



RubberGard EPDM – McLaren Technology Center, UK

ROOFING SYSTEMS

CAPITAL MARKETS DAY 2021

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LEADING IN ROOFING SYSTEMS

NEW PLATFORM DELIVERING SUSTAINABLE GROWTH AND SYNERGIES



HIGHLY MOTIVATED TEAM, winning in the market, delivering on price over cost and business synergies



LAUNCHED GACO INTO LATIN AMERICA starting with Mexico, Colombia, and Ecuador, fully leveraging Holcim's distribution channels

Firestone

Firestone Building Products

First 6 months achievements
(Apr – Sept 2021)

NET SALES

USD 1.1 BILLION

GROWTH (vs PY)

15%

SYNERGY
DELIVERY

ON TRACK



Building for Growth with **NEW CAPACITY ADDITIONS** for production of PIR insulation in Salt Lake City and TPO Membranes in Alabama already underway



GROWING THROUGH INNOVATIVE AND SUSTAINABLE PRODUCTS, with several new released, growing at record pace.

ATTRACTIVE FAST GROWING MARKET POSITIONED TO CAPTURE A GROWING SHARE OF THE ROOFING MARKET

USD ~50 bn flat roofing market

Drivers: Population growth, urbanization, environmental concerns

Cool roofs, Green roofs, Solar roofs are solving urbanization challenges by design:

- Thermal insulation for buildings
- Reducing urban heat island effect & storm water runoff
- Saving energy & producing green electricity from solar panels
- Expanding lifespan of the roof

Access to growing and resilient **repair and refurbishment** market as well as providing **system selling opportunities with Holcim**



Our roofing systems
will benefit from above market growth

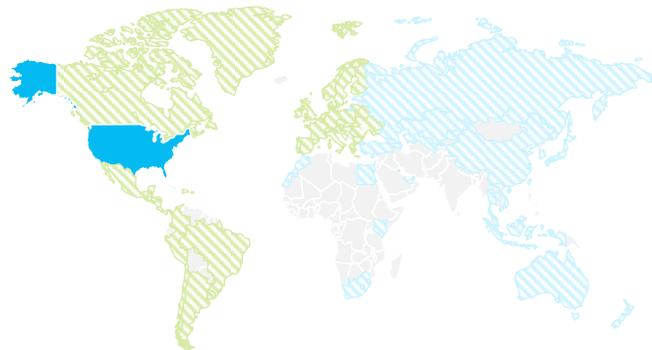


ROOFING SYSTEMS DRIVING INNOVATIVE & SUSTAINABLE GROWTH

OPPORTUNITY TO SCALE THE BUSINESS & DIFFERENTIATE

Strength in core markets & opportunity beyond

Ability to work together to capture more sales where market leadership exists
Biggest growth potential for Firestone exists where Holcim is strong



- Primary FSBP Markets
- Developing FSBP Markets
- Underdeveloped FSBP Markets

Culture of innovation

Firestone has a strong culture of innovation with 20% of sales coming from products introduced in the last 5 years

- 3 innovation centers
- Over 40 patents filed in the last two years
- More than 57'000 product approvals and certificates
- Cutting-edge sustainable roofing solutions

Sustainable system solutions

With products that are inherently sustainable, Firestone enhances Holcim's product portfolio significantly

- High performance portfolio of solutions including Green, Solar, and Cool Roofs
- CO₂ avoidance for our customers
- Reducing total cost of ownership with lower maintenance costs and energy bills

WORLD CLASS R&D DELIVERING A BROAD PORTFOLIO OF SOLUTIONS

THE FOUNDATION TO ADVANCE THE INDUSTRY

- Industry leader in **innovation and R&D capabilities** with a focus on roofing SYSTEMS
 - **FASTER** – Do more with less
 - **GREENER** – Lower carbon footprint, renewable raw materials, chemicals with reduced harm
 - **SMARTER** – Increase efficiency
- **FULL system approach** → most efficient, longest lasting, high performing roof
- R&D focus **across all product lines** ensuring system efficiency
- **More than 50%** of innovation projects in our pipeline are “**Green**” and improve sustainability.



3 R&D
Centers Globally

40
patents
in last 2 years

20% of
sales
From new
products

CONTINUOUS INNOVATION IN ROOFING SYSTEMS

NEW PRODUCTS TO MEET CHANGING CUSTOMER & MARKET NEEDS

- Target at least **10 – 12 new products released** annually.
- At least **20% of sales** generated from products released in the **last 5 years**.
- Latest **breakthrough products....**
 - UltraPly TPO Flex SA - Fully self-adhered, flexible TPO),
 - ISOGUARD - Polyiso insulation with higher R value per inch)
- Exciting projects in pipeline include
 - solvent free primers
 - **next generation** polymers for EPDM
 - MDI free foam/adhesives
 - **3D printed** accessories
 - More **eco-friendly** flame retardants



UltraPly TPO Flex SA



ISOGUARD



**Innovation
across full
roofing system**



FASTER

GREENER

SMARTER

SOLUTION SELLING AT ITS BEST

VALUE SELLING SECURES LONG-TERM CUSTOMER ENGAGEMENT



- 1 Leader in innovation development** with the highest number of patent filings
- 2 Best-in-class number of certification and approvals (#57'000)** provides **unique opportunities for specification sales**
- 3 Broader network of certified contractors (>2'100)** with the combination of 1'800 points of sales gives vast coverage of customer universe
- 4 #60 in-house inspectors** ensures high quality of work and provides **high value for building owners**
- 5 Industry leading System Warranty** concept
- 6 Extension and upgrading of service life** of the building through repairs and refurbishment

STRATEGIC FIT WITH HOLCIM

FULL SYSTEM APPROACH TO GREEN CONSTRUCTION



Single source solutions for carbon neutral building



Holcim's Cement & Ready-Mix offers unique advantages:

- Various offerings using cement with low CO₂ emission
- Professional engineering design consultation for application demands under increased complexity
- High level of technical service to ensure problem-free construction works



CARBON NEUTRAL DISTRIBUTION CENTER

UltraPly TPO 1.1mm – 60'000m²
mechanically attached
Kortrijk, Belgium

Firestone

Firestone Building Products

Firestone UltraPly TPO offers unique advantages:

- Improves energy efficiency of a building and thermal comfort
- Proven durability
- Enables combination with photovoltaic and green roof systems
- Wider membranes increase speed of work

LEVERAGING CROSS-SELLING OPPORTUNITIES

EXAMPLE AMAZON DISTRIBUTION CENTER



AMAZON DISTRIBUTION CENTER MAPLE GROVE, MN

300'000 feet² of roofing products from Firestone Building Products
115'000 cubic yards of concrete from Aggregate Industries

From large warehouse projects to data centers

Firestone
Firestone Building Products



HOLCIM

- Jointly supplying products to large building projects in the US
- Combined Net Sales of USD ~ 5 m



Specific strategies and tactics for joint projects in development

- Focus on owner, specifier and general contractor level
- Highlight the differentiated sustainable solutions of FSBP and Holcim
- Well positioned to capture demand acceleration for warehouses and big data projects

ECOPlanet

ECO Pact

LEVERAGING CROSS-SELLING OPPORTUNITIES

EXAMPLE LIGHTHOUSE TUNNEL PROJECT IN EGYPT



SUEZ CANAL

Port Said - Port Suez, Egypt

includes the design and construction of two tunnels under the Canal to connect the Sinai Peninsula with the rest of Egypt

RubberGard EPDM 1.52mm + accessories – 80'000m²

ECOPlanet & ECOPlanet Premium – 179'000t

Supplying large infrastructure projects

Firestone
Firestone Building Products



HOLCIM

- Holcim and Firestone supplying lighthouse project in Egypt
- Combined Net Sales of CHF ~11 m
- Combined specification approach with authorities, engineers and contractors
- Well positioned to capture global opportunities for mega infrastructure projects

LAUNCHED GACO INTO LATIN AMERICA

SUCCESSFUL LAUNCH IN MEXICO, COLOMBIA AND ECUADOR

FIRST CUSTOMER



PRACTICAL TRAINING



APPLICATOR COURSE



Launch of liquid applied membranes in Mexico, **90 DAYS** only after closing

Followed by **COLOMBIA, ECUADOR** in **NOVEMBER**; **WITH MORE COUNTRIES** on the way

Focus on **TECHNOLOGIES SUITABLE FOR LOCAL MARKET** with optimized supply chain

QUICK DEVELOPMENT OF LOCAL ORGANIZATION through new hiring within Holcim Group

Leverage **HUGE POTENTIALS AIMING** for > 6,500 points of sales in LATAM by 2025

INVESTING FOR GROWTH

KEY INVESTMENTS TO FUEL THE GROWTH OF ROOFING ARE WELL UNDERWAY



ROOFING SYSTEMS – A GROWTH PLATFORM

AMBITION TO DOUBLE NET SALES TO USD 4 BILLION BY 2025

Delivering on Targets

- **Double digit Net Sales growth** in 2021 with sold out positions and strong pricing
- **Delivery of synergies on track**
- **Strong market growth** expected driven by re-roofing, increasing demand and regulations for thermal performance
- Several **capital investment projects under execution** to drive growth and profitability (after years of under-investment)
- **Strong pipeline for M&A through** bolt on acquisitions in North America and Europe in roofing and insulation





HOLCIM