STRATEGY 2025 – “ACCELERATING GREEN GROWTH”
CAPITAL MARKETS DAY 2021 – 18 NOVEMBER 2021
JAN JENISCH, CEO
## STRATEGY 2022 – “BUILDING FOR GROWTH”
WE DELIVERED WHAT WE PROMISED ONE YEAR IN ADVANCE

<table>
<thead>
<tr>
<th>STRATEGY 2022</th>
<th>2021 OUTLOOK</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET SALES</td>
<td>3% - 5% LFL P.A.</td>
</tr>
<tr>
<td>RECURRING EBIT</td>
<td>AT LEAST 7% LFL P.A.</td>
</tr>
<tr>
<td>CASH CONVERSION</td>
<td>&gt; 40%</td>
</tr>
<tr>
<td>ROIC</td>
<td>&gt; 8%</td>
</tr>
<tr>
<td>LEVERAGE</td>
<td>BELOW 2x</td>
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</table>
STRATEGY 2022 – “BUILDING FOR GROWTH”
A STRONG FOUNDATION FOR OUR NEXT CHAPTER OF GROWTH

Lean and agile OPERATING MODEL with fully EMPOWERED P&L LEADERS in the markets

Strong financial and operational performance with OVER-PROPORTIONAL EBIT GROWTH and HIGH CASH CONVERSION

SUSTAINABILITY and ESG at the core of what we do

Acquisition of FIRESTONE BUILDING PRODUCTS, a milestone in the development of our Solutions & Products segment

28 BOLT-ON ACQUISITIONS completed to date driving growth and bottom line

Achieved a new level of FINANCIAL STRENGTH
OUR NEXT CHAPTER OF GROWTH
BECOME THE GLOBAL LEADER IN INNOVATIVE & SUSTAINABLE BUILDING SOLUTIONS

FROM:
The Global Leader
in Building Materials

TO:
The Global Leader
in Innovative and Sustainable Building Solutions
SIX MEGATRENDS DRIVING CONSTRUCTION
OUR MARKETS HAVE NEVER BEEN AS ATTRACTIVE

<table>
<thead>
<tr>
<th>POPULATION GROWTH</th>
<th>URBANIZATION AND MEGACITIES</th>
<th>Higher demand for SUSTAINABLE CONSTRUCTION SOLUTIONS due to resource scarcity &amp; climate change</th>
<th>Increased demand for BETTER LIVING STANDARDS and more efficient infrastructure</th>
<th>INNOVATION DRIVING BUILDING TECHNOLOGIES AND BUILDING EFFICIENCY accelerated by light and modular construction solutions</th>
<th>More REPAIR &amp; REFURBISHMENT driving urban demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>From ~8 billion today to ~10 billion by 2050</td>
<td>Approximately 2.5 billion more people are expected to live in cities by 2050</td>
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<tr>
<td>AT THE FOREFRONT OF INNOVATIVE &amp; GREEN BUILDING SOLUTIONS</td>
<td>LEADING THE CIRCULAR ECONOMY &amp; REDUCING OUR CARBON FOOTPRINT</td>
<td>MOVING CLOSER TO CUSTOMERS WITH SOLUTIONS &amp; PRODUCTS</td>
<td>CREATING SUPERIOR STAKEHOLDER VALUE</td>
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<tr>
<td>Making green building possible at scale for a Net Zero future</td>
<td>Reduce, Reuse and Recycle across everything we do to “build more with less”</td>
<td>A platform for innovation and above market growth across the construction value chain</td>
<td>Delivering superior financial &amp; ESG performance</td>
<td></td>
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<tr>
<td>ECOPact</td>
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</table>
STRATEGY 2025 – “ACCELERATING GREEN GROWTH”
TO BECOME THE GLOBAL LEADER IN INNOVATIVE & SUSTAINABLE BUILDING SOLUTIONS
ACCELERATING GROWTH

Striatus Bridge, 3D Printed with Tector, Venice, Italy
ACCELERATING GROWTH
DELIVER PROFITABLE ABOVE MARKET GROWTH ACROSS OUR BUSINESSES

- Capitalize on MEGATRENDS in construction
- Accelerate growth in SOLUTIONS & PRODUCTS to reach 30% OF GROUP NET SALES by 2025
- Continue successful BOLT-ON ACQUISITIONS strategy
- Accelerate Growth in our AGGREGATES and READY MIX BUSINESS
- Scaling up DIGITAL across our customers and our operations
**BOLT-ON ACQUISITIONS**
ACCELERATE OUR SUCCESSFUL BOLT-ON ACQUISITION STRATEGY

- 28 Bolt-on acquisitions completed since 2018
- **Strong synergy delivery** leading to higher growth and margins
- Strengthens our **footprint** in local markets and leverages our **scale** and **margins**
- More **mature market focused** in Aggregates, Ready Mix and Solutions & Products businesses
- **Accelerate** growth through increased level of Bolt-on acquisitions

**EXAMPLE: SCHOTTER TEUFEL**

**DESCRIPTION**
- 1x Aggregates quarry
- 1x Ready Mix plant
- 1x Ground Calcium Carbonate processing plant
- 2x Recycling sites and mobile pick up
- 1x Asphalt plant
- Demolition and road construction business

**SYNERGIES**
- Excellent fit into Holcim’s Southern Germany Network
- Cross supply of Cement & Aggregates to Ready Mix Business
- Growth platform for green products & construction demolition waste
- Acceleration of Circular Economy
- Secure Aggregate Reserves
SCALING UP DIGITAL
ACROSS OUR CUSTOMERS AND OPERATIONS

Our Customers

- Dynamic pricing
- Upselling
- Delivery planning
- BIM Integration
- E-commerce platforms
- Fintech (payment, credit, remittances)

2021
50% of Cement Sales

2025
80% of Net Sales

Our Logistics

- Demand forecasting
- Network optimization
- Transport analytics
- Self Driving Vehicles
- E-Tendering & hauler market places
- Frontline worker communication
- Driver safety management

2021
54 countries in Cement Logistics

2025
All Markets & Product Lines

Our Plants of Tomorrow

- Cement quality
- Predictive maintenance
- Energy optimization & modeling
- 3D printing
- Modular construction
- Environmental impact management

2021
30% of all sites

2025
80% of all sites
EXPANDING SOLUTIONS & PRODUCTS
SOLUTIONS & PRODUCTS
EXPANDING IN MOST ATTRACTIVE MARKET SEGMENTS

Accelerate growth in **Solutions & Products** to reach 30% of Group Net Sales by 2025.

Breakthrough acquisition in **roofing systems** delivering above market growth and synergies.

Strategic investments & acquisitions to **double roofing systems Net Sales** by 2025.

Enter **new growth platforms** with above market growth and pricing power through acquisitions.
Continuous growth through sustainability & innovation

Growing and resilient demand in repair and refurbishment

Increased demand of value added products through system and specification selling

Technologies that offer solutions for sustainability and reduction in carbon footprint

Higher cash conversion and lower capital intensity
SOLUTIONS & PRODUCTS
ACCELERATE GROWTH TO REACH 30% OF GROUP SALES BY 2025

NET SALES BY SEGMENT

IN 2020
- Cement: 60%
- Solutions & Products: 12%
- Aggregates: 20%

TARGET IN 2025
- Cement: 30%
- Solutions & Products: 30%
- Aggregates: 19%
- Ready Mix: 11%

2021 Proforma*
- Cement: 56%
- Solutions & Products: 15%
- Aggregates: 11%
- Ready Mix: 19%

*2021 proforma includes 12 months of Firestone
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

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

GROWING at record pace THROUGH INNOVATIVE AND SUSTAINABLE PRODUCTS with several new releases

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

15%
SOLUTIONS & PRODUCTS
ACCELERATE GROWTH TO REACH 30% OF GROUP NET SALES BY 2025

• **Strong growth** in roofing market driven by re-roofing, increasing demand, regulations for thermal performance and expanding lifespan of roofs

• Ambition to **double Net Sales** to USD 4 billion by 2025 in roofing systems
  
  › Several **capital investment projects** under execution to drive growth and profitability
  
  › **Strong pipeline for M&A** through Bolt-on acquisitions in North America and Europe in roofing and insulation

• Enter **new growth platforms** with above market growth and pricing power through acquisitions
LEADING IN
INNOVATION & SUSTAINABILITY

Thammasat University, UltraPly TPO, Firestone, Bangkok, Thailand
AT THE FOREFRONT OF GREEN BUILDING SOLUTIONS WITH ECOPACT
INDUSTRY’S LARGEST RANGE OF GREEN CONCRETE ADDRESSING GREEN DEMAND

- Low carbon concrete with CO₂ reduction of 30% to 100%
- Largest range of branded Green Concrete
- High performance, sustainable & circular designed for all applications
- Low carbon properties include:
  - Upcycled construction and demolition waste
  - Low CO₂ binders
  - Supplementary cementitious materials
  - Innovative mix design & optimization technology

Target 2025
>25% of Ready Mix Net Sales
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLINKER FACTOR AND ALTERNATIVE FUELS</td>
<td>Maximize usage of alternative fuels and mineral components in cement</td>
</tr>
<tr>
<td>RENEWABLE ENERGY</td>
<td>Expanding wind turbines, solar panel farms, waste heat recovery systems</td>
</tr>
<tr>
<td>GREEN PRODUCTS</td>
<td>Accelerating Green Solutions</td>
</tr>
<tr>
<td>PLANTS OF TOMORROW</td>
<td>Driving efficiency from automation to artificial intelligence</td>
</tr>
<tr>
<td>CIRCULAR ECONOMY</td>
<td>Including use of Construction Demolition Waste in Cement &amp; Concrete</td>
</tr>
<tr>
<td>CARBON CAPTURE</td>
<td>Getting ready to scale up CCUS technologies</td>
</tr>
<tr>
<td>NEXT GENERATION TECHNOLOGIES INCL. SOLUTIONS &amp; PRODUCTS</td>
<td>New technologies that offer solutions to sustainability and reduction in carbon footprint</td>
</tr>
<tr>
<td>ACTING ACROSS THE VALUE CHAIN</td>
<td>First Movers Coalition focusing on green procurement and supply chain</td>
</tr>
</tbody>
</table>
## AT THE FOREFRONT OF GREEN BUILDING SOLUTIONS
### INNOVATING TO ACCELERATE GREEN GROWTH

<table>
<thead>
<tr>
<th>Low Carbon</th>
<th>Circular Economy</th>
<th>Build More with Less</th>
<th>Buildings Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ECOPACT</strong></td>
<td><strong>ECOPLANET</strong></td>
<td><strong>SUSTENO</strong></td>
<td><strong>AGGNEO</strong></td>
</tr>
<tr>
<td>The Green concrete</td>
<td>The Green cement</td>
<td>Cement with recycled demolition waste</td>
<td>Recycled aggregates from construction demolition waste</td>
</tr>
<tr>
<td><strong>MAESTRO</strong></td>
<td><strong>TERRAFLOW</strong></td>
<td><strong>GEOCYCLE PLANET</strong></td>
<td><strong>ROOFING RECYCLING</strong></td>
</tr>
<tr>
<td>Low carbon cement designed for high-quality masonry jobs</td>
<td>Green cement for efficient backfilling</td>
<td>Socially-driven waste collection for plastic neutrality</td>
<td>Membranes &amp; ISO boards used as Alternative Fuels</td>
</tr>
</tbody>
</table>
LEADER IN CIRCULAR ECONOMY
OUR INTEGRATED BUSINESS MODEL RECYCLING OVER 46 MILLION TONS

Repair mortars
Addressing refurbishment markets

Cool roofs, green roofs extending lifetime of roofing membranes and systems

3D Printing
Building more with less

BIM
Virtual co-construction of building and infrastructure projects

ORIS
Global material platform transforming road construction towards resources efficiency & sustainability

Construction & Demolition Waste

Virgin materials extraction

Extend lifetime of buildings

Virgin materials extraction

Fossil free energy & decarbonated materials

Waste management solutions

High quality aggregate from 100% recycled content

Ready Mix Concrete enabling circular and carbon-neutral construction

The world’s 1st circular cement with 20% CDW inside

Roofing membranes and ISO waste used as alternative fuels

46 MILLION TONS

LEADER IN CIRCULAR ECONOMY
OUR INTEGRATED BUSINESS MODEL RECYCLING OVER 46 MILLION TONS
CONTINUED PROGRESS IN ESG RATINGS
RECOGNITION OF ESG EFFORTS BY GLOBAL RATING AGENCIES

SUSTAINALYTICS

CDP

Climate

VigeoEiris

Rating

MSCI

Note: Sustainalytics Risk score | Sustainalytics changed methodology in 2018, making previous rating uncomparable
SUSTAINABILITY TARGETS 2025
ACCELERATING GREEN GROWTH

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td><strong>ECOPact</strong></td>
<td>25%</td>
</tr>
<tr>
<td>% of Ready Mix Net Sales</td>
<td></td>
</tr>
<tr>
<td><strong>Circular Economy</strong></td>
<td>75</td>
</tr>
<tr>
<td>Million Tons</td>
<td></td>
</tr>
<tr>
<td><strong>Construction Demolition Waste</strong></td>
<td>10</td>
</tr>
<tr>
<td>Million Tons</td>
<td></td>
</tr>
<tr>
<td><strong>Green Capex</strong></td>
<td>0.5</td>
</tr>
<tr>
<td>Billion CHF</td>
<td></td>
</tr>
<tr>
<td><strong>Fresh Water Withdrawal</strong></td>
<td>-25%</td>
</tr>
<tr>
<td>Litres / Ton in Cement</td>
<td></td>
</tr>
<tr>
<td><strong>Diversity</strong></td>
<td>+40%</td>
</tr>
<tr>
<td>More Women in Senior Management</td>
<td></td>
</tr>
<tr>
<td><strong>Climate</strong></td>
<td>520</td>
</tr>
<tr>
<td>Kg Net CO₂ / Ton Cement</td>
<td></td>
</tr>
<tr>
<td><strong>Sustainable Financing</strong></td>
<td>&gt; 40%</td>
</tr>
<tr>
<td>Linked to Climate, Water &amp; Safety Goals</td>
<td></td>
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DELIVERING
SUPERIOR PERFORMANCE

Shopping Center Austria, Firestone RubberGard EPDM
CEMENT
LEADING THE GREEN TRANSFORMATION

- Leading **market positions** with **strong profitability** and **cash flows**
- Accelerate our **Solutions** and **Green Products** offering across all markets
- **First company** in the industry with **2050 targets** approved by **SBTi**
- **Innovative technologies** to lead **decarbonization** across the value chain
- **Scaling** up our **digital** solutions across our customers and operations

Renovation of Gioria 22 with ECOPact, Milan, Italy
AGGREGATES
ATTRACTIVE BUSINESS FUNDAMENTALS WITH STRONG GROWTH & PROFITABILITY

- Excellent business fundamentals from above inflation pricing, increasing regulations, limited import threat and limited substitutes
- Focus established with dedicated P&L leaders driving growth and performance
- Continue to close the gap to best in class
- Tremendous opportunity to deliver on growing need for sustainable and circular offering including recycled aggregates
- Target more bolt-on acquisitions and greenfield investments to strengthen our footprint and margins
Concrete is the best and most sustainable building material based on its durability, strength, design, safety, cost effectiveness & links to circular economy

Accelerate our green products offering across all local markets

Ensure innovation & product development activities are at local market level

Leverage digital platforms for new level of process efficiency and operational performance

Target bolt-on acquisitions and growth investments to strengthen our footprint and margins
SOLUTIONS & PRODUCTS
BUILD UP MARKET SEGMENTS WITH ABOVE MARKET GROWTH

• Accelerate growth in Solutions & Products to reach **30% of Group Net Sales** by 2025
• Breakthrough acquisition in roofing systems delivering **above market growth** and **synergies**
• Strategic **investments** and **acquisitions** to **double roofing systems** Net Sales by 2025
• Enter **new growth platforms** with above market growth and pricing power through acquisitions
• Continue to develop the existing Solutions & Products businesses through **organic growth and bolt-on acquisitions**
EMPOWERING OUR PEOPLE
A BASIS FOR A HIGH PERFORMANCE ORGANIZATION GEARED FOR GROWTH

<table>
<thead>
<tr>
<th>TALENT &amp; SUCCESSION</th>
<th>DIVERSITY &amp; INCLUSION</th>
<th>LEARNING FOR GROWTH</th>
<th>PERFORMANCE CULTURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent oriented organization based on the empowerment and accountability of people</td>
<td>Improved Diversity and established inclusive organization</td>
<td>Continuous Learning model</td>
<td>High performance organization inspired by continuous improvement</td>
</tr>
</tbody>
</table>

**AMBITION**

- Organization based on more than 500 empowered leaders
- Solid Succession pools and people planning
- >70% internal promotion

**MEASUREMENT**

- +40% more women in senior management
- Highly engaged people: voluntary turnover <5%
- Business School for senior and emerging leaders.
- Early Career Leaders Program nurturing development of future leaders
- Lean performance management model
- “Leading for Growth”
- Competitive reward for performance approach
STRATEGY

2025 TARGETS

Bosco Verticale Milan, Green Concrete
Holcim Italy
## STRATEGY 2025 – TARGETS
ACCELERATING GREEN GROWTH AND DELIVERING SUPERIOR PERFORMANCE

<table>
<thead>
<tr>
<th>Accelerate Growth in Solutions &amp; Products</th>
<th>Net Sales Growth</th>
<th>Recurring EBIT Growth</th>
<th>Sustainability</th>
<th>Cash Conversion</th>
<th>ROIC</th>
<th>Net Financial Debt to EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>3% - 5%</td>
<td>Over Proportional</td>
<td>45%</td>
<td>10%</td>
<td>&lt; 1.5x</td>
<td></td>
</tr>
<tr>
<td>IN % OF GROUP NET SALES</td>
<td>ANNUALLY</td>
<td>TO NET SALES GROWTH ANNUALLY</td>
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</tr>
</tbody>
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Note: Net Sales and Recurring EBIT growth like for like basis
SUSTAINABILITY TARGETS 2025
ACCELERATING GREEN GROWTH

- **ECOpact**: 25% of Ready Mix Net Sales
- **Circular Economy**: 75 Million Tons
- **Construction Demolition Waste**: 10 Million Tons
- **Green Capex**: 0.5 Billion CHF
- **Fresh Water Withdrawal**: -25% Litres / Ton in Cement
- **Diversity**: +40% More Women in Senior Management
- **Climate**: 520 KG Net CO₂/ Ton Cement
- **Sustainable Financing**: > 40% Linked to Climate, Water & Safety Goals