cement demand in China well above 2019 level
- Softer markets in the Philippines and Australia
- Strong recurring EBIT margin expansion in India



2020 FINANCIAL PERFORMANCE

RESILIENT EARNINGS PER SHARE¹ OF CHF 3.07

| CHF M | 2019 Before impairment & divestments | 2020 Before impairment & divestments | Change | |
|--|---|---|--------------|--------|
| Net Sales | 26'722 | 23'142 | -3'580 | |
| RECURRING EBITDA after leases | 6'177 | 5'616 | -561 | |
| Depreciation & amortization | -2'075 | -1'940 | 135 | |
| RECURRING EBIT | 4'102 | 3'676 | -426 | -10.4% |
| Restructuring, litigation and others | -190 | -89 | 101 | |
| OPERATING PROFIT (EBIT) | 3'912 | 3'587 | -325 | |
| Profit/loss on disposals and other non-operating items | -75 | -31 | 43 | |
| Share of profit of associates | 12 | 15 | 3 | |
| Net financial expenses | -712 | -623 | 89 | |
| NET INCOME BEFORE TAXES | 3'137 | 2'948 | -189 | |
| Income taxes | -814 | -730 | 85 | |
| Effective Tax Rate | 26% | 25% | | |
| NET INCOME | 2'323 | 2'218 | -105 | |
| Net Income, Non-controlling interests | 268 | 318 | 50 | |
| NET INCOME GROUP SHARE | 2'055 | 1'900 | -155 | -7.5% |
| EPS (CHF per share) | 3.37 | 3.07 | -0.29 | |

Improvement of all cost buckets below rec EBIT

2020 FREE CASH FLOW¹

RECORD FREE CASH FLOW OF CHF 3'249 M

CHF M

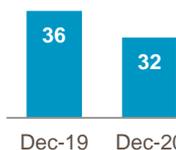
| | 2019 | 2020 | Change |
|---|--------------|--------------|-------------|
| RECURRING EBITDA after leases | 6'177 | 5'616 | -561 |
| Right of use assets | 404 | 360 | -44 |
| Change in net working capital | 290 | 435 | 146 |
| Income taxes paid | -711 | -715 | -4 |
| Net financial expenses paid & FX | -557 | -534 | 23 |
| Share of profit of JVs, net of dividends received | -314 | -234 | 80 |
| Other items incl. employee benefits | -464 | -310 | 154 |
| CASH FLOW FROM OPERATING ACTIVITIES | 4'825 | 4'618 | -207 |
| CAPEX net | -1'396 | -1'026 | 370 |
| Repayment of long-term lease liabilities | -409 | -342 | 66 |
| FREE CASH FLOW after leases | 3'019 | 3'249 | 230 |

NWC improvement

Days sales outstanding



Days inventory outstanding



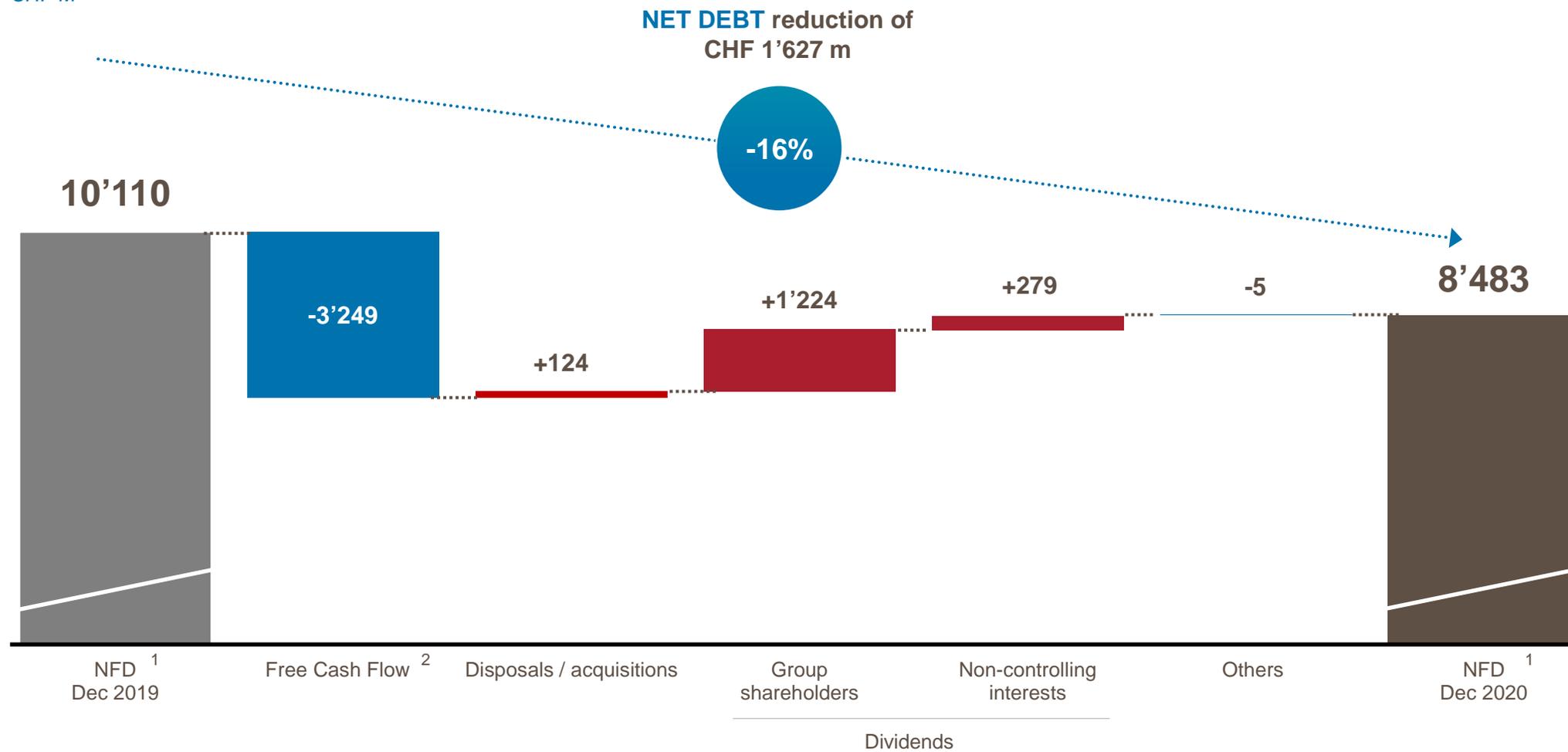
Significant reduction

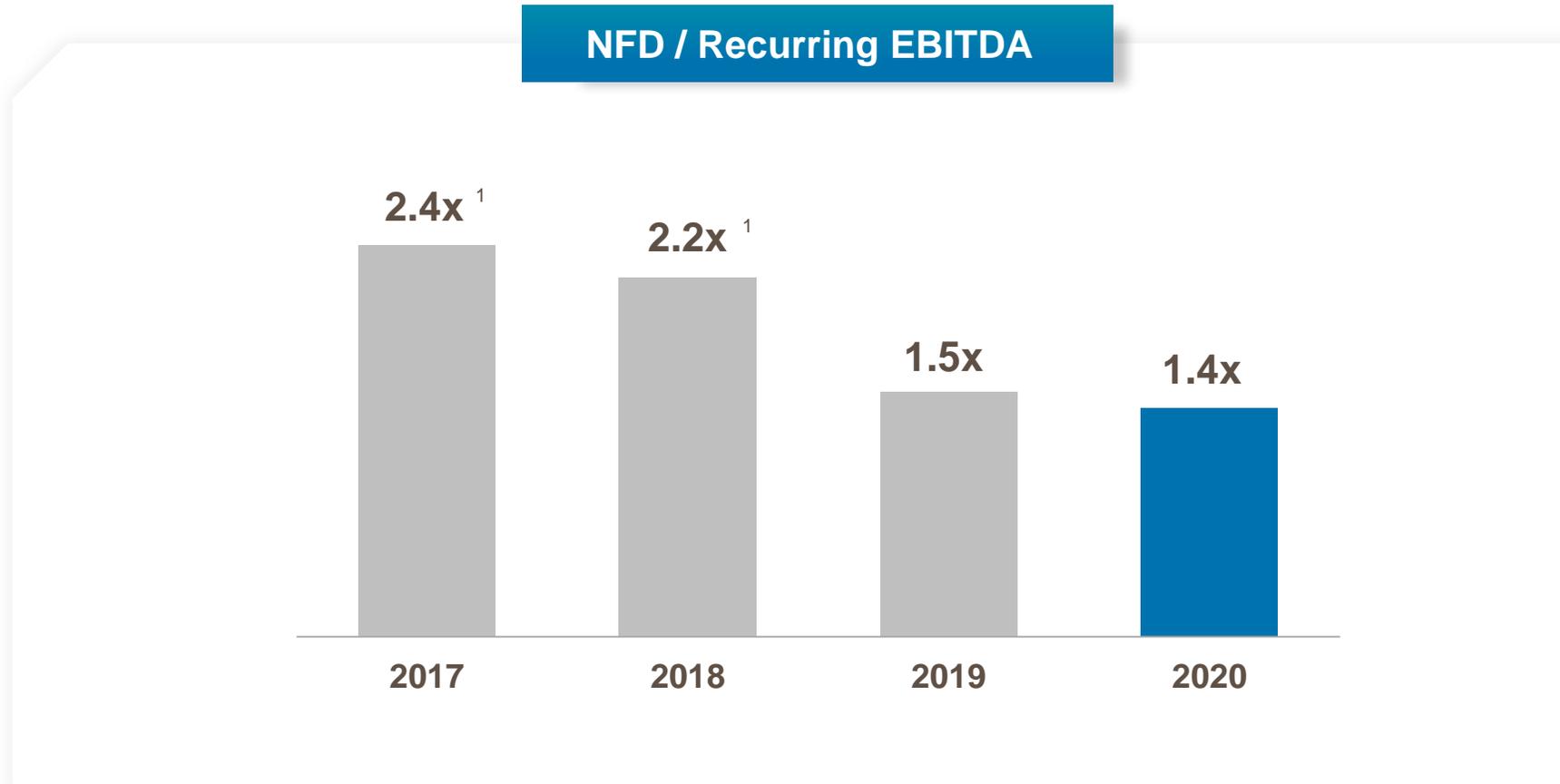
In line with "HEALTH, COST & CASH" action plan

NET FINANCIAL DEBT BRIDGE

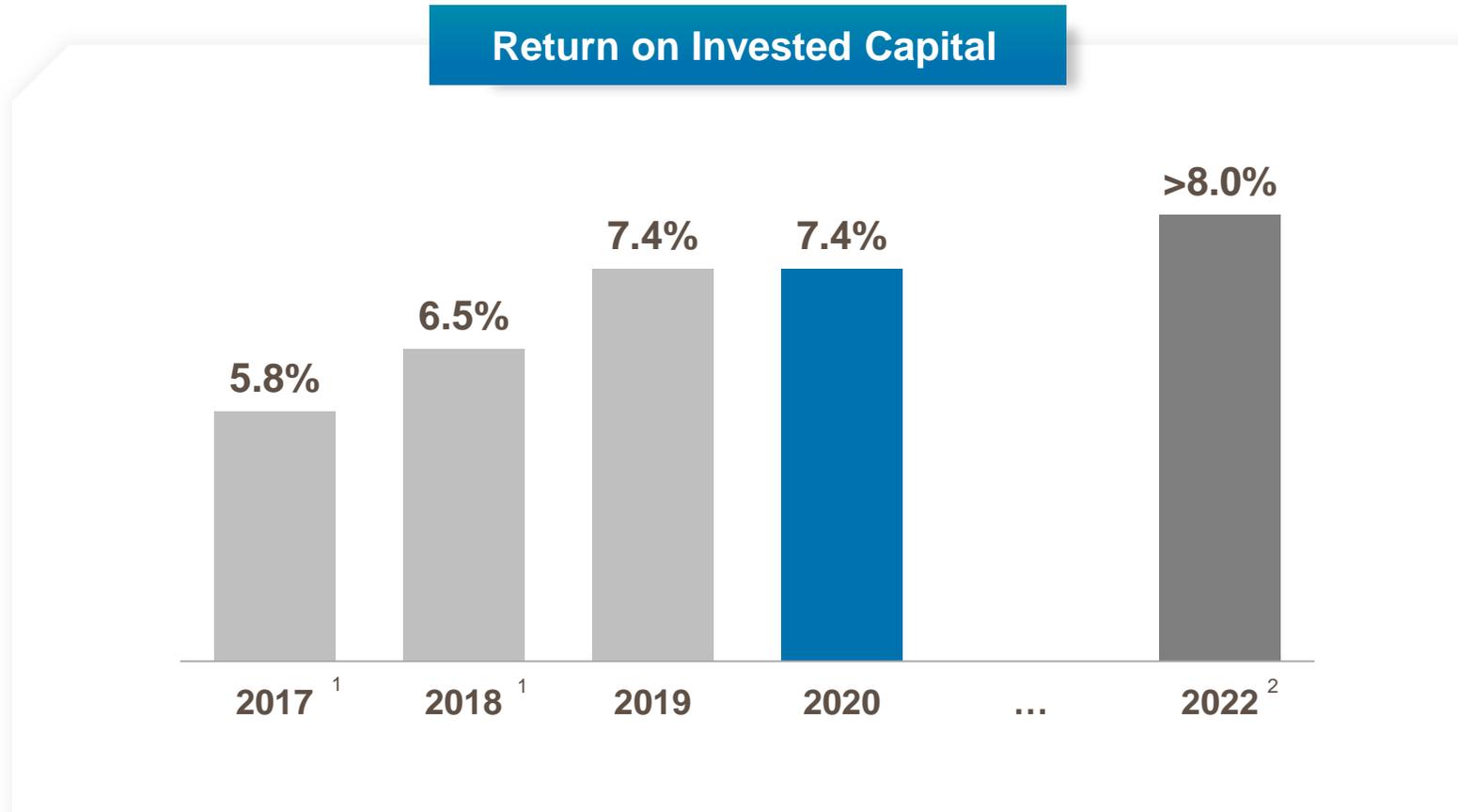
NET FINANCIAL DEBT DECREASE BY CHF 1.6 BN

CHF M





RETURN ON INVESTED CAPITAL ON TRACK WITH 2022 TARGET



FURTHER STRENGTHENING OUR LEADERSHIP IN SUSTAINABILITY

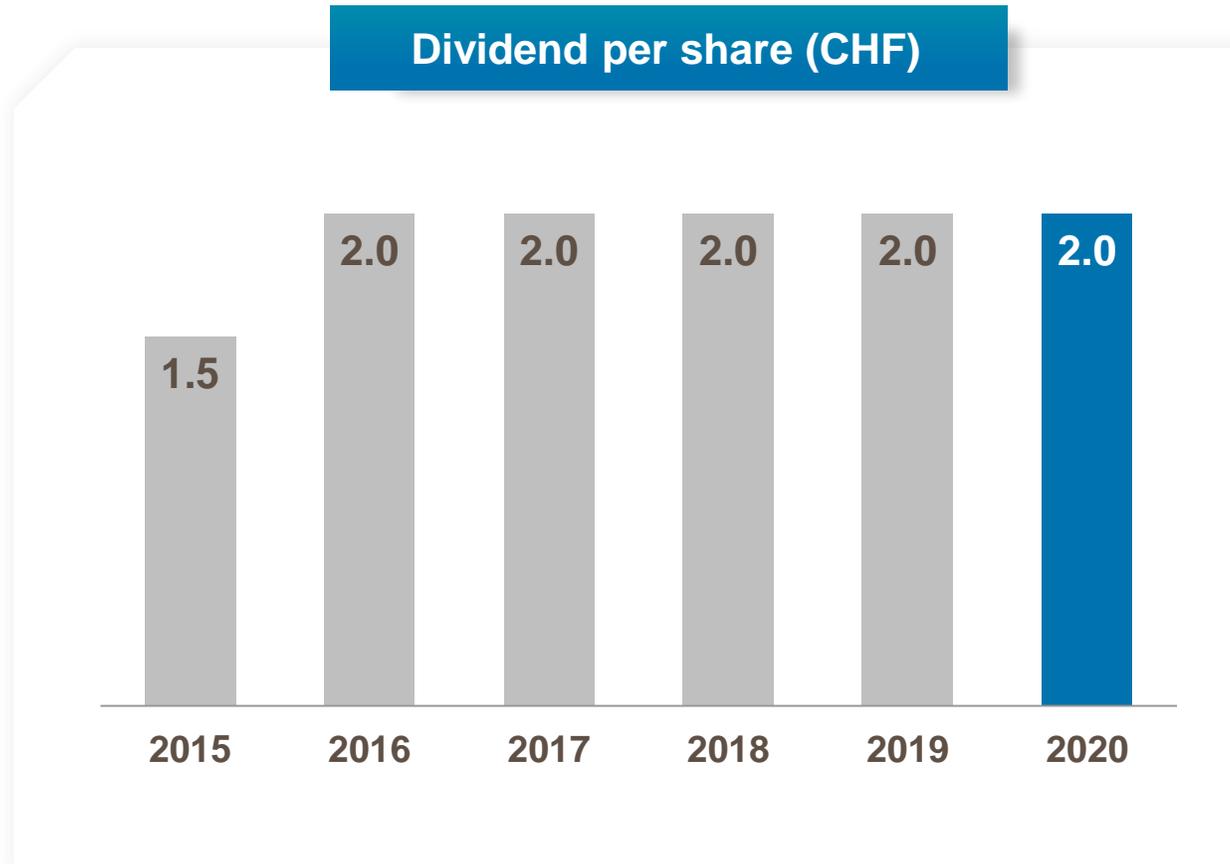
GOOD PROGRESS ON SUSTAINABILITY TARGETS

| | CLIMATE & ENERGY  | CIRCULAR ECONOMY  | ENVIRONMENT  | COMMUNITY  |
|-----------------------------------|---|--|--|--|
| LEAD METRIC | CO2 REDUCED [kg CO2/t cementitious] | WASTE RECYCLED [Mt] | WATER WITHDRAWN [l fresh water / tcem] | VALUE SHARED [M total beneficiaries] |
| PERFORMANCE 2020 Change | 555  -1.1% | 46  -3.1% ² | 273  -8.6% | 6.2  +5.2% |
| TARGET 2030¹ | 475 | 100 | 262 | 10.0 |

¹ At constant scope

² While cement volumes were down 6.9% like-for-like in 2020

DIVIDEND OF CHF 2 PER SHARE PROPOSED



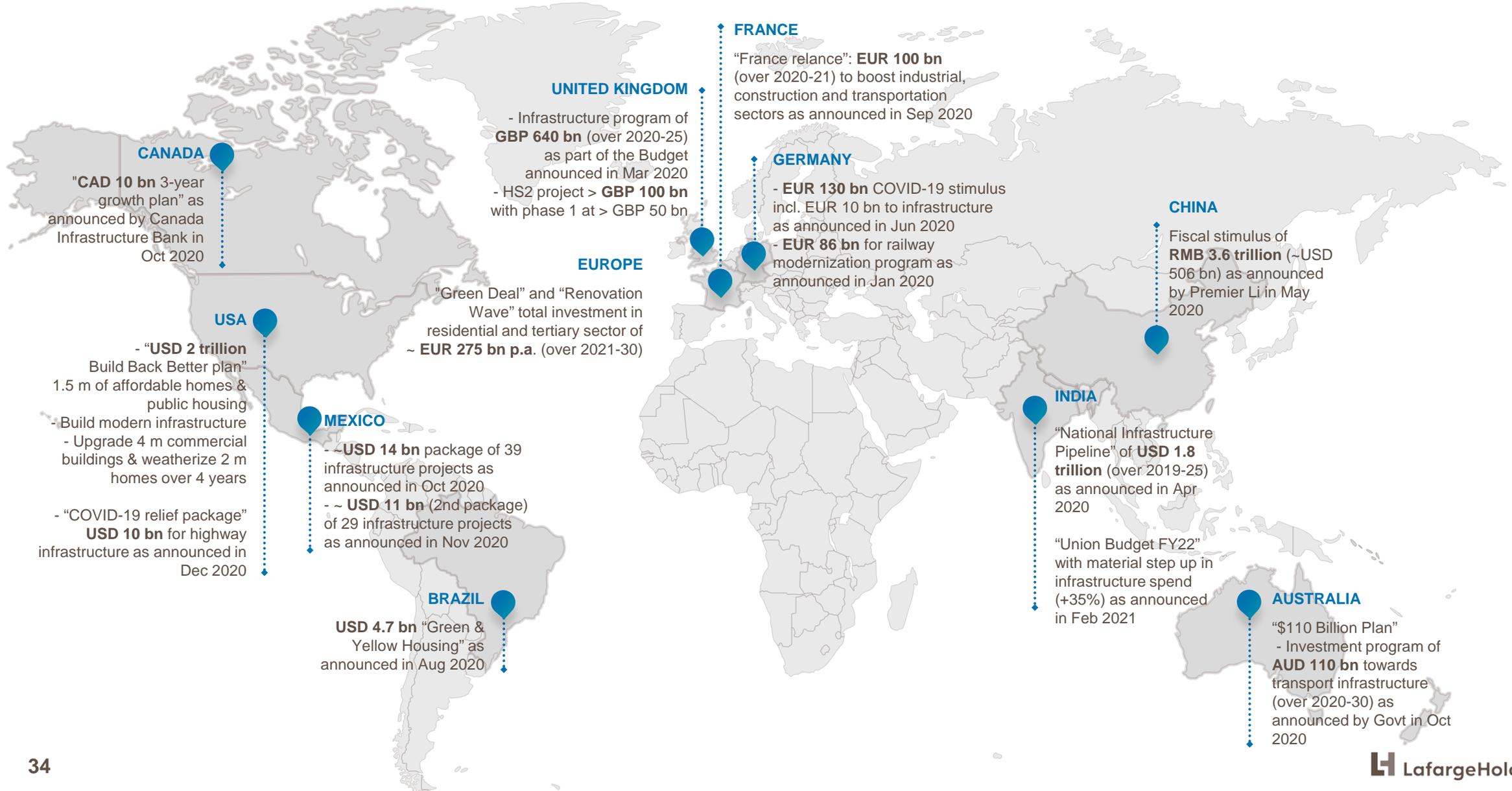
- 2020 **dividend of CHF 2.0 per share** to be proposed at AGM on May 4, 2021
- Dividend to be **paid out of foreign capital contribution reserve** and is **not subject to Swiss withholding tax**



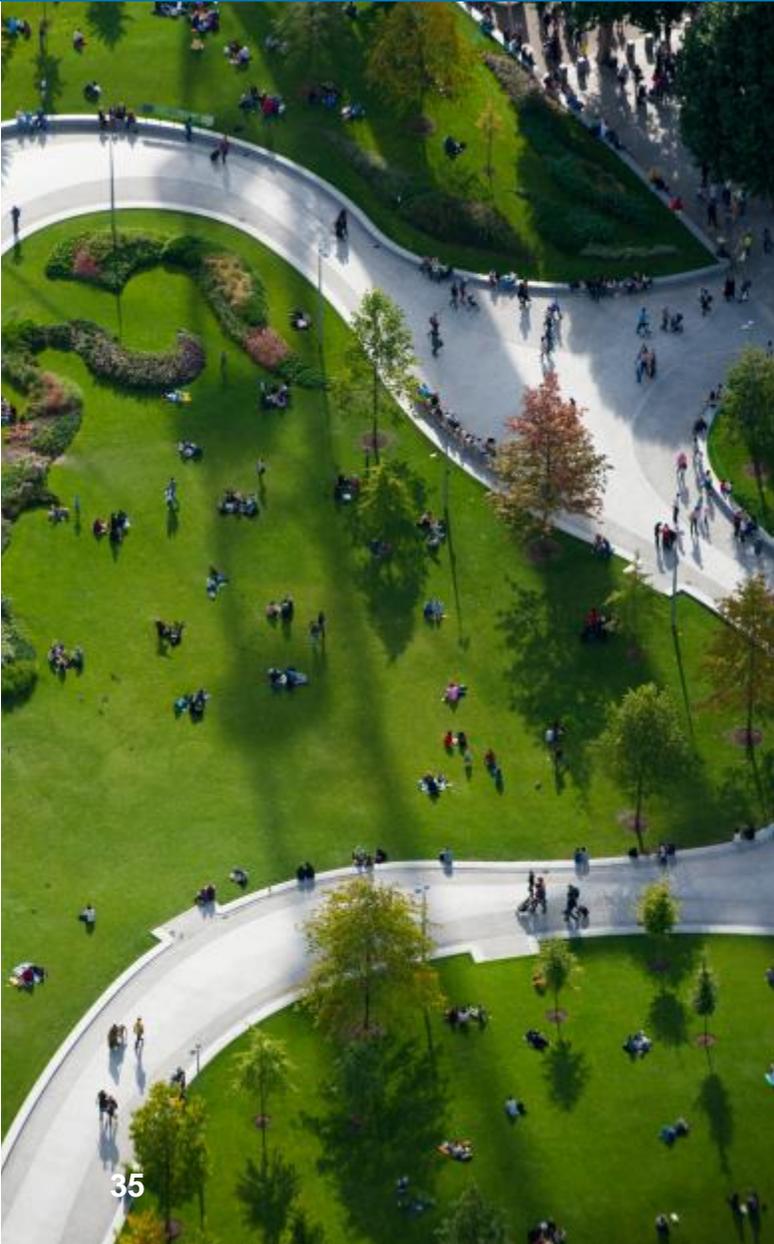
03 **OUTLOOK AND GUIDANCE 2021**

Jan Jenisch, Chief Executive Officer

SELECTED STIMULUS AND INFRASTRUCTURE PROJECTS EXTRA DEMAND FROM BROAD RANGE OF STIMULUS PROGRAMS



GOOD DEMAND MOMENTUM IN 2021



Positive demand trends in all regions

Extra demand as of H2 2021 expected from broad range of stimulus programs

Unleash Firestone growth platform

Acceleration of bolt-ons

Accelerated progress towards 2030 sustainability targets

Recurring EBIT growth of at least 7% LFL in line with Strategy 2022

Cash conversion of above 40% and debt leverage below 2x

Capex less than CHF 1.4 bn

APPENDIX



RECONCILIATION OF NON-GAAP MEASURES NET INCOME

| CHF m | 2020 before impairment & divestments | Impairment & divestments | 2020 reported |
|--|---|-----------------------------|------------------|
| Net Sales | 23'142 | | 23'142 |
| Recurring EBIT | 3'676 | | 3'676 |
| Restructuring, litigation and others | -89 | | -89 |
| Impairment of operating assets | 0 | -215 | -215 |
| Operating Profit (EBIT) | 3'587 | -215 | 3'371 |
| Profit/loss on disposals and other non-operating items | -31 | -14 | -45 |
| Share of profit of associates | 15 | | 15 |
| Net financial expenses | -623 | | -623 |
| Net Income Before Taxes | 2'948 | -229 | 2'719 |
| Income Taxes | -730 | 13 | -717 |
| ETR | 25% | | -26% |
| Net Income | 2'218 | -217 | 2'002 |
| Net income - Non controlling interests | 318 | -13 | 305 |
| Net income - Group share | 1'900 | -204 | 1'697 |
| EPS (CHF per share) ¹ | 3.07 | -0.33 | 2.74 |

UPCOMING EVENTS

APRIL 23, 2021

Q1 2021 Trading Update

MAY 4, 2021

Annual General Meeting

JULY 30, 2021

Half-year 2021 results

OCTOBER 29, 2021

Q3 2021 Trading Update

NOVEMBER 18, 2021

Capital Markets Day



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