2025 INTEGRATED ANNUAL REPORT



HOLCIM

Visit Holcim's 2025 Integrated Annual Reporting Suite



To the Executive Summary



To the Sustainability Statement



To the Governance & Risk Report



To the Compensation Report



To the Financial Report

Cover image:
The Louvre Abu Dhabi, UAE
Built with Artevia inside

Holcim – the leading partner for sustainable construction

Holcim creates value across the built environment, from infrastructure and industry to buildings.

To construct the sustainable cities of the future, Holcim engages with key decision makers throughout the building value chain: public authorities and urban planners, developers and architects, engineers and contractors. Accelerating circular construction, we build cities from cities by recycling construction demolition materials.

Operating across Europe, Latin America, and Asia, Middle East & Africa, Holcim offers high-value, end-to-end Building Materials and Building Solutions, from foundation and flooring to walling and roofing – powered by premium brands such as ECOPact, ECOPlanet, and ECOCycle.

FOCUSED ON ATTRACTIVE MARKETS

43

EMPOWERED P&L[1] LEADERS

428

ENGAGED EMPLOYEES (FTE)

>45 000

[1] P&L (profit and loss) leaders are empowered managers responsible for the operational and financial performance of their respective business areas. Change in number of P&L leaders is due to discontinued operations and material divestments.

Holcim delivered strong profitable growth in 2025

2025 FINANCIALS AND TRANSACTIONS AT A GLANCE

15.7 bn
Net sales (CHF)
+3.0% in LC year over year[1]
2024: CHF 16.2 bn

2.9 bn
Recurring EBIT (CHF)
+10.3% in LC year over year[1]
2024: CHF 2.8 bn

18.3%
Recurring EBIT margin
+80 bps year over year
2024: 17.5%

3.22
Earnings per share[2] (CHF)
+5.0% year over year
2024: CHF 3.07

2.2 bn
Free cash flow[3] (CHF)
2024: CHF 2.1 bn

11.2%
Return on invested capital (ROIC)
2024: 11.1%

3.8 bn
Net financial debt (CHF)
2024: 8.4 bn

0.9x
Net debt leverage ratio
2024: 1.2x

ACQUISITIONS

Completed 18 acquisitions

Signed agreement to acquire Xella[4]

Signed agreement to take majority stake in Cementos Pacasmayo[4]

SPIN-OFF

Completed the spin-off of the North American business

DIVESTMENTS

Completed 3 divestments, optimizing the portfolio for NextGen Growth 2030

Note: All 2024 figures except the net financial debt and the net debt leverage have been restated due to the spin-off of the North American business. Refer to pages 102-105 of the 2025 Financial Report for alternative performance measures.
[1] Growth in local currency excluding large M&A.
[2] Before impairment and divestments and from continuing operations.
[3] Post spin-off, free cash flow is presented before leases to allow better comparability with peers and align with industry practices.
[4] Subject to customary conditions and regulatory approval.

Holcim advanced significantly on sustainability in 2025

2025 SUSTAINABILITY AT A GLANCE

31%
ECOPACT share of ready-mix concrete net sales
2024: 26% (+5 pp)

36%
ECOPLANET share of cement net sales
2024: 34% (+2 pp)

8 Mt
Construction demolition materials recycled
2024: 6.5 Mt (+23%)

502 kg
Scope 1 emissions[1] -11% vs 2020 baseline
2024: 515 kg (-3%)

179 l
Freshwater withdrawal[2] -25% vs 2020 baseline
2024: 191 l/t (-6%)

8
EU Innovation Fund grants for CCUS projects
2024: 7 (+1)

CDP

Recognized in 2025 as a leader for

A Climate

A Water

A Supplier engagement leaderboard

TOP EMPLOYER

top EMPLOYER Global 2025
FOR A BETTER WORLD OF WORK

Note: All 2020 baselines and 2024 figures have been restated for material changes in scope.
[1] Net kg of CO_2 per ton of cementitious materials.
[2] Liter per ton of cementitious materials.

LEADING SUSTAINABLE OFFERING POWERED BY PREMIUM BRANDS

BUILDING MATERIALS

Holcim has a leading position in Building Materials, comprising low-carbon cement, circular technology, and circular aggregates. We continue to invest in innovation to serve our customers' needs.



ECOPLANET
Low-carbon cement



ECOCYCLE
Circular technology



AGGNEO
Circular aggregates

BUILDING SOLUTIONS

Holcim offers a broad range of high-value Building Solutions. These consist of energy-efficient building systems as well as high-performance ready-mix concrete and surfacing, optimized by our digital services.

FOUNDATION AND STRUCTURE



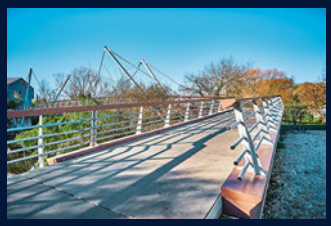
ECOPACT
Low-carbon ready-mix concrete



DYNAMAX
Ultimate performance concrete

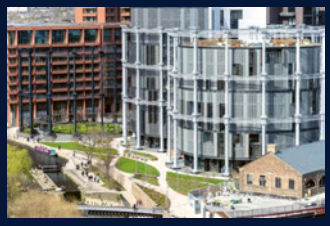


HUMES HOLCIM
Precast concrete



DUCTAL
Ultra high-performance concrete

FLOORING AND WALLING



TECTOR
Advanced mortars



AGILIA
Self-compacting concrete



ARTEVIA
Decorative concrete



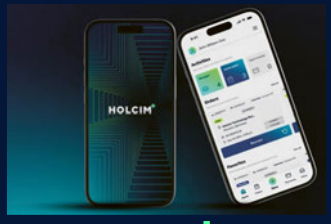
PRB HOLCIM
Flooring and walling including full thermal insulation systems

ROOFING



ZINCO HOLCIM
Green roof systems

DIGITAL SERVICES



HOLCIM+
Digital ecosystem



Al Wasl Tower in Dubai, UAE
Built with Airium inside

CONTENTS

INTRODUCTION

03 Holcim - the leading partner for sustainable construction
04 Holcim delivered strong profitable growth in 2025
05 Holcim advanced significantly on sustainability in 2025
06 Leading sustainable offering powered by premium brands
08 Chairman's letter
10 CEO highlights
12 Strong governance through Holcim's dedicated Board of Directors
13 Our experienced leadership team drives Holcim forward
14 2025 Group performance

NEXTGEN GROWTH 2030

20 Powerful megatrends shaping the future of construction
21 Four strategic drivers of NextGen Growth 2030
23 2030 targets to capture NextGen Growth
24 Growth-focused capital allocation
25 A highly compelling investment

FOCUSED INVESTMENTS IN ATTRACTIVE MARKETS

27 Value-accretive M&A focusing on the most attractive markets
28 Expanding high-value Building Solutions with strategic acquisition of Xella
29 Majority stake in Cementos Pacasmayo to strengthen Latin American presence
30 Regional performance: Europe
32 Regional performance: Latin America
34 Regional performance: Asia, Middle East & Africa

SUSTAINABILITY DRIVING PROFITABLE GROWTH

37 Sustainability driving profitable growth
38 Scaling our sustainable offering to meet customer demand
39 Advancing circular construction for profitable growth
40 Innovation accelerating decarbonization
41 Building a nature-positive future

EXPANDING HIGH-VALUE BUILDING SOLUTIONS

43 Strengthening our leadership in Building Materials
44 Expanding high-value Building Solutions
46 Integrated end-to-end solutions

PERFORMANCE CULTURE AND VALUE CREATION

48 Empowered leadership
49 Holcim Spirit delivering value
50 Creating value through customer-centric innovation
51 Creating value through artificial intelligence
52 Creating value through partnerships with startups
53 Creating value through the Holcim Foundation
54 Creating value for our communities
55 Creating value for our shareholders
56 A well-balanced shareholder base
58 Financial calendar

CHAIRMAN'S LETTER

2025 was a transformative year for Holcim, as we began to deliver on our NextGen Growth 2030 strategy as the leading partner for sustainable construction.



Kim Fausing
Chairman of the Board of Directors

Dear Shareholders,

2025 was a transformative year for Holcim, as we began to deliver on our NextGen Growth 2030 strategy as the leading partner for sustainable construction. I was excited by the launch of our strategy, which aims to unlock significant growth and value creation in the months and years to come. And we started from day one after the successful spin-off of the North American business, generating strong profitable growth for the full year.

To achieve excellent results, you need talented people working with a deep sense of purpose across all market conditions and economic cycles.

Our over 45 000 dedicated employees are guided by experienced leaders, which is where our culture of empowered, decentralized leadership comes into its own.

Our CEO Miljan and his team are doing an exceptional job, as are our 428 empowered P&L leaders worldwide, all of whom can adapt swiftly to market opportunities and changing dynamics. Such strong leadership is the cornerstone of our success and one of the primary reasons we were able to deliver such a transformative year.

"I am honored to be part of a winning team in my first year as Chairman of Holcim, and I thank all our employees for their dedication in delivering these great results."

In 2025, Holcim once again confirmed its status as a benchmark for sustainability and innovation, as well as for financial performance and value creation.

So congratulations to all my Holcim colleagues for delivering a great year. Growth starts with us!

Shaping the future of sustainable construction

What amazes me about Holcim is that while we have a 114-year history, we always look to the future. This is demonstrated by NextGen Growth 2030, which anticipates and addresses the powerful megatrends shaping the future of construction to unlock further shareholder value.

One such megatrend is urbanization. The world builds the equivalent of Madrid every week. Partnering with our customers, we make sure that cities can be built sustainably, whether it is for a new build project or energy-efficient repair and refurbishment.

Elsewhere, we're seeing rising demand for modular construction, with offsite production enhancing onsite productivity. At the same time, Holcim continues to embrace digitalization and AI, both to drive innovation as well as to improve operational efficiency and enhance the customer experience.

Holcim has likewise maintained its focus on building a nature-positive future, with our broad range of solutions that bring nature into cities, improving biodiversity and wellbeing.

Ensuring strong governance

In May 2025, I took up my position as Chairman of the Board of Directors. With five years' prior experience on the Holcim Board of Directors, and eight years as CEO of Danfoss, I'm now able to channel that commitment and know-how to give my best in this new role.

One of my responsibilities is to ensure that our Board of Directors' members are the most talented, diverse, and experienced team possible. In 2025, we added depth, welcoming Adolfo Orive and Sven Schneider, both highly accomplished business leaders. We are delighted to have them as part of Team Holcim.

Delivering shareholder value

Over the past years, we have consistently delivered shareholder value through growth-focused capital allocation and attractive cash returns. 2025 was no exception. Thanks to Holcim's strong profitable growth, the Board of Directors is pleased to propose a rebased dividend of CHF 1.70 per share at the upcoming Annual General Meeting on 13 May 2026.

Thank you for your continued trust

To conclude, I would like to thank you all, dear shareholders, for your trust in us, as well as your ongoing commitment to Holcim. Your investment creates the foundation for us to continue to deliver NextGen Growth 2030 and drive further value creation – in 2026 and beyond.

Sincerely,



KIM FAUSING
Chairman

CEO HIGHLIGHTS

Holcim delivered strong profitable growth in 2025, as we launched our NextGen Growth 2030 strategy to achieve superior performance and value creation for our people, customers, and shareholders.



Miljan Gutovic
Chief Executive Officer

What were your highlights in a successful 2025?

The absolute highlight was the launch of our NextGen Growth 2030 strategy to be the leading partner for sustainable construction. Since then, we have built momentum throughout the year, focusing on executing this strategy to achieve strong profitable growth.

Everyone at Holcim is energized to deliver superior performance and value creation for our people, customers, and shareholders, concentrating our efforts on four strategic drivers.

First, we are investing in the most attractive markets through organic investments and value-accretive M&A. In 2025, we continued to generate profitable growth as we benefit from strong fundamentals.

Second, with sustainability as a key profitable growth driver, we continued scaling our sustainable offering, powered by premium brands from ECOPact to ECOPlanet, in 2025. We also accelerated initiatives for decarbonization, and circular construction through ECOCycle, while building a nature-positive future.

“I sincerely thank Holcim’s over 45 000 employees for their outstanding work and our excellent results. With all 2025 targets achieved, our NextGen Growth 2030 strategy is in full execution.”

Third, we are expanding high-value Building Solutions – from foundation and flooring to walling and roofing systems. In this area, we have an unmatched customer offering of integrated solutions for the built environment, and are growing our addressable market organically and via M&A.

The announced signing of the strategic acquisition of Xella is a milestone in our vision to be the leading partner for sustainable construction. A European leader in sustainable and innovative walling systems, Xella will give us a growth platform in the highly attractive EUR 12 billion walling market, and its solutions powered by premium brands complement our portfolio.

We have also signed an agreement to acquire a majority stake in Cementos Pacasmayo, a leading Peruvian producer of building materials and building solutions. The synergistic acquisition will expand Holcim's presence in Peru and accelerate our growth in the attractive Latin America region in line with NextGen Growth 2030.

What drives all of this action? Our fourth growth driver is our deeply embedded performance culture and value creation. Our over 45 000 employees are leveraging innovation and artificial intelligence (AI) — across manufacturing, logistics, commercial, and administration — to drive growth and value for people, customers, and shareholders.

How is NextGen Growth 2030 reflected in your results?

Our decisive action in 2025 led to excellent results. We delivered strong profitable growth in 2025, with a double-digit recurring EBIT increase[1] and an industry-leading margin of 18.3%.

Margin expansion was driven by strong cost discipline, operational excellence and the scaling up of our sustainable offering to meet increased customer demand.

We completed 21 transactions in 2025 to focus on the most attractive markets. And, as mentioned, we signed agreements to acquire Xella and to take a majority stake in Cementos Pacasmayo, both subject to customary conditions and regulatory approval.

Europe showcased the success of our high-value strategy, recording strong margin expansion with continued growth for low-carbon ECOPact and ECOPlanet, while we accelerated in decarbonization and circular construction. The region made a total of 14 value-accretive acquisitions.

In Latin America, we delivered double-digit net sales growth[1] with a recurring EBIT margin above 30%. We made four value-accretive acquisitions in Argentina, Peru, Costa Rica, and in Mexico – where we have a very strong housing and infrastructure project pipeline to accelerate growth from 2026.

Asia, Middle East and Africa saw a double-digit increase in recurring EBIT[1] and outstanding margin expansion, with strong demand in North Africa. In Australia, our joint venture, Cement Australia, closed the acquisition of the cementitious division of BGC. In 2025, we further optimized our portfolio and exited two markets in this region, Nigeria and Jordan.

[1] In local currency, excluding large M&A.

What is your message to Holcim employees?

Our success in 2025 was achieved thanks to our engaged people and their impeccable execution of our strategy. Our most recent employee survey produced record results, including a participation rate of 94% and an overall engagement rate of 82%.

We will keep investing in our talent as we want Holcim to be a place where talent is nurtured, employees are engaged and innovation is encouraged. With Holcim University, we support the growth of our employees through learning and development. Our commitment is reflected in the recognition of Holcim by the Top Employers Institute as a Global Top Employer in 2025.

Of course, health and safety is our top priority. We made significant progress in the year, focusing our efforts on achieving zero harm. We will continue to leverage digitalization and AI as we work toward ensuring a safe workplace for everyone.

As we continue to go full speed on NextGen Growth 2030, there are many external factors influencing our markets. What we can do is to control the controllables, and eliminate complacency wherever we find it.

We successfully did this in 2025, achieving best-in-class performance. I want us to set even higher standards in 2026, united by our Holcim Spirit of Purpose, People and Performance.

Hear from our CEO

STRONG GOVERNANCE THROUGH HOLCIM'S DEDICATED BOARD OF DIRECTORS

Holcim's strong, committed Board of Directors drives clear, strategic decision making for long-term success, while ensuring transparent governance and legal compliance.



From left to right:

Claudia Sender Ramirez, Leanne Geale, Ilias Läber, Naina Lai Kidwai, Michael H. McGarry, Kim Fausing (Chairman), Sven Schneider, Catrin Hinkel, Adolfo Orive, and Philippe Block.

Find out more in the 2025 Governance & Risk Report

OUR EXPERIENCED LEADERSHIP TEAM DRIVES HOLCIM FORWARD

Holcim's Leadership Team is delivering on our NextGen Growth 2030 strategy to achieve profitable growth.



From left to right

Ram Muthu
Group Head of Operational Excellence

Virginie Darbo
Group Head of Strategy and M&A

Steffen Kindler
Chief Financial Officer

Alexia Sommer
Chief Communications Officer

Alfonso Paradinas
Chief Marketing & Innovation Officer

Miljan Gutovic
Chief Executive Officer

Simon Kronenberg
Region Head Central and East Europe

Carmen Diaz
Chief People and Sustainability Officer

Martin Kriegner
Region Head Asia, Middle East & Africa

Lukas Studer
Group General Counsel

Dragan Maksimovic
Region Head West Europe

Oliver Osswald
Region Head Latin America

Find out more in the 2025 Governance & Risk Report

2025 GROUP PERFORMANCE



Australia 108 in Melbourne, Australia
Built with Dynamax inside

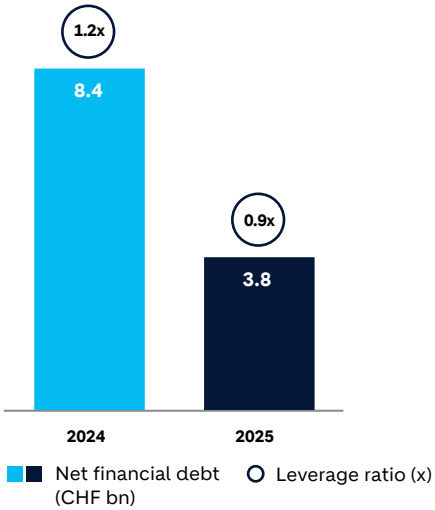
STRONG 2025 FINANCIAL PERFORMANCE

GROUP RESULTS

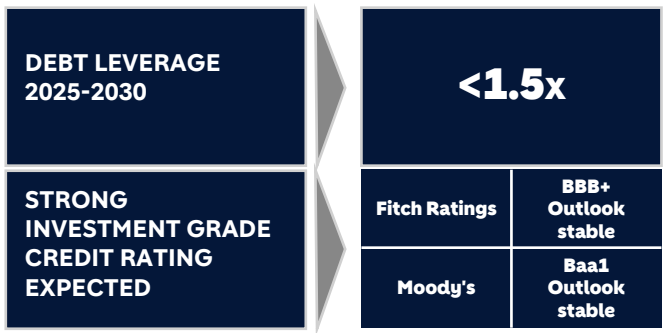
		2025	2024 Restated[3]	±%	±% Growth in local currency[4]	±% Organic growth
Net sales	Million CHF	**15 724**	16 201	-2.9%	+3.0%	+2.9%
Recurring EBITDA[1]	Million CHF	**3 992**	3 966	+0.6%	+8.6%	+9.7%
Recurring EBIT	Million CHF	**2 876**	2 837	+1.4%	+10.3%	+12.2%
Recurring EBIT margin	%	**18.3**	17.5	+80bps		
Operating profit (EBIT)	Million CHF	**2 543**	2 551	-0.3%		
Net income Group share[2]	Million CHF	**387**	1 456	-73.4%		
Net income before impairment and divestments Group share[2]	Million CHF	**1 779**	1 713	+3.9%		
Earnings per share before impairment and divestments[2]	CHF	**3.22**	3.07	+5.0%		
Cash flow from operating activities[2]	Million CHF	**3 127**	3 115	+0.4%		
CapEx	Million CHF	**973**	994	-2.1%		
Free cash flow[1]	Million CHF	**2 154**	2 121	+1.6%		
Return on Invested Capital (ROIC)	%	**11.2**	11.1	+10bps		
Net financial debt	Million CHF	**3 785**	8 448	-55.2%		
Debt leverage	times	**0.9**	1.2			

[1] Post spin-off, recurring EBITDA and free cash flow are presented before leases to allow better comparability with peers and align with industry practices.
[2] From continuing operations.
[3] Comparative information restated for discontinued operations (see Note 13.2 in the 2025 Financial Report), except for net financial debt and the debt leverage.
[4] Excluding large M&A.

STRONG INVESTMENT GRADE BALANCE SHEET



LONG-TERM GUIDANCE



Notes:
In 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 ratio reflect the scope of Holcim post spin-off.

Find out more in the 2025 Financial Report

2025 highlights

Holcim delivered on all its 2025 targets, driven by the disciplined execution of our NextGen Growth 2030 strategy.

Net sales for the full year 2025 reached CHF 15 724 million in a challenging market environment. Net sales in local currency[1] rose 3.0% with faster growth in the most attractive markets and positive price developments in cement, aggregates, and ready-mix concrete.

Recurring EBIT grew by 10.3% in local currency[1] to reach CHF 2 876 million for the full year 2025. This performance more than offset strong foreign exchange effects, resulting in a 1.4% increase in Swiss franc compared with the full year 2024.

Our focused investment in attractive markets, increased demand for our sustainable offering, and expansion of our high-value Building Solutions drove the recurring EBIT margin to 18.3%, 80 basis points higher than in 2024.

Earnings per share before impairment and divestments from continuing operations reached CHF 3.22 for the full year 2025, up 5% compared with CHF 3.07 in 2024. Holcim continues to deliver outstanding growth in earnings for shareholders.

Holcim delivered free cash flow of CHF 2 154 million, with a cash conversion of 54%. In 2025, Holcim's ratio of net financial debt to recurring EBITDA was 0.9. Net financial debt amounted to CHF 3 785 million at the end of 2025.

Return on Invested Capital (ROIC) was 11.2% in 2025, up by 10 basis points compared with 2024.

In 2025, Holcim delivered across all financial indicators and is on track to achieve its mid-term 2030 targets. This performance reflects Holcim's empowered performance culture and unwavering focus on value creation, as well as its financial strength and strong balance sheet.

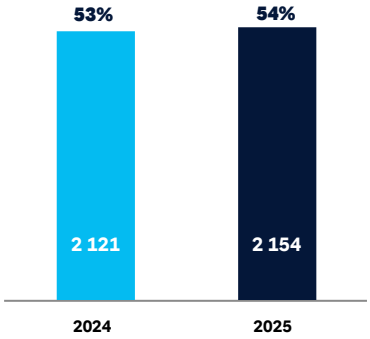
Focused investments in attractive markets

Holcim closed 21 transactions in 2025, as well as the spin-off of the North American business, to sharpen our geographical footprint and focus on the most attractive markets and business segments.

We completed a total of 18 value-accretive acquisitions, including nine to strengthen Building Materials: A&S Recycling in Germany, Atlantic Terres Solutions and SA.RE.MER in France, Klokotnitsa IM EOOD and Zhablyano AD in Bulgaria, T&J Thory Holdings Ltd and Thames Materials in the UK, Tribex in Serbia, and an acquisition to expand our commercial network in Spain.

FREE CASH FLOW (CHF M) CASH CONVERSION (%)

+33 million vs 2024



We expanded in Building Solutions with nine acquisitions: Algimouss, Alkern Group and Société des Bétons de la Vallée de Seine in France, AMCO in Costa Rica, Comosa y Copce in Mexico, Compañía Minera Luren SA in Peru, CPC AG in Germany, Horcrisa in Argentina for ready-mix concrete, and an insulation solutions business in Poland.

In addition, the acquisition of the cementitious division of BGC was closed by Cement Australia, our joint venture in the country, which is not consolidated in Holcim's accounts.

Holcim further optimized its portfolio by closing three divestments: its businesses in Jordan and Nigeria, as well as Karbala Cement Manufacturing Ltd in Iraq. During the year, we signed agreements to divest our businesses in Lebanon and Cyprus, which were completed in January 2026.

In October, Holcim signed an agreement to acquire Xella, a European leader in sustainable and innovative walling systems with projected net sales of EUR 1 billion in 2026. This acquisition will accelerate the expansion of our high-value Building Solutions in line with Holcim's NextGen Growth 2030 strategy, and increase cross-selling and systems-selling opportunities. The transaction is subject to customary conditions and regulatory approval, and is expected to close in H2 2026.

In December, Holcim signed an agreement to acquire the majority stake in Cementos Pacasmayo, a leading Peruvian producer of building materials with reported 2025 net sales of USD 0.6 billion. The acquisition will expand our presence in Peru and accelerate growth in the attractive Latin America region in line with our strategy. It is expected to close in H1 2026, subject to customary conditions and regulatory approval.

Note: All 2024 figures have been restated for discontinued operations.
[1] Excluding large M&A.

Find out more in the 2025 Financial Report

Sustainability at the core of Holcim's strategy

Customer demand for Holcim's sustainable offering continued to grow. In 2025, net sales of Holcim's low-carbon ECOPact ready-mix concrete increased to 31% of total ready-mix net sales compared to 26% in the prior-year period, while net sales of ECOPlanet increased to 36% of total cement net sales versus 34% in 2024.

Advancing circular construction, Holcim increased the recycling of construction demolition materials by 23.5% to 8.0 million tons in 2025 compared to 6.5 million tons in 2024. The year-over-year increase is attributable to acquisitions and the organic footprint expansion of our circular construction hubs.

As we progress on our pathway to net zero, we reduced our Scope 1 emissions by 2.6% year-over-year, from 515 kg to 502 kg of net CO_2 per ton of cementitious materials. Compared to the 2020 baseline, the decrease is 11%, mainly due to better formulations and energy mix.

Our energy procurement plan is delivering results with Scope 2 CO_2 emissions reduced by 4.2% compared to 2024 and 26% versus the 2020 baseline.

In 2025, Holcim reduced its freshwater withdrawal, measured in liters per ton of cementitious materials, by 6.3% to 179 liters versus 191 liters in the previous year.

Compared to the 2020 baseline, freshwater withdrawal has been reduced by 25%, with Holcim ramping up rainwater harvesting systems and the use of recycled water. In addition, Holcim has set three SBTN-aligned targets to reduce freshwater withdrawal in three basins — in Belgium, Greece, and Spain.

Health and safety

Ensuring the health and safety of all employees is a priority at Holcim. We are committed to maintaining a safe, healthy workplace, and consistently strive to be a zero-harm business.

Our lost time injury frequency rate (LTIFR) fell to 0.36 in 2025, with 99% of our sites and 60% of countries reporting zero lost time injuries (LTIs).

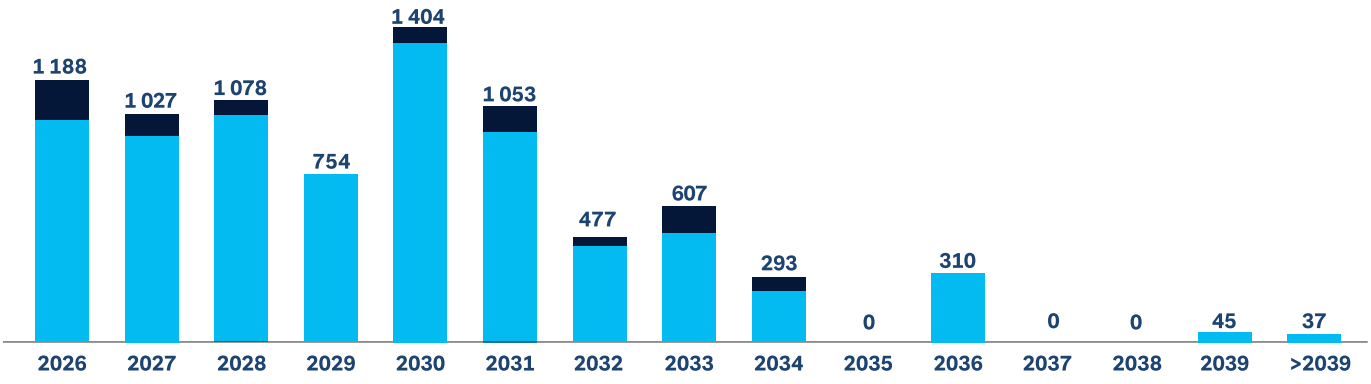
Financing profile and liquidity

Holcim maintains a robust financing profile characterized by a diversified capital structure, with 81% of financial liabilities sourced through capital markets and 19% through banks and other lenders.

As of 31 December 2025, the Group's maturity profile was well-balanced with a focus on mid- to long-term financing, reflected in an average liability maturity of 4.7 years. This disciplined approach supports Holcim's core objective of maintaining a solid investment-grade rating, supported by a reduction in the average nominal interest rate on financial liabilities to 2.4%, down from 3.2% at year-end 2024. Note 14 of our 2025 Financial Report contains detailed information on financial liabilities.

This strong position is complemented by a substantial liquidity cushion, consisting of CHF 5 440 million in cash and cash equivalents and CHF 3 312 million in unused committed credit lines.

DEBT MATURITY PROFILE (CHF M)



Note: All 2020 baselines and 2024 figures have been restated for material changes in scope.

Find out more in the 2025 Financial Report

Find out more in the 2025 Sustainability Statement

Foreign exchange sensitivity

In line with its local-for-local approach, the majority of Holcim's sales and costs are incurred in the respective local currencies. Around 4.2% of 2025 net sales were generated in Swiss francs. Foreign currency volatility had a moderate effect on the Group's operating profitability.

The effects of foreign exchange movements are therefore largely related to the translation of local financial statements for the consolidated statement of income.

Since a large part of the foreign capital is financed with matching transactions in local currency, the effects of foreign currency translation on local balance sheets for the consolidated statement of financial position have not, in general, resulted in significant distortions in the consolidated statement of financial position.

The following sensitivity analysis presents the effect of the main currencies on selected key figures of the consolidated financial statements.

The sensitivity analysis only factors in effects that result from the conversion of local financial statements into Swiss francs (translation effect).

Currency effects from transactions conducted locally in foreign currencies are not included in the analysis.

The following table shows the effects of a hypothetical 5% depreciation of the respective foreign currencies against the Swiss franc.

SENSITIVITY ANALYSIS

Million CHF	2025	USD	EUR	GBP	Latin American basket (MXN, ARS, COP)	Asian basket (AUD, CNY, PHP, BDT)	Middle East African basket (DZD, EGP, IQD)
		Assuming a 5% appreciation of the Swiss franc, the impact would be as follows:					
Net sales	**15 724**	(56)	(227)	(80)	(101)	(93)	(41)
Recurring EBIT	**2 876**	(12)	(31)	(7)	(32)	(20)	(17)
Cash flow from operating activities[1]	**3 127**	1	(18)	(1)	(8)	(7)	(15)
Net financial debt	**3 785**	51	(247)	(27)	4	11	10

[1] From continuing operations.



Olea All Suite Hotel in Zakynthos, Greece
Built with ZinCo inside

NEXTGEN GROWTH 2030



Wood Wharf in London, UK
Built with ECOPact and ECOCycle inside

POWERFUL MEGATRENDS SHAPING THE FUTURE OF CONSTRUCTION

With our leading sustainable offering, Holcim is best positioned by NextGen Growth 2030 to benefit from six powerful megatrends shaping the future of construction.



Population growth and urbanization
Growing construction spend in cities with rising demand for housing and infrastructure



Climate and nature
Increasing demand and evolving building norms for sustainable and resilient construction



Energy-efficient refurbishment
Supportive incentives and regulation for prolonging the life of existing building stock



Reindustrialization
Strong global-to-local trend in infrastructure and manufacturing investments



Modular construction
Offsite production enhancing onsite construction productivity



Digitalization
Accelerating use of AI for operational efficiency and customer service

EUROPE

9.6 million
housing unit deficit in Europe[1]

EUR 250 billion
spent each year on repair and refurbishment across the EU[1]

EUR 500 billion
fund earmarked in Germany for infrastructure investments[2]

[1] European Commission.
[2] German government.

LATIN AMERICA

>26 million
housing unit deficit in Latin America[1]

>USD 200 billion
demand for mega construction projects until 2030[2]

USD 160 billion
sustained remittance growth per year with a rising trend[3]

[1] Local country sources.
[2] Global Market Insights.
[3] World Bank.

AMEA

>4.5 million
housing unit deficit in North Africa[1]

3.3%
urban population growth 2023–2035[2]

USD 130 billion
government infrastructure spend in Australia through 2028[3]

[1] Housingfinanceafrica.org.
[2] BMI.
[3] Expert Market Research Mordor intelligence.

FOUR STRATEGIC DRIVERS OF NEXTGEN GROWTH 2030

Our NextGen Growth 2030 focuses on unlocking growth opportunities. By executing on our four strategic drivers, we will enhance Holcim's industry leadership and achieve our 2030 targets.

1



FOCUSED INVESTMENT IN ATTRACTIVE MARKETS

Growth opportunities across all regions leveraging sustainability leadership

Europe: Growing customer demand for our sustainable offering and building systems; accelerating decarbonization and circular construction

Latin America: Strong fundamentals, industrialization, growing Disensa, the region's largest construction materials retail franchise to over 5 000 stores by 2030

Asia, Middle East & Africa: Growing ECOPact and mortars, modular construction in Australia, and North Africa as an export hub for decarbonized materials

2



SUSTAINABILITY DRIVING PROFITABLE GROWTH

Industry-shaping sustainability roadmap

Scaling our sustainable offering: ECOPact and ECOPlanet to reach >50% of net sales for their respective categories by 2030

Advancing circular construction with ECOCycle, increasing recycled content to 20+ million tons by 2030

Innovation accelerating decarbonization: formulations, energy and advanced technologies to reach net zero

Building a nature-positive future by bringing nature into cities while reducing freshwater withdrawal by 33% by 2030

FOUR STRATEGIC DRIVERS OF NEXTGEN GROWTH 2030

Our NextGen Growth 2030 focuses on unlocking growth opportunities. By executing on our four strategic drivers, we will enhance Holcim's industry leadership and achieve our 2030 targets.



EXPANDING HIGH-VALUE BUILDING SOLUTIONS

Superior value for customers across the built environment

Tailor-made solutions – from foundation and flooring to walling and roofing - to meet our partners' most ambitious goals

Unique portfolio of Building Materials and Building Solutions to reach 50/50 sales split by 2030

Systems selling and specification selling of integrated end-to-end solutions for all applications

Premium brands: circular, resilient, low-carbon, energy-efficient, and smart - enabled by HOLCIM+ digital solutions



PERFORMANCE CULTURE AND VALUE CREATION

United by Holcim Spirit, we are creating value for all stakeholders

Purpose: Driven by a clear purpose to build progress for people and the planet, with sustainability and innovation at the core, to drive our NextGen Growth 2030 strategy

People: Creating the best workplace where talent is nurtured, employees are engaged, and health and safety is our top priority

Performance: Deeply embedded culture of performance and value creation for people, customers and shareholders

2030 TARGETS TO CAPTURE NEXTGEN GROWTH

With our NextGen Growth 2030 strategy, launched in the first half of 2025, we committed to industry-leading financial and sustainability targets for 2030.

FINANCIAL

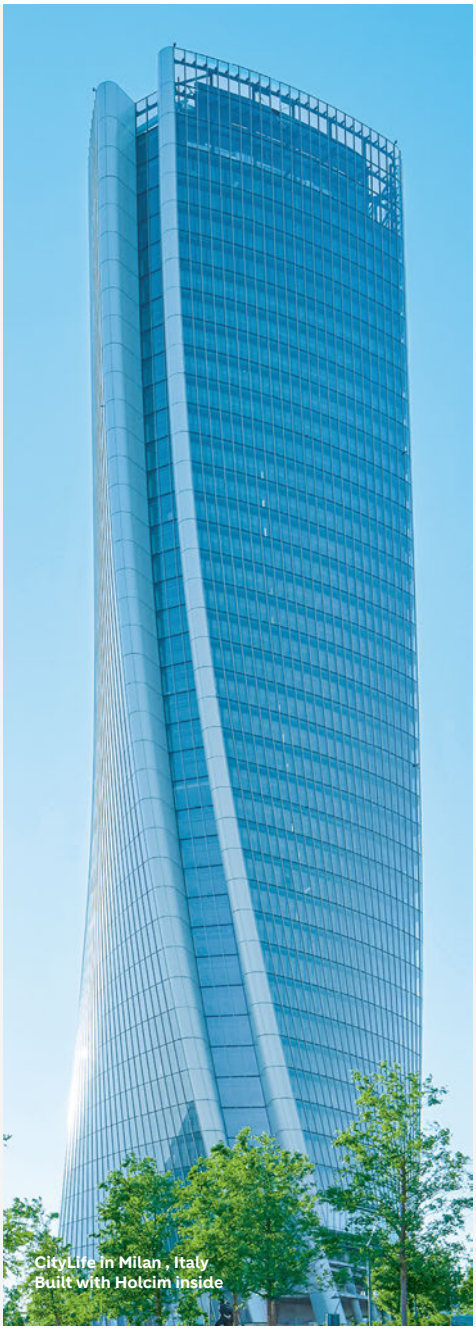
3–5%
Net sales growth[1]
Average per annum

6–10%
Recurring EBIT growth[1]
Average per annum

50%
Cash conversion rate[2]
Average per annum

50/50%
Materials & Solutions
Split of net sales

[1] In local currency excluding large M&A.
[2] Before leases.



CityLife in Milan , Italy
Built with Holcim inside

SUSTAINABILITY

>50%
ECOPact and ECOPlanet
Net sales of ready-mix concrete and cement

20+MT
Construction demolition materials
3x recycled volume of 2024

<400
Scope 1 emissions[3]
30% reduction vs. 2020

33%
Freshwater withdrawal[4]
Reduction vs. 2020

Note: All 2020 baselines and 2024 figure have been restated for material changes in scope.
[3] Net kg CO_2/t cementitious materials.
[4] Liter/t cementitious materials.

GROWTH-FOCUSED CAPITAL ALLOCATION

NextGen Growth 2030 will drive shareholder value by deploying total capital of **CHF 18–22 BILLION** from 2025 to 2030. We are on track with our growth focused capital allocation.

4 to 5 bn
GROWTH CAPEX (CHF)

DISCIPLINED CAPEX
spending to sustainably grow our business, focused on high-return projects

4% OF NET SALES
spent per annum on growth CAPEX

3 to 4 bn
ACQUISITIONS (CHF)

VALUE-ACCRETIVE M&A
to strengthen our positions in the most attractive markets and grow in new business segments

1–2% NET SALES
growth per annum from acquisitions

7 bn
DIVIDENDS[1] (CHF)

PROGRESSIVE DIVIDEND[2] POLICY
dividends paid out of foreign capital contribution reserves and exempt from Swiss withholding tax

50% DIVIDEND
average payout ratio per annum

+

4 to 6 bn
STRATEGIC M&A + SHARE BUYBACKS (CHF)

Additional capacity[3] to be allocated to large strategic M&A and opportunistic share buybacks

[1] Includes CHF 1.7 bn dividend in 2025, related to Holcim Group full-year 2024.
[2] Rebased post spin-off of the North American business.
[3] Proceeds from large divestments and increase in the debt capacity.

A HIGHLY COMPELLING INVESTMENT

As we embark on a new era of growth and value creation with our NextGen Growth 2030 strategy, we are building on our proven track record of growth, performance, and value creation to continue generating above-market returns for our shareholders.

Leader in the most attractive markets

with a sustainable offering powered by premium brands

Best positioned to profit from powerful megatrends

shaping the future of construction

Unlocking significant growth opportunities

in our most attractive markets and in Building Solutions



Etihad Museum in Dubai, United Arab Emirates
Built with Holcim Roofing Systems inside

Performance culture

delivering superior financial performance with industry-leading margins

Driving shareholder value

through growth-focused capital allocation and attractive cash returns

Why invest in Holcim

FOCUSED INVESTMENTS IN ATTRACTIVE MARKETS



Woha Luxury Residences in Puerto Cancún, Mexico
Built with ECOPact inside

VALUE-ACCRETIVE M&A FOCUSING ON THE MOST ATTRACTIVE MARKETS

Holcim continued to strengthen its portfolio and invest in the most attractive markets through value-accretive acquisitions and divestments in 2025.

INVESTING IN HIGHLY ATTRACTIVE MARKETS IN 2025 TO ACCELERATE NEXTGEN GROWTH 2030

18
VALUE-ACCRETIVE ACQUISITIONS

3
PORTFOLIO-OPTIMIZING DIVESTMENTS

STRENGTHENING LEADERSHIP IN BUILDING MATERIALS

ACQUISITIONS

A&S Recycling GmbH
Germany (CDM)

Atlantic Terres Solutions (ATS)
France (CDM)

Expansion of commercial network
Spain (cement)

Klokotnitsa IM EOOD
Bulgaria (aggregates)

SA.RE.MER
France (aggregates)

T&J Thory Holdings Ltd
UK (aggregates)

Thames Materials Ltd
UK (CDM)

Tribex
Serbia (aggregates)

Zhablyano AD
Bulgaria (aggregates)

DIVESTMENTS

Jordan Cement Factories (JCF)
Jordan (cement)

Karbala Cement Manufacturing Ltd
Iraq (cement)

Lafarge Africa PLC
Nigeria (cement)

EXPANDING IN HIGH-VALUE BUILDING SOLUTIONS

ACQUISITIONS

Algimouss
France (building systems, waterproofing)

AMCO
Costa Rica (ready-mix concrete)

Alkern Group
France (building systems, precast)

Comosa y Copce
Mexico (ready-mix concrete)

Compañía Minera Luren SA
Peru (building systems, mortars)

CPC AG
Germany (building systems, precast)

Horcrisa
Argentina (ready-mix concrete)

Insulation solutions business
Poland (building systems, insulation)

Société des Bétons de la Vallée de Seine
France (ready-mix concrete)

EXPANDING HIGH-VALUE BUILDING SOLUTIONS WITH STRATEGIC ACQUISITION OF XELLA

Holcim has signed an agreement to acquire Xella, a European leader in sustainable and innovative walling solutions, to accelerate high-value Building Solutions. Closing is expected in H2 2026.

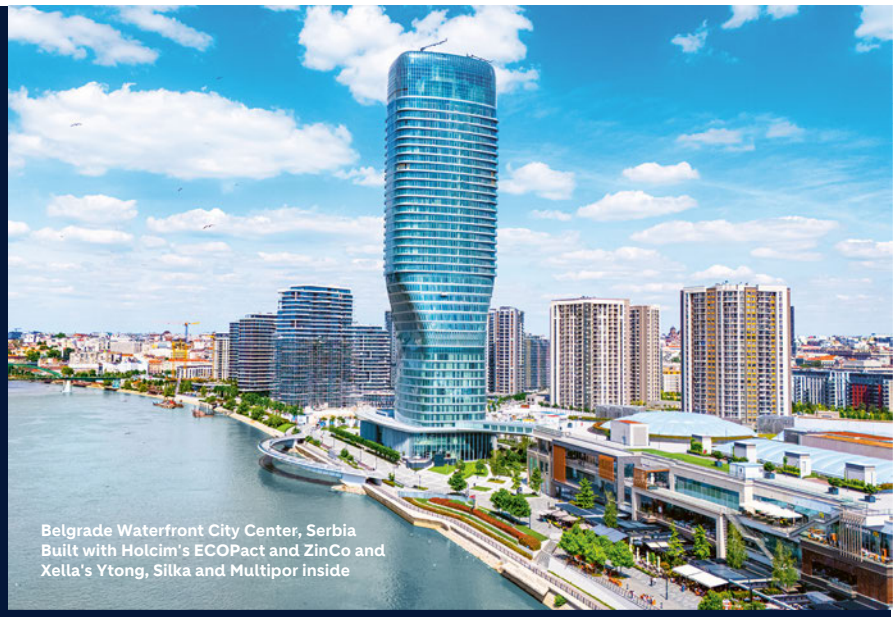
XELLA KEY FACTS & FIGURES

1.0 bn
projected 2026 net sales (EUR)

>4 000
employees, incl. 200 specification salespeople

50+
production facilities in 21 countries across Europe

6.9x
implied 2026 EBITDA multiple[1]



Belgrade Waterfront City Center, Serbia
Built with Holcim's ECOPact and ZinCo and Xella's Ytong, Silka and Multipor inside

COMPLEMENTARY PORTFOLIO

Sustainable, energy-efficient solutions with premium brands. Cross-selling and systems-selling opportunities

ATTRACTIVE GROWTH PLATFORM

EUR 12 bn walling market, with >5% CAGR until 2030

VALUE-ACCRETIVE ACQUISITION

Anticipated EPS and free cash flow accretive in year one and ROIC accretive in year three

Closing is expected in H2 2026, subject to customary conditions and regulatory approval.
[1] Proforma based on enterprise value, including synergies.

MAJORITY STAKE IN CEMENTOS PACASMAYO TO STRENGTHEN LATIN AMERICAN PRESENCE

Holcim has signed an agreement to acquire the majority stake in Cementos Pacasmayo, a leading building materials producer in Peru, to strengthen its presence in Latin America. Closing is expected in H1 2026.

CEMENTOS PACASMAYO KEY FACTS & FIGURES

0.6 bn
reported 2025 net sales (USD)

>2 000
employees



3
cement plants and 28 ready-mix and precast concrete plants

7.1x
implied 2025 EBITDA multiple[1]

STRENGTHENING BUILDING MATERIALS

Growing our business in the highly profitable region of Latin America

EXPANDING BUILDING SOLUTIONS

Reinforcing our ready-mix concrete, precast and mortars offering in Latin America

VALUE-ACCRETIVE ACQUISITION

Anticipated EPS and free cash flow accretive in year one and ROIC accretive in year three

Closing is expected in H1 2026, subject to customary conditions and regulatory approval.
[1] Proforma based on enterprise value, including synergies.

REGIONAL PERFORMANCE: EUROPE

		2025	2024[2]	±%	±% Growth in local currency[3]	±% Organic growth
Net sales to external customers	Million CHF	8 548	8 794	-2.8%	-1.1%	-2.4%
Recurring EBITDA[1]	Million CHF	2 102	2 042	+2.9%	+4.6%	+4.1%
Recurring EBITDA margin[1]	%	+24.4%	+23.0%	+140bps		
Recurring EBIT	Million CHF	1 467	1 387	+5.7%	+7.4%	+7.4%
Recurring EBIT margin	%	+17.0%	+15.6%	+140bps		

[1] Before leases. [2] Comparative information restated for new management structure. In addition, Azerbaijan, previously included under Europe, is now reported under the geographical region 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. [3] Excluding large M&A.

Sustainability drives profitable growth

Europe delivered strong earnings growth and margin expansion in 2025, with net sales of CHF 8.5 billion, recurring EBIT of CHF 1.5 billion, and a recurring EBIT margin of 17.0%, up 140 basis points compared to 2024.

The region achieved a significant reduction of Scope 1 emissions to 440 kg of net CO_2 equivalent per ton of cementitious materials in 2025. This was due to better formulations and energy mix, with a higher thermal substitution rate from the increased use of alternative fuels, driving cost savings.

There was increased demand for our sustainable offering, as well as an acceleration in decarbonization and circular construction.

We achieved this strong performance despite challenging market conditions and softer residential demand, particularly in the first half of the year. In the second half, signs of recovery emerged, with a significant increase in the number of building permits issued in several countries. The softer demand was partially offset by strong activity in the energy-efficient repair and refurbishment market. The positive momentum is set to continue, given France's target to build two million residential homes by 2030.

Public investment in infrastructure will drive demand, supported by European Union and national funding programs. Germany's landmark EUR 500 billion fund for infrastructure and climate neutrality will increase annual cement demand by around 1.5 million tons from late 2026. France and Spain will use a combined EUR 46.6 billion in national and EU funds to prioritize sustainable mobility and the energy transition, while the UK is dedicating GBP 21.7 billion to carbon capture and energy.

Growth-focused capital allocation

Holcim closed 14 acquisitions in Europe in 2025. Building Materials was strengthened with nine acquisitions: A&S Recycling in Germany, Atlantic Terres Solutions and SA.RE.MER in France, Klokotnitsa IM EOOD and Zhablyano AD in Bulgaria, Thames Materials Ltd and T&J Thory Holdings Ltd in the UK, Tribex in Serbia, and an acquisition to expand Holcim's commercial network in Spain.

Building Solutions expanded with five acquisitions: Algimouss, Alkern Group, and Société des Bétons de la Vallée de Seine in France, CPC AG in Germany, and an insulation solutions business in Poland.

In October, Holcim signed an agreement to acquire Xella, a European leader in innovative and sustainable walling systems, with closing subject to customary conditions and regulatory approval.

Organic investments to accelerate decarbonization include EUR 80 million for our GO4ZERO carbon capture project in Obourg, Belgium, with phase 1 to install a next generation air-oxyfuel switchable kiln well underway. We also invested in a state-of-the-art cement terminal in Tilbury, UK, which will enable us to produce circular ECOPlanet cement with ECOCycle inside from 2026.

Holcim made progress on the building of our calcined clay production line in Cížkovice, Czech Republic. Scheduled for completion in 2026, this will help us meet rising customer demand for low-carbon cement.

In 2025, Holcim was awarded an EU Innovation Fund grant for its carbon capture and storage project in Campulung, Romania. This brings our total number of large-scale EU-supported projects to eight, the largest number of EU-backed projects in the industry.

"We are focusing on investing in the most attractive markets, from organic investments that accelerate decarbonization to acquisitions that expand our high-value Building Solutions."

DRAGAN MAKSIMOVIC
Region Head West Europe

"Sustainability is driving profitable growth. Margin expansion was driven by strong demand for our sustainable and circular offering – combined with increased customer value and cost excellence."

SIMON KRONENBERG
Region Head Central and East Europe

Scaling our offering powered by premium brands

We pioneered the world's first circular cement, Susteno, in Switzerland in 2018. In 2025, we went further, launching an ECOPlanet cement using our ECOCycle technology with 20% recycled materials - delivering at least 28% lower carbon footprint than the market standard.

We continued to scale ECOCycle, our circular technology, across the region, with the number of circular construction hubs growing strongly to 104.

Europe growth pipeline

We supplied many large-scale infrastructure, industry, and building projects in 2025 that will continue in the coming years. These include Europe's largest urban regeneration project, The Ellinikon project in Athens, Greece, covering 6 million square meters.

In the UK, Holcim is a key partner in the construction of the Sizewell C nuclear power station. In France, Holcim is supplying low-carbon products for the Toulouse Metro, the Lyon-Turin tunnel, the EPR nuclear reactor, and the Grand Paris Express.

In Switzerland, Holcim is using electrical vehicles to deliver all of the cement it is supplying for the second Gotthard Tunnel, a vital Alpine north-south link. We are also supplying ECOCycle for the A4 new Axenstrasse infrastructure project.

Advancing digitalization and AI

To advance on commercial and industrial excellence in our operations in Europe, we continued scaling up artificial intelligence (AI) ordering agents, as well as our AI-driven M-Predict tool for predictive maintenance and safety systems during 2025. We also launched HOLCIM+, an AI-enabled digital platform that makes it easy for customers to manage orders, deliveries, and projects transparently and efficiently.



The Santa Giulia Arena in Milan, Italy
Built with ECOPact inside

REGIONAL PERFORMANCE: LATIN AMERICA

		2025	2024[2]	±%	±% Growth in local currency[3]	±% Organic growth
Net sales to external customers	Million CHF	3 092	3 138	-1.5%	+10.5%	+4.9%
Recurring EBITDA[1]	Million CHF	1 131	1 235	-8.5%	+2.5%	+1.2%
Recurring EBITDA margin[1]	%	+36.3%	+39.2%	-290bps		
Recurring EBIT	Million CHF	953	1 065	-10.5%	-0.2%	-0.5%
Recurring EBIT margin	%	+30.6%	+33.8%	-320bps		

[1] Before leases.
[2] Comparative information restated for new management structure.
[3] Excluding large M&A.

Strong performance across the region

Latin America (LATAM) delivered 10.5% net sales growth in local currency[3]. Recurring EBIT was flat in local currency[3] year-over-year at CHF 953 million, with a recurring EBIT margin of 30.6%.

Holcim has a strong growth pipeline across LATAM, with accelerating demand for housing - to address the housing gap of 26 million units - as well as for infrastructure and industry, supported by public and private investments.

To meet this growing demand, we grew ECOPlanet to account for around 60% of cement net sales, while ECOPact reached around 20% of ready-mix concrete net sales. Disensa, the region's largest construction materials retail franchise, is our best-in-class route to market, and it continued to grow strongly, adding 460 stores to reach a total of 2 365.

Sustainability is driving profitable growth in LATAM. In 2025, improved formulations and energy mix - with a higher share of alternative fuels and optimization of our clinker-to-cement ratio - resulted in better operational and cost efficiency.

Growth-focused capital allocation

We expanded our portfolio and footprint with four value-accretive acquisitions in Building Solutions. For ready-mix concrete, Holcim acquired AMCO in Costa Rica, Comosa y Copce in Mexico, and Horcrisa in Argentina. For building systems, it acquired Compañía Minera Luren SA in Peru.

In December, Holcim signed an agreement to acquire the majority stake in Cementos Pacasmayo, a leading producer of building materials in Peru, with closing subject to customary conditions and regulatory approval.

We also made focused investments to generate organic growth. In Mexico, we inaugurated the country's first 100% electric powered ready-mix concrete plant, as well as 27 new silos for sustainable cement logistics. Holcim opened three new ready-mix concrete plants in Ecuador, expanding our footprint in the country's largest cities, Quito and Guayaquil. The final testing phase of a second mill at Holcim's cement plant in Guatemala began in December 2025.

Latin America growth pipeline

Mexico's government is investing in large-scale social housing programs, roads and rail, while there are significant private investments in retail, data centers, nearshoring-driven manufacturing, and industrial real estate.

Argentina's economy is set to grow, according to the World Bank and the IMF. Construction will benefit from significant demand for new infrastructure, as well as housing to tackle the nation's large-scale shortage.

El Salvador's construction boom is continuing, with the government prioritizing a major plan to strengthen public infrastructure and encourage private construction. Projects in the pipeline include high-rise buildings, highways, and bridges.

"We delivered strong net sales growth with our best-in-class route to the market, operational efficiency and extensive footprint. We are ideally positioned to meet housing and infrastructure demand."

OLIVER OSSWALD
Region Head Latin America

Cutting-edge customer innovation

In 2025, we strengthened our collaboration with the government, academia, and industry in Mexico to accelerate sustainable construction nationwide. This coincided with the 30th anniversary of our Centro de Innovación Tecnológica para la Construcción (CiTeC).

With renovated building facades and showrooms, CiTeC is one of Latin America's most advanced materials research centers and showcases Holcim's status at the cutting-edge of customer-centric innovation.

Advancing digitalization and AI

To optimize operations for the region as a whole, Holcim inaugurated an M-Predict control tower at the Ramos Arizpe plant in Mexico. This monitors critical equipment health in real time. In Colombia, we rolled out a logistics management system, while a new automation tool will optimize operational sourcing and supplier portfolio expansion across LATAM.



CiTeC in Toluca, State of Mexico, Mexico
Leading R&D center supported by Holcim Innovation Center

REGIONAL PERFORMANCE: ASIA, MIDDLE EAST & AFRICA

		2025	2024[2]	±%	±% Growth in local currency[3]	±% Organic growth
Net sales to external customers	Million CHF	3 623	3 950	-8.3%	+2.2%	+10.0%
Recurring EBITDA[1]	Million CHF	1 174	1 196	-1.8%	+10.6%	+16.8%
Recurring EBITDA margin[1]	%	+30.9%	+28.8%	+210bps		
Recurring EBIT	Million CHF	935	929	+0.7%	+14.1%	+20.5%
Recurring EBIT margin	%	+24.6%	+22.4%	+220bps		

[1] Before leases.
[2] Comparative information restated for new management structure. In addition Azerbaijan, previously reflected under Europe, is now reported under the geographical region 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.
[3] Excluding large M&A.

Excellent performance led by North Africa

Asia, Middle East & Africa (AMEA) reported net sales growth of 2.2% in local currency[3]. The region delivered an overproportional increase in recurring EBIT of 14.1% in local currency[3] to CHF 935 million. This drove a 220 basis point increase in the recurring EBIT margin to 24.6%.

Government and residential spending supported strong growth in North Africa, while Australia demonstrated very resilient performance, and is showing signs of a positive outlook for 2026.

Our premium low-carbon ready-mix concrete ECOPact increased its share of ready-mix net sales from 24% to 30%, while ECOPlanet saw its share of cement net sales increase from 12% to 17%.

We completed multiple sustainability and productivity initiatives in the region during 2025, including installations for waste heat recovery and solar energy, and scaling up circular construction.

Growth-focused capital allocation

Holcim is reshaping its portfolio to focus on the most attractive markets in AMEA. Our joint venture, Cement Australia, completed the acquisition of the Buckeridge Group of Companies' (BGC) cementitious division, providing synergies with Holcim Australia's ready-mix concrete plants as well as for aggregates sales.

We divested our businesses in Nigeria, Jordan, and Karbala Cement Manufacturing Ltd in Iraq. The divestment of Holcim's Lebanon business (including Cyprus) closed in January 2026.

As sustainability drives profitable growth, we expanded use of calcined clay in 12 cement kilns across AMEA, and launched projects to produce lower-carbon cement via separate grinding of clinker and supplementary cementitious materials in 16 plants. Holcim has separate grinding projects in Settat, Morocco, and M'Sila, Algeria - both of which are scheduled to be operational in 2026.

In Australia, we upgraded our state-of-the-art Sydney precast plant in Blacktown to meet anticipated customer demand for the Brisbane 2032 Olympic and Paralympic Games.

Other projects in the region include the construction of a second dry mortar line with 75 000 ton capacity in Bazian, Iraq, and 100 000 ton capacity in Oggaz, Algeria, as well as the expansion of our aggregates business in Bangladesh. We also invested organically in Egypt to support debottlenecking and future strategic volume expansion.

AMEA growth pipeline

In Australia, Holcim's leading precast concrete solutions business, Humes, has secured significant contracts, including the "Rocky Ring Road" and tunnel works in South Australia, while the North East Link project around Melbourne, Victoria, continues to drive major volumes.

Momentum remains strong in North Africa, with pipeline projects for the New Administrative Capital and other strategic government projects in Egypt, as well as housing assistance programs and large-scale industry and infrastructure projects in Morocco.

"Our superior performance was driven by our footprint of state-of-the-art assets and operational efficiency. We are in an excellent position to meet the demand for large-scale infrastructure."

MARTIN KRIEGNER
Region Head Asia, Middle East & Africa

We are supplying several large-scale projects in the UAE market, including: Dubai metro's new RTA Blue Line, the Pan-Gulf rail project, the expansion of Al Maktoum Airport, Dubai Square, and Palm Jebel Ali. Qatar has won the contract for the Apartment and Community Buildings at Fox Hills, while in China, Holcim will supply the Chuan-Wen Highway project for the next four years.

AI and digitalization

Holcim's M-Predict AI tool for predictive maintenance is driving efficiencies across the region. In Australia and New Zealand, we are trialing an e-vehicle fleet with electric forklifts and electric front-end loaders.



The Grand Egyptian Museum in Giza, Egypt
Built with ECOPact, Artevia, and Agilia inside

SUSTAINABILITY DRIVING PROFITABLE GROWTH



Lakeside Offices building in Warsaw, Poland
Built with ECOPact and ECOCycle inside

SUSTAINABILITY DRIVING PROFITABLE GROWTH

Our sustainability plan is built on four focus areas, each designed to strengthen our position as the leading partner for sustainable construction and deliver profitable growth.



The Ellinikon in Athens, Greece
Built with ECOPact, ECOPlanet, DYNAMax, and ZinCo inside

SCALING OUR SUSTAINABLE OFFERING



Recygénie in Paris, France
Built with ECOCycle inside

ADVANCING CIRCULAR CONSTRUCTION



Holcim Innovation Center in Lyon, France

INNOVATION ACCELERATING DECARBONIZATION



Jubilee Park, Canary Wharf in London, UK
Built with ZinCo inside

BUILDING A NATURE-POSITIVE FUTURE

SCALING OUR SUSTAINABLE OFFERING TO MEET CUSTOMER DEMAND

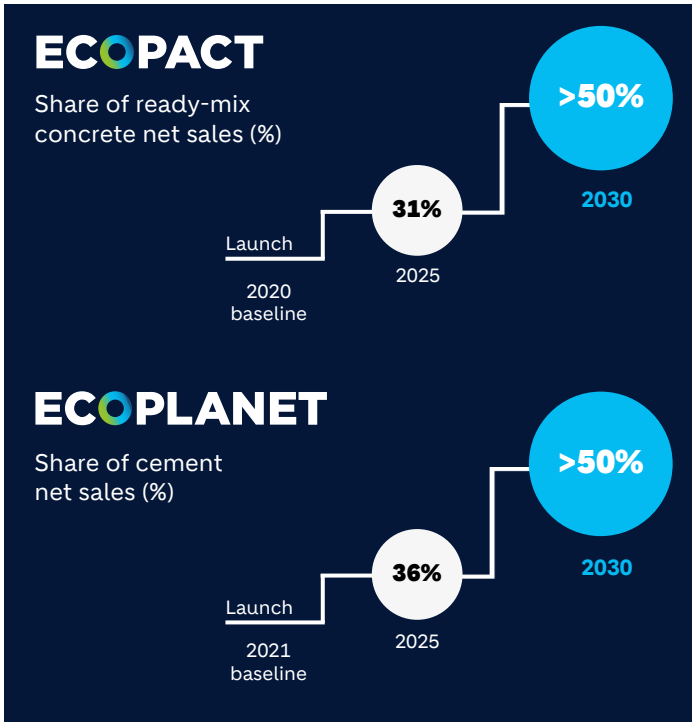
We are scaling our sustainable offering, including ECOPact and ECOPlanet, to meet our customers' most ambitious goals.



The Ellinikon in Athens, Greece
Built with ECOPact, ECOPlanet, DYNAMax, and ZinCo inside

HOW HOLCIM IS SCALING ITS SUSTAINABLE OFFERING

1	Offering a unique product portfolio, powered by premium brands that are circular, low-carbon, resilient, energy-efficient, and smart
2	Tailoring the offering to customer demand and expanding cross-selling and systems selling opportunities
3	Capitalizing on our position as the leading partner for sustainable construction to meet rising demand, benefit from powerful megatrends, and capture mega infrastructure, industry, and housing projects
4	Reducing embodied carbon emissions with ECOPact and ECOPlanet by at least 30% compared to standard concrete and cement, with no compromise on quality or performance



Note: ECOPact and ECOPlanet offer 30% lower CO_2 emissions compared to ordinary (CEM I/OPC) concrete and cement.

Find out more in the 2025 Sustainability Statement

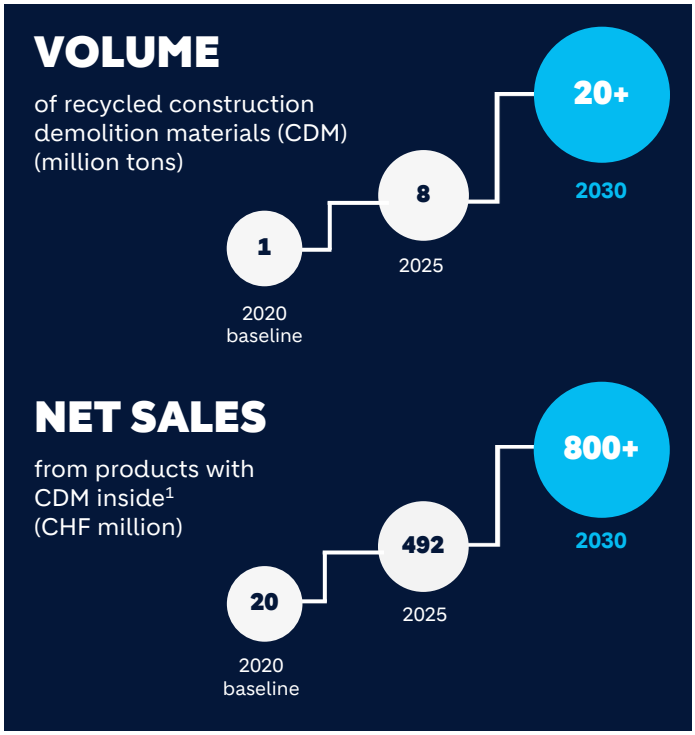
ADVANCING CIRCULAR CONSTRUCTION FOR PROFITABLE GROWTH

We are best positioned to scale circular construction and build cities from cities, leveraging our ECOCycle technology as well as recycling and advanced technologies.


Recygénie in Paris, France
Built with ECOCycle inside

HOW HOLCIM IS ADVANCING CIRCULAR CONSTRUCTION

1	Expanding our footprint via an extensive network of over 100 local circular construction hubs by 2030 in major metropolitan areas, growing footprint organically and through M&A
2	Advocating for the evolution of building norms and standards to increase permitted recycled content, pushing for stricter landfill regulations
3	Scaling ECOCycle technology, producing a range of building materials and solutions that carry this label, with no compromise in terms of quality or performance
4	Innovating using advanced technologies to produce high-value construction demolition materials (CDM) as well as implementing digitalization and AI in our operations



Note: All 2020 baselines have been restated for material changes in scope.
[1] Defined as products and solutions with ECOCycle inside containing at least 10% construction demolition materials.

Find out more in the 2025 Sustainability Statement

INNOVATION ACCELERATING DECARBONIZATION

Our strong team of over 300 researchers at seven R&D hubs across 43 markets is innovating to accelerate decarbonization, focusing on formulations, energy mix, and advanced technologies.



Holcim Innovation Center in Lyon, France

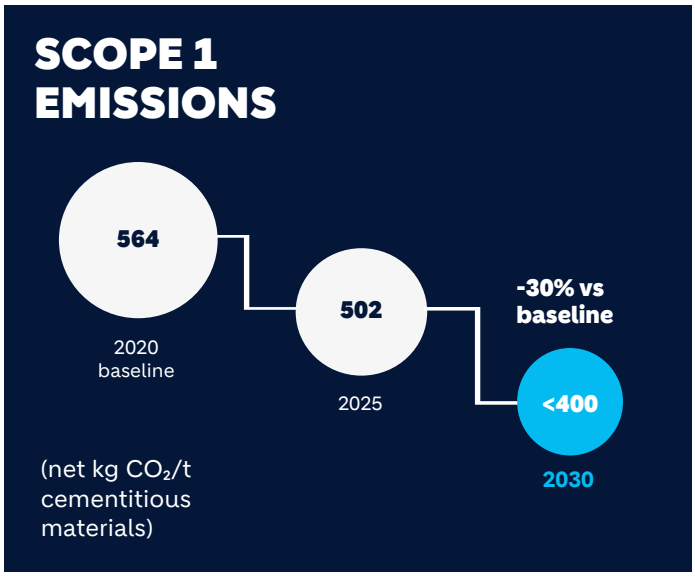
HOW HOLCIM IS LEVERAGING INNOVATION TO DECARBONIZE

1 FORMULATIONS
Developing innovative cement and concrete mixtures with lower clinker content and increasing use of alternative raw materials and binders

2 ENERGY
Increasing use of alternative fuels through Geocycle, investing in renewable energy sources, and improving energy efficiency in our operations

3 ADVANCED TECHNOLOGIES
Pioneering and scaling advanced technologies, with a focus on carbon capture, utilization, and storage (CCUS)

4 INDUSTRY-SHAPING ROADMAP
Reducing our Scope 1 emissions to meet our ambitious 2030 target of less than 400 kg of net CO_2 per ton of cementitious materials



Note: 2020 baseline has been restated for material changes in scope.

Find out more in the 2025 Sustainability Statement

BUILDING A NATURE-POSITIVE FUTURE

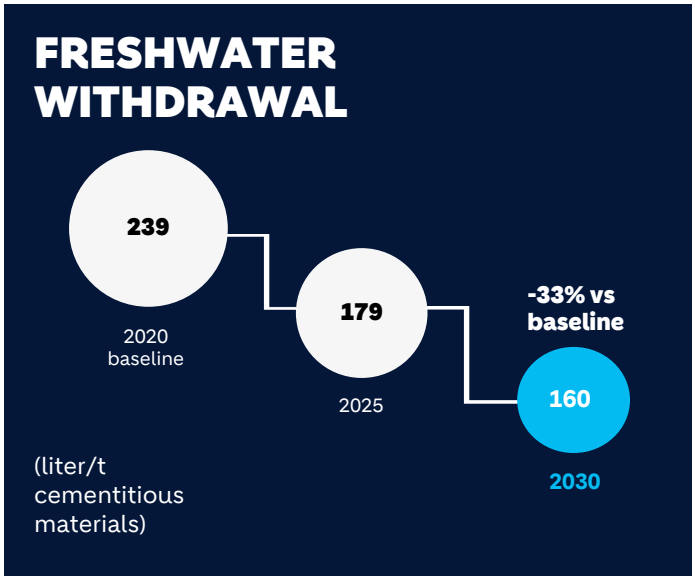
Holcim is bringing nature into cities and reducing freshwater withdrawals in our operations alongside setting ambitious science-based targets.



Jubilee Park, Canary Wharf in London, UK
Built with ZinCo inside

HOW HOLCIM IS BUILDING A NATURE-POSITIVE FUTURE

1. **Water:** Setting ambitious science-based freshwater reduction targets in our operations
2. **Biodiversity:** Leveraging data science and technology to identify and bring transformative rehabilitation
3. **Nature-positive solutions:** Offering a wide range of solutions that bring nature into cities; extending our nature agenda to suppliers through development programs and actions
4. **Partnerships:** Accelerating the shift to a nature-positive future, we partner with leading NGOs, coalitions, and other actors in the built environment value chain



Note: 2020 baseline has been restated for material changes in scope.

Find out more in the 2025 Sustainability Statement

EXPANDING HIGH-VALUE BUILDING SOLUTIONS



Bishopsgate in London, UK
Built with Ductal inside

STRENGTHENING OUR LEADERSHIP IN BUILDING MATERIALS

With Building Materials and Building Solutions, Holcim is uniquely positioned to provide end-to-end integrated solutions to meet customer demand across the built environment.



ECOPLANET

Leading low-carbon cement brand for sustainable construction in 31 markets

Delivering 100% performance with at least 30% lower CO_2 emissions compared to ordinary (CEM I/OPC) cement

Advancing formulations and increasing the use of alternative raw materials such as calcined clay and recycled construction demolition materials can reduce the CO_2 footprint of buildings by up to 50%

Enable green building certifications like LEED and BREEAM, with Holcim proactively verifying these solutions with EPDs in key regions



ECOCYCLE

Leading circular technology designed to accelerate circular change, building cities from cities and closing the loop in construction by recycling construction demolition materials into new building solutions

Cutting across applications from filler for road construction and replacing primary natural aggregates in concrete, to serving as a decarbonized formulation in cement

Guaranteeing quality without compromising on performance with ECOCycle labeled products

Reducing the use of primary materials and environmental impacts



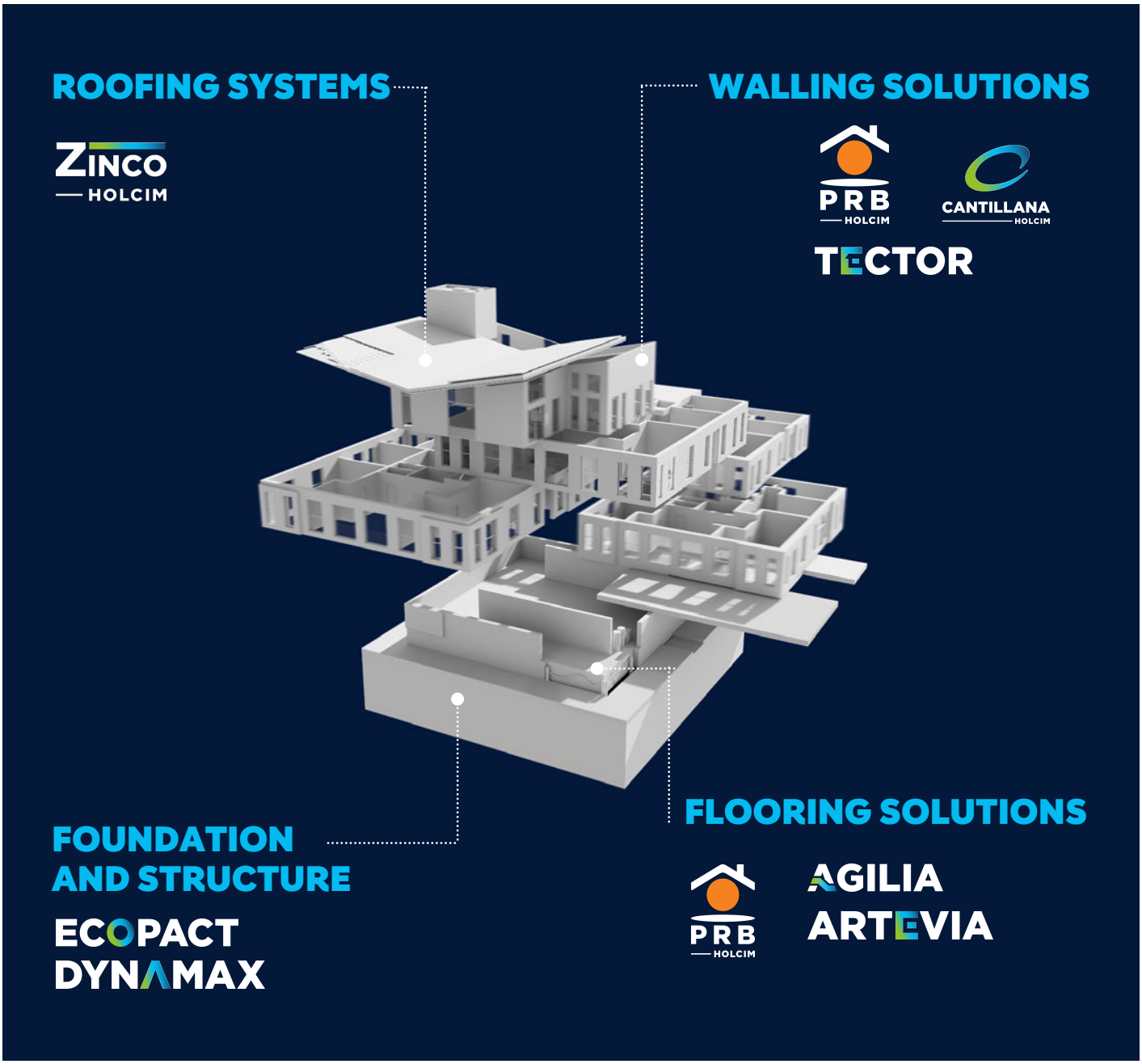
AGGNEO

Comprehensive offering of aggregates made from crushed stone, gravel, and sand that are used as raw materials for concrete, masonry and asphalt, as well as base materials for roads, landfills, and buildings

Contributing to the circular economy by using recycled aggregates made from construction demolition materials, replacing the need for quarry extraction and the use of primary natural aggregates

EXPANDING HIGH-VALUE BUILDING SOLUTIONS

Expanding high-value Building Solutions is one of our NextGen Growth 2030 strategic drivers. We offer energy-efficient building systems, from foundation and flooring to walling and roofing.



EXAMPLES OF BUILDING SOLUTIONS

ROOFING SYSTEMS



FLOWERING MEADOW ROOF

At Villamartín de Campos in Spain, the family-run company Farming Agrícola is located in a stunning office building with around 1 000 m² of blossoming roofscape.

ZinCo solutions catered to the needs of the three roof sections: flat roof, pitched roof and steep pitched roof. This provided a stable roof with erosion prevention and created a Mediterranean-like flowering meadow that fits the dry and hot Spanish climate.

WALLING SOLUTIONS



3D-PRINTED WAREHOUSE

Europe's first 3D-printed warehouse near Burgos, Spain was enabled using TectorPrint concrete ink.

The 252 m² building was printed by Be More 3D for sustainable building developer Eco Social Lerma in just 10 days, a time saving of 30% compared to traditional construction methods.

3D printing also unlocks design freedom, mass customization, and material efficiency – reducing material use by up to 50%.

FOUNDATION AND STRUCTURE



SUSTAINABLE SCHOOL BUILDING

Using sustainable Building Solutions to ensure energy efficiency, Brügelmannstrasse High School in Cologne, Germany, sets new standards for educational buildings and meets the city's need for more school capacity.

Holcim's ECOPact and ECOCycle reduced embodied carbon during construction, incorporating recycled construction demolition materials (CDM) into the concrete to make it circular.

FLOORING SOLUTIONS



ICONIC ART MUSEUM

The 24 000 m² Louvre Abu Dhabi is a spectacular art museum located on Saadiyat Island, UAE, and is the largest building of its kind on the Arabian Peninsula.

The structure is connected by a series of long walkways built using our Artevia decorative ready-mix concrete, which is both esthetic and durable – creating a natural, rugged appearance.

INTEGRATED END-TO-END SOLUTIONS

By leveraging specification selling, we engage with customers at the early stage of new projects, providing end-to-end solutions to meet their most ambitious sustainable construction goals.



THE ELLINIKON IN ATHENS, GREECE

As the leading partner for sustainable construction, Holcim delivered Building Solutions for the majority of the structures in phase one of The Ellinikon, Europe's largest urban regeneration project. Through our strategic, early involvement, we fostered specification selling for differentiated and customized high-value solutions, from structure to roofing.

- Built with Holcim's premium Building Materials and Building Solutions, including ECOPact, ECOPlanet, DYNAMax, and ZinCo.
- Contributed to The Ellinikon's structures attaining LEED Gold pre-certification through our customized low-carbon and sustainable product mixes and ZinCo roofing systems.
- Set new standards in sustainable operations by building the world's first onsite ready-mix concrete plant with Environmental Product Declaration (EPD) certification.

Find out more on the website

PERFORMANCE CULTURE AND VALUE CREATION



The Santa Giulia Olympic Arena in Milan, Italy
Built with ECOPact inside

EMPOWERED LEADERSHIP

Our decentralized organization led by empowered leaders enables us to adapt swiftly to market opportunities and changing dynamics.



LED BY

428
empowered
P&L leaders

BACKED BY

>45 000
engaged
employees

UNITED BY

HOLCIM SPIRIT PURPOSE PEOPLE PERFORMANCE
growth starts with us

Find out more in the 2025 Sustainability Statement

HOLCIM SPIRIT DELIVERING VALUE

Our strong 2025 results are a testament to how the Holcim Spirit of Purpose, People and Performance is driving our over 45 000 employees to deliver value.

Purpose

Our purpose is to build progress for people and the planet. Executing on our NextGen Growth 2030 strategy, we leveraged innovation and our sustainable offering to drive profitable growth in 2025.

We scaled up our sustainable offering, including ECOPact, ECOPlanet, and ECOCycle, to meet customer demand. ECOPlanet grew to account for 36% of cement net sales, and ECOPact 31% of ready-mix concrete net sales for the full year.

People

We continued to create the best workplace, where talent is nurtured, employees are engaged, and health and safety is our top priority.

We were named a Global Top Employer for 2025 by the Top Employers Institute, and saw record participation in our Holcim Spirit Engagement Survey, demonstrating the strong commitment and engagement of our workforce.

Performance

Holcim's deeply embedded culture of performance and value creation resulted in our strong financial and sustainability performance in 2025.

We delivered a strong 2025 performance by supporting customers in meeting their ambitious goals. This is a testament to how our lean, decentralized, and agile organization can swiftly adapt to market opportunities, while deploying strict cost control and a performance mindset.

Holcim Spirit Award

Since its introduction in 2024, the Holcim Spirit has been embedded across the company, strengthening the alignment between our culture, strategy, and business goals. In 2025, we inaugurated the Holcim Spirit Award to celebrate how our teams are delivering superior performance and living the Holcim Spirit. Holcim Poland was celebrated as the overall winner for being a frontrunner in sustainability and financial performance.

top EMPLOYER Global 2025 FOR A BETTER WORLD OF WORK



2025 PEOPLE HIGHLIGHTS

94%
participation in the Holcim Spirit Engagement Survey

82%
engagement score for the Holcim Spirit Engagement Survey

>6 400
enrollments at the Holcim Sustainable Construction Academy since its launch

26
average hours of training per employee, including Holcim University

8%
improvement in the LTIFR[1], with 99% sites and 60% countries with zero lost-time injuries

HEALTH AND SAFETY IS OUR TOP PRIORITY

[1] LTIFR is short for lost-time injury frequency rate.

Find out more in the 2025 Sustainability Statement

CREATING VALUE THROUGH CUSTOMER-CENTRIC INNOVATION

At Holcim, customer-centric innovation is accelerating decarbonization and driving value creation and sustainable, profitable growth.

Our customer-centric innovation drives value creation. Through R&D, we are expanding our offering to capture customer demand and grow our addressable market.

Our innovation engine is powered by the Holcim Innovation Centers in Switzerland and in Lyon, France. Our experts span all building fields, from engineering and material science through to AI and life-cycle analysis, and harness patents from 309 patent families.

They work on both building materials and building solutions, leveraging synergies to develop integrated end-to-end solutions. To scale innovations, 300 Holcim researchers in seven R&D hubs work closely with local teams across 43 markets. They launched 683 new products worldwide in 2025.

In 2025, the Holcim Innovation Hub hosted 1 440 visitors from 15 countries, representing the entire building value chain, 45% of whom were customers.

ACCELERATING INNOVATION

683
new products launched in 2025

309
patent families

7
R&D hubs[1]

300
researchers

[1] Includes an R&D hub from a joint venture.



NEW BIOCHAR TECHNOLOGY PREMIERED AT THE VENICE BIENNALE

At the 2025 Architecture Biennale, Holcim and ELEMENTAL premiered a new biochar[1] technology that transforms buildings into carbon sinks. Partnering with Pritzker Prize-winning architect Alejandro Aravena, the technology was applied for the first time in a full-scale Basic Services Unit housing prototype.

- Built with Holcim's innovative net-zero[2] biochar concrete mix, incorporating circular technology through the use of 100% recycled aggregates.
- Represents a game-changing solution to address the housing gap at speed and scale, while doing so sustainably.
- Prevents the release of up to three kilograms of CO_2 for every one kilogram of biochar produced.

[1] Biochar concrete is produced using pyrolysis to chemically decompose organic materials using heat in the absence of oxygen to transform organic waste into a charcoal-like material, thereby permanently sequestering carbon that would otherwise have been released as CO_2.
[2] Scope of concrete production phases (A1-A3 cradle to gate) in life cycle assessment. Assumes average transportation distance of 300km for cement and filler and 100km for aggregates.

Find out more in the 2025 Sustainability Statement

CREATING VALUE THROUGH ARTIFICIAL INTELLIGENCE

We are unlocking the potential of artificial intelligence (AI) to improve performance, drive customer-centric services, grow net sales, and advance sustainability.

FOUR FOCUS AI AREAS



MANUFACTURING

Predictive operations for next-level efficiency



LOGISTICS

Supply chain accuracy to enhance sustainability



COMMERCIAL

Always-on experience to best serve customers



ADMINISTRATION

Execution power for our people

EXAMPLES OF HOLCIM AI TOOLS

HOLCIM+

An intuitive **customer platform** to manage orders and deliveries, enabling real-time tracking of projects to increase efficiency

HOLCIM FORESIGHT

AI-based forecasting to **predict sales** by optimizing the balance between demand and supply and maximizing resource utilization

M-PREDICT

Used for **predictive maintenance**, leveraging sensor and AI technology to predict critical equipment failure to reduce production outages

BOOTS ON THE GROUND

The first **safety incident prediction** model in the world that can detect sites with high probability of a critical incident and trigger early intervention

AI GOVERNANCE

Holcim has an AI Directive, AI Solutions Inventory, and AI Governance Council to ensure that AI is used lawfully, responsibly and effectively across our operations, mitigating risks and promoting ethical implementation.

This holistic approach, reinforced by training for employees, underscores Holcim's vision of a future where digital and AI are deeply embedded in every aspect of our business.

CREATING VALUE THROUGH PARTNERSHIPS WITH STARTUPS

We partner with leading startups through Holcim MAQER Ventures, our corporate venture capital and open innovation unit.

Throughout the year, Holcim MAQER Ventures actively participated in key industry events, startup summits and scouting platforms to identify and co-develop high-potential technologies for the built environment.

Key focus areas for startup collaboration

- **Sustainability and circularity:** Low-carbon materials, supplementary materials, electrification (Paebbl, SaltX).
- **Efficiency and digital/AI:** Smart operations, sensing, and monitoring (Nanolike).
- **Transformation:** Optimized prefabrication, 3D concrete printing, modular construction, robotics (CPC, Gravis Robotics).

PARTNERSHIPS AND HIGHLIGHTS IN 2025

1	**Gravis Robotics:** Pilot testing of technology in the UK (Lee Moor Quarry). Minority investment completed after successful pilot, leading to an MoU with Gravis Robotics and Hyundai to adopt technology for our excavators and wheel loaders
2	**SaltX:** New investment, joint industrial projects under development to electrify cement production
3	**Paebbl:** Partnership strengthened through follow-on investment, first commercial project with Goldbeck in Germany, and successful testing of several applications with Holcim's R&D team
4	**CPC:** Full acquisition of the business on the back of successful collaboration, and following selection of the technology for the Grüze project in Winterthur, Switzerland

HOLCIM MAQER VENTURES

>350
startups assessed in 2025

16
pilot projects conducted

15
startup investments in total

2
new investments made



AUTONOMOUS EXCAVATORS FROM GRAVIS ROBOTICS

Find out more about Holcim MAQER Ventures

CREATING VALUE THROUGH THE HOLCIM FOUNDATION

Advancing sustainable construction with the Holcim Foundation.

Holcim Foundation for Sustainable Construction

For over two decades, the Holcim Foundation for Sustainable Construction has supported and connected change accelerators in the built environment.

Holcim Foundation Awards

The biennial Holcim Foundation Awards represent the world's most significant prize in sustainable design and architecture.

The Foundation announced the five regional Grand Prize winners for the 2025 Awards at a ceremony in Venice, Italy, championing groundbreaking sustainable design projects worldwide.

The five Grand Prize winners were celebrated alongside 15 other regional winners. Together they shared a prize pool of USD 1 million.

Holcim Foundation Fellowship

The Holcim Foundation supports a global community of change accelerators of all ages by creating educational opportunities that foster a systemic inquiry approach for students, educators and practitioners.

The Fellowship's objectives

- Expose Masters graduates to real-world practices, bridging the gaps between academia, the profession, and society.
- Foster the adoption of learning as a means of bridging the knowledge and execution gap.
- Empower young talents by equipping them with the skills required to succeed as catalysts for industry transformation.
- Support career development, continued learning, mentorship, and collaboration through Holcim Foundation international programs, events, and networking opportunities.



HOLCIM FOUNDATION
SUSTAINABLE CONSTRUCTION

Find out more about Holcim Foundation

CREATING VALUE FOR OUR COMMUNITIES

We are committed to upholding and promoting human rights and making a positive social impact in the communities where we operate.

Access to adequate housing

Collaborating with NGOs, Holcim helps address the global housing gap affecting 1.6 billion people. We participate in emergency relief initiatives to support communities' reconstruction efforts after natural disasters. In 2025, we launched a global partnership with Build Change to advance resilient housing, starting with a project in Guatemala.

Education and skills building

Holcim fosters innovation and sustainability by engaging young people in creative, hands-on initiatives. For example, in Morocco, the Construction Hackathon brings together students and young professionals to co-create sustainable construction solutions, encouraging innovation and building future skills.

Training masons in Azerbaijan

First launched by Holcim in 2024, the Usta Menem (I'm the MASTER) national competition in Azerbaijan upskills self-taught masons, while showcasing their expertise. In 2025, 400 masons were selected to participate from a total of 1 000 applicants. The competition teaches masons technical skills, material science and safety, as well as problem-solving skills in the areas of architectural design and construction. The competition final involved working with an innovative Holcim geobrick product.

Holcim is working with Azerbaijan's Ministry of Education to create a new curriculum for the country's masons – to help them meet demanding building standards and build with confidence.



A total of 400 masons participated in Holcim's Usta Menem national competition in Azerbaijan, showcasing their expertise

Find out more in the 2025 Sustainability Statement

CREATING VALUE FOR OUR SHAREHOLDERS

Holcim's strong recurring EBIT of CHF 2 876 million, or 18.3% of net sales, and double-digit recurring EBIT growth in local currency[1] underscore the continued strength of our business model driven by NextGen Growth 2030. Supported by free cash flow of CHF 2 154 million, we achieved a cash conversion rate of more than 50%, demonstrating our financial strength and discipline.

These results reflect the successful execution of our NextGen Growth 2030 strategy, following the spin-off of the North American business.

Our focused investment in attractive markets led to the completion of 18 acquisitions in 2025, as well as the signing of two large strategic acquisitions, reinforcing our long-term growth trajectory.

We signed an agreement to acquire Xella, a European leader in the highly attractive EUR 12 billion+ walling market, as well as an agreement to acquire the majority stake in Cementos Pacasmayo, a leading Peruvian producer of building materials, to strengthen our presence in Latin America. Both transactions are subject to customary conditions and regulatory approval.

Our strong 2025 financial performance was well received by investors, resulting in stock market outperformance: Holcim's share price increased by 74.9% to CHF 77.8 as of 31 December 2025, while the Swiss Market Index posted a gain of 14.4%.

The average trading volume amounted to approximately 1.2 million shares per day on the SIX Swiss Exchange (SIX).

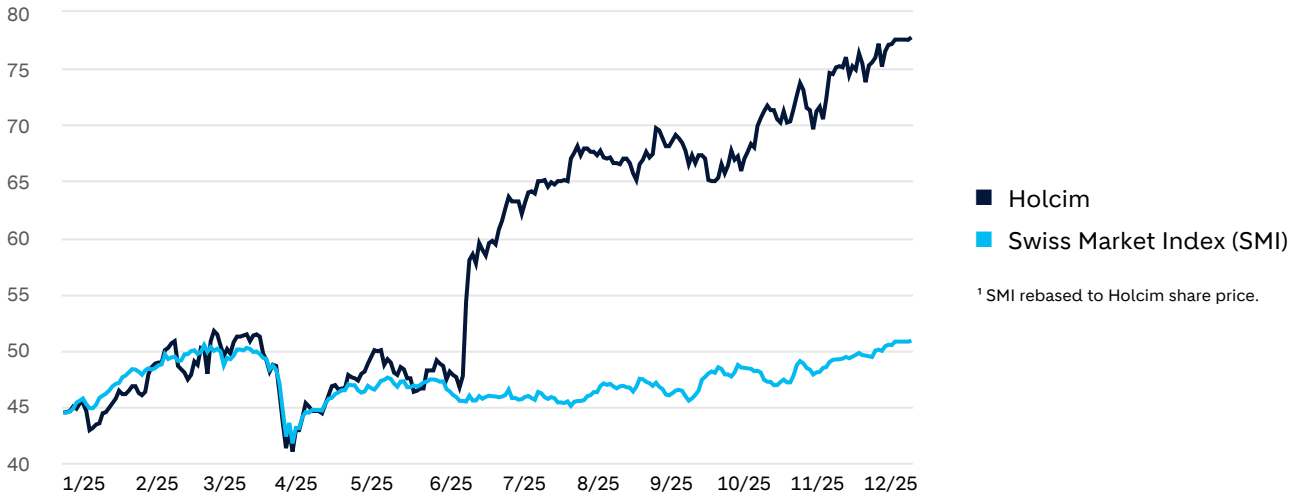
[1] Excluding large M&As.

WEIGHTING OF HOLCIM REGISTERED SHARES IN SELECTED INDICES

Index	Weighting in %
SMI, Swiss Market Index	3.02
SPI, Swiss Performance Index	2.37
SPI ESG, Swiss Performance Index ESG	2.44
SLI, Swiss Leader Index	4.27
STOXX Europe 600 Construction	9.62
STOXX Europe Large 200	0.43
STOXX Europe 600	0.36
STOXX Global 1800	0.06
FTSE4Good Europe Index	0.41

Sources: SIX, STOXX, FTSE as of year-end 2025.

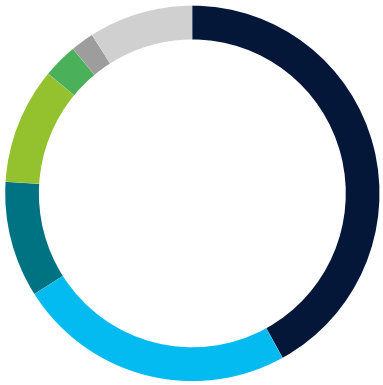
PERFORMANCE OF HOLCIM SHARES VERSUS THE SWISS MARKET IN 2025[1] INDEX (SMI)
(CHF) in 2025



[1] SMI rebased to Holcim share price.

A WELL-BALANCED SHAREHOLDER BASE

SHAREHOLDERS BY GEOGRAPHY[1]



Switzerland	42%
North America	24%
Continental Europe	10%
UK and Ireland	10%
Rest of the world	3%
Company-related holders	2%
Miscellaneous[2]	9%

SHAREHOLDERS BY INVESTMENT CATEGORY[1]



Institutional investors	76%
Private investors	12%
Company-related holders	2%
Miscellaneous[2]	9%

CLOSING PRICE (CHF)
as of 31 December 2025
Annual performance: +74.9%

77.8

MARKET CAPITALIZATION (CHF)
as of 31 December 2025

44.1 bn

REBASED DIVIDEND PER SHARE[3] (CHF)

1.70

STOCK EXCHANGE LISTINGS (AS OF 31 DECEMBER 2025)

	Security	ISIN Code	Security Code Number	Ticker Symbol	Bloomberg Code	Thomson Reuters Code
SMI, Swiss Market Index	Holcim Ltd, Zurich, share	CH0012214059	1221405	HOLN	HOLN SW	HOLN.S

[1] As of 31 December 2025, in percentage of shares outstanding.
[2] Includes nominee or custodian accounts.
[3] For the 2025 financial year, the Board of Directors proposes a post spin-off rebased cash dividend of CHF 1.70 per registered share, subject to approval by the shareholders at the Annual General Meeting on 13 May 2026. The dividend will be fully paid out of the foreign capital reserves from tax capital contributions, meaning it is not subject to Swiss withholding tax.

Listings

Holcim is listed on the SIX Swiss Exchange. The Group is a member of the major equity indices on the SIX Swiss Exchange (SMI, SLI, and SPI). Holcim is also included in the ESG indices SPI ESG and SPI ESG Weighted launched in February 2021 as sustainable benchmarks for the Swiss capital market.

Free float

Free float as defined by the SIX Swiss Exchange stood at 94% at year end.

Dividend policy

Dividends are distributed annually. For the 2025 financial year, the Board of Directors is proposing a post spin-off rebased dividend payout in the amount of CHF 1.70 per registered share, subject to approval by shareholders at the Annual General Meeting. The payout, which is scheduled for 21 May 2026, is to be paid out of the foreign capital reserves from tax capital contributions, meaning that it will not be subject to Swiss withholding tax.

Significant shareholders

Information on significant shareholders can be found on page 56 of this report.

Disclosure of shareholdings

Under the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA), whosoever directly, indirectly, or acting in concert with third parties acquires or disposes of shares in a company incorporated in Switzerland whose equity securities are listed, in whole or in part, in Switzerland and thereby attains, falls below, or exceeds the threshold of 3, 5, 10, 15, 20, 25, $33^{1/3}$, 50, or $66^{2/3}$ % of the voting rights, whether or not such rights may be exercised, shall notify the company and the stock exchanges on which the equity securities in question are listed. Consequently, significant shareholdings may have varied within the relevant threshold levels since they were reported.

Registration in the share register and restrictions on voting rights

The company maintains a share register for registered shares in which the names and addresses of owners and beneficiaries are entered. According to the applicable rules and regulations, only those included in the share register are deemed shareholders or beneficial owners of the registered shares of the company. Upon request, purchasers of registered shares shall be included in the share register as shareholders with voting rights if they expressly declare that they have acquired the shares in their own name and for their own account. Exceptions to this rule apply for nominees who have signed a nominee agreement with the company regarding this position and are subject to a recognized financial markets supervisory authority. The share register is closed approximately one week prior to the date of the Annual General Meeting of shareholders (the exact date is communicated in the invitation to the Annual General Meeting).

Each Holcim share carries one voting right.

Information on Holcim registered shares

Further information on Holcim registered shares can be found at: *holcim.com/investors*

KEY DATA HOLCIM REGISTERED SHARES

Par value CHF 2.00	**2025**	2024	2023	2022	2021
Number of shares issued	566 875 513	579 124 606	579 124 606	615 929 059	615 929 059
Number of treasury shares	13 750 402	28 109 057	17 301 182	27 364 975	7 919 042

Stock market prices in CHF	**2025**[3]	2024	2023	2022	2021
High	78	93	68	53	58
Low	41	63	48	39	43
Average	59	79	58	46	51
Market capitalization (billion CHF)	44.1	50.6	38.2	29.5	28.6
Trading volumes (million shares)	307.2	294.5	357.5	456.5	458.7
Earnings per share (EPS) in CHF	0.70	5.24 2.60[4]	5.37	5.48	3.73
EPS before impairment and divestments in CHF	3.22	5.70 3.07[4]	5.42	3.66	3.98
Cash earnings per share in CHF[1]	5.66	10.16 5.59[4]	9.64	7.59	8.26
Dividend per share in CHF[2]	1.70	3.10	2.80	2.50	2.20

[1] Cash EPS calculated based on cash flow from operating activities divided by the weighted-average number of shares outstanding.
[2] For 2025, proposed by the Board of Directors to be paid out of the foreign capital reserves from tax capital contributions, not subject to Swiss withholding tax.
[3] From continuing operations for 2025 (post spin-off). The stock market prices are shown on a post spin-off basis as of 1 January 2025.
[4] Restated for discontinued operations (See Note 13.2 of the Financial Report).

CURRENT RATING

(26 February 2026)

Rating Agency	Long-term rating	Short-term rating
Fitch Ratings	BBB+, outlook stable	F1
Moody's Investors Service	Baa1, outlook stable	P-2

FINANCIAL CALENDAR

First Quarter 2026 Results 24 April 2026	Dividend payment date 21 May 2026 (ex-dividend date 18 May 2026)
Annual General Meeting 2026 13 May 2026	Last trading day with entitlement to receive the dividend 15 May 2026
Half-Year Results 2026 31 July 2026	
Third Quarter 2026 Results 23 October 2026	

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. 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*

PHOTO CREDITS

Cover: Krzysztof
Page 6: D-Keine, A26 BLM Architectes Urbanistes, © John Sturrock, in3d, Milène Servelle, ZinCo
Page 7: iStock.com/FilippoBacci
Page 14: Peter Bennetts/Fender Katsalidis Architects
Page 20: Norman Foster Foundation
Page 22: Metro Tunnel Project Office
Page 23: Hufton + Crow
Page 25: Saj Shafique
Page 28: iStock.com/Dony
Page 29: Cementos Pacasmayo
Page 31: David Chipperfield Architects
Page 35: Farida Bustani
Page 36: Adam Grzesik
Pages 37 & 41: ZinCo
Page 43: Lindner Lohsen Architekten BDA
Page 45: © Zinco Cubiertas Ecológicas, Krzysztof
Page 47: David Chipperfield Architects
Page 50: celestiastudio
Page 51: iStock.com/Akacin Phonsawat, iStock.com/gorodenkoff
Page 52: Gravis Robotics

IMPRINT

Concept/Design/Realization:
Created with Workiva platform
Linkgroup AG (*linkgroup.ch*)
Print:
Vorarlberger Verlagsanstalt GmbH (*vva.at*)
Translation:
Burton Münch & Partners World Wide Writers (*bmpwriters.com*)

MIX
Paper | Supporting responsible forestry
FSC® C118007
www.fsc.org

Print product with financial
climate contribution
ClimatePartner.com/53385-2602-1006

Holcim Ltd
Grafenauweg 10
6300 Zug
Switzerland

holcim.com

2025 SUSTAINABILITY STATEMENT



2025 Integrated Annual Reporting Suite

HOLCIM



TheCentral Bank of Iraq, Iraq
Built with Ductal inside

CONTENTS

INTRODUCTION

03 Holcim advanced significantly on sustainability in 2025
04 Chief People and Sustainability Officer highlights

THE LEADING PARTNER FOR SUSTAINABLE CONSTRUCTION

06 Sustainability is driving profitable growth
07 Four focus areas to accelerate sustainability
09 The future of sustainable construction
10 Recognition for Holcim's leadership in ESG ratings
11 Partnering to drive change
12 Contributing to Sustainable Development Goals
13 Leading the industry shift toward circular construction
16 Meeting customer goals with internationally recognized green labels
17 Greenhouse gas emissions profile
18 Setting industry-leading targets
19 Our pathways to net zero
21 Scopes 1, 2, and 3
34 Building a nature-positive future
37 Advocating for sustainability-driven policy frameworks

OUR PEOPLE

41 Our people and culture
46 Health and safety is our top priority

SUSTAINABILITY DISCLOSURES

52 Basis of preparation
61 Double materiality assessment
72 Environmental disclosures
107 EU Taxonomy
118 Social disclosures
130 Governance disclosures
134 Assurance statement

APPENDICES

140 CSRD/GRI content index
147 SASB content index
150 Swiss Code of Obligations content index
153 Glossary

INTEGRATED ANNUAL REPORTING SUITE









HOLCIM 2025 INTEGRATED ANNUAL REPORT WEBSITE

Cover image:
Wood Wharf in London, UK
Built with ECOPact and ECOCycle inside

Holcim advanced significantly on sustainability in 2025

2025 SUSTAINABILITY AT A GLANCE

31%
ECOPACT share of ready-mix concrete net sales
2024: 26% (+5 pp)

36%
ECOPLANET share of cement net sales
2024: 34% (+2 pp)

8 Mt
Construction demolition materials recycled
2024: 6.5 Mt (+23%)

502 kg
Scope 1 emissions[1]
-11% vs 2020 baseline
2024: 515 kg (-3%)

179 l
Freshwater withdrawal[2]
-25% vs 2020 baseline
2024: 191 l/t (-6%)

8
EU funding grants for CCUS projects
2024: 7 (+1)

CDP
Recognized in 2025 as a leader for
- **A** Climate
- **A** Water
- **A** Supplier engagement leaderboard

94%
Holcim Spirit survey participation rate
+4pp vs prior survey
2023: 90%

top EMPLOYER Global 2025
FOR A BETTER WORLD OF WORK
Top employer award for 2025

Note: All 2020 baselines and 2024 figures have been restated for material changes in scope.
[1] Net kg of CO_2 per ton of cementitious materials.
[2] Liter per ton of cementitious materials.

CHIEF PEOPLE AND SUSTAINABILITY OFFICER HIGHLIGHTS

I am incredibly proud of our continued progress in sustainability and our employees' engagement in our Holcim Spirit survey, while we ensured that health and safety is our top priority.

2025 was a milestone year for Holcim. How have you progressed on your NextGen Growth 2030 sustainability targets?

Driven by a clear purpose to deliver progress, with sustainability and innovation at the core of NextGen Growth 2030, we have been successfully implementing our strategy following the spin-off of the North American business.

We are accelerating the scale-up of our sustainable offering – from ECOPact and ECOPlanet to ECOCycle – across all of our markets. Demand for low-carbon and circular solutions continues to grow strongly. ECOPact now accounts for 31% of our ready-mix concrete net sales. ECOPlanet also expanded significantly to 36% of our cement net sales.

Our progress in circular construction is equally encouraging. We increased the volume of construction demolition materials integrated into our products from 6.5 million to 8.0 million tons. This was supported by organic investments to scale our capabilities and increase the number of our circular construction hubs, as well as the acquisitions of Thames Materials in the UK, Atlantic Terres Solutions in France, and A&S Recycling in Germany.

Are there any other climate actions in 2025 that you would like to highlight?

I am incredibly proud that we made further progress on sustainability and that, in February 2025, we proactively updated our SBTi-validated CO_2 targets for 2030 and 2050.

Another highlight was receiving an eighth grant from the EU Innovation Fund for our carbon capture project in Campulung, Romania. We also reached a new milestone for our carbon capture projects by breaking ground on the OLYMPUS project in Milaki, Greece, engineered to produce two million tons of near-zero cement per year.

Our achievements have been confirmed by external recognition, with our sustainability efforts earning Holcim an "A" rating for both climate and water from CDP.

Carmen Diaz
Chief People and Sustainability Officer



Holcim received the prestigious Global Top Employer certification. What would you say are the contributing factors?

Three words: Purpose, People and Performance. These are the three pillars of our Holcim Spirit, the culture that connects all of our over 45 000 employees[1].

We are creating the best workplace where talent is nurtured through programs such as those at Holcim University and Career Hub, our talent market place, diversity is celebrated, and employees are engaged, as underlined by the record 94% participation rate in our 2025 employee survey. With health and safety as our top priority, we are on the right track in minimizing workplace incidents, with our lost-time injury frequency rate (LTIFR) dropping to 0.36, and 99% of our sites reporting no lost-time injuries in 2025.

Our strong 2025 results are a clear reflection of how the Holcim Spirit is motivating us to deliver value for our people, customers, and shareholders as the leading partner for sustainable construction.

I would like to sincerely thank all our people for their dedication and commitment. They have clearly demonstrated how Purpose, People and Performance work well together to deliver strong financial and sustainability achievements.

[1] Employee figures are full-time equivalents.

LEADING PARTNER FOR SUSTAINABLE CONSTRUCTION



Zhuhai Jinwan Civic Art Centre in Zhuhai, China
Built with Ductal inside

SUSTAINABILITY IS DRIVING PROFITABLE GROWTH

Holcim has underpinned a commitment to sustainability with industry-shaping targets in line with our NextGen Growth 2030 strategy.



CityLife in Milan, Italy
Built with Holcim inside

TARGETS

>50%

ECOPact and ECOPlanet
Share of ready-mix concrete and cement net sales

20+Mt

Construction demolition materials
3x recycled volume of 2024

<400

Scope 1 emissions[1]
30% reduction vs 2020 baseline

33%

Freshwater withdrawal[2]
Reduction vs 2020 baseline

Note: All 2020 baselines and 2024 figure have been restated for material changes in scope.
[1] Net kg CO_2 per ton of cementitious materials
[2] Liter/t cementitious materials

FOUR FOCUS AREAS TO ACCELERATE SUSTAINABILITY

Our sustainability plan is built around four focus areas to strengthen our leadership in sustainable construction.



The Ellinikon in Athens, Greece
Built with ECOPact, ECOPlanet, DYNAMax and ZinCo inside

1 SCALING OUR SUSTAINABLE OFFERING

Scaling our sustainable offering, including ECOPact and ECOPlanet, to meet our customers' most ambitious goals.

Reaching more than **50%** of net sales from ECOPact vs total ready-mix concrete net sales and more than **50%** of net sales from ECOPlanet vs total cement net sales by 2030.

Sustainable offering tailored to customer demand and powered by premium brands that are circular, low-carbon, resilient, energy-efficient, and smart.



Recygénie in Paris, France
Built with ECOCycle® inside

2 ADVANCING CIRCULAR CONSTRUCTION

Accelerating profitable growth in circular construction by increasing our construction demolition materials (CDM) volumes using our ECOCycle technology.

Reaching more than **20 million tons** of CDM by 2030.

Scaling this technology in metropolitan areas, we can build cities from cities, creating high-value solutions that can save on valuable primary raw materials, minimize waste, and drive profitable growth.

FOUR FOCUS AREAS TO ACCELERATE SUSTAINABILITY

Focusing on these four areas will drive profitable growth, while building progress for people and the planet.

3



Holcim Innovation Center in Lyon, France

INNOVATION ACCELERATING DECARBONIZATION

Innovation is accelerating decarbonization, with the aim of reducing Scope 1 emissions to **below 400 kg net CO_2** per ton of cementitious materials by 2030. To achieve this, we are focusing on three levers:

1. **Formulations**: Developing cement and concrete mixtures with lower clinker content and increasing the use of alternative raw materials and binders.

2. **Energy**: Increasing the use of alternative fuels through Geocycle, investing in renewable energy sources, and improving energy efficiency in our operations.

3. **Advanced technologies**: Pioneering and scaling advanced technologies, with a focus on carbon capture.

4



Jubilee Park, Canary Wharf, London
Built with ZinCo inside

BUILDING A NATURE-POSITIVE FUTURE

Building a nature-positive future by bringing nature into cities, while reducing freshwater withdrawal by **33%** in our operations by 2030 versus a 2020 baseline:

1. **Water**: Setting the industry's most ambitious science-based freshwater reduction targets.

2. **Biodiversity**: Transformative rehabilitation measured by a science-based methodology developed with the International Union for Conservation of Nature (IUCN).

3. **Nature-positive solutions**: Offering a wide range of solutions that bring nature into cities.

THE FUTURE OF SUSTAINABLE CONSTRUCTION

With our vision to be the leading partner for sustainable construction, our sustainable offering and innovations will build the NextGen cities of the future.

LOW-CARBON SOLUTIONS

- ECOPact low-carbon concrete and ECOPlanet low-carbon cement reduce embodied carbon emissions by at least 30% compared to standard concrete and cement without the use of offsets.
- ECOPact, ECOPlanet, and ZinCo products can be backed by Environmental Product Declarations (EPDs), which provide objective verification of the products' sustainability information.



CityLife in Milan , Italy
Built with Holcim inside

ENERGY-EFFICIENT BUILDINGS

- Airium, our innovative mineral insulating foam, improves the energy efficiency of buildings, building systems, and processes.
- With ZinCo, Holcim provides energy-efficient, green roofing systems for new buildings as well as repair and refurbishment projects.

CIRCULAR CONSTRUCTION

- Solutions with ECOCycle inside contain from 10% to 100% recycled construction demolition materials, with no compromise on quality or performance.
- They include cements made using alternative raw materials, concrete with recycled aggregates, concrete with recycled ready-mix concrete fines, and recycled coarse aggregates.

NATURE-POSITIVE AND RESILIENT CITIES

- Hydromedia permeable concrete enables the ultra-rapid evacuation of water directly into the soil, reducing the risk of urban flooding.
- ZinCo's advanced green roofing systems improve cities' resilience by allowing biodiversity to thrive and reduce urban heat by using plants to cool buildings through shade.

SMART

- 3D printing with TectorPrint mortar can reduce material use by up to 50% and unlock freedom of design and form as well as time savings.
- DYNAMax high-performance concrete delivers high-strength, outstanding durability and superior rigidity to optimize usable space.

Find out more about The Future of Sustainable Construction

RECOGNITION FOR HOLCIM'S LEADERSHIP IN ESG RATINGS

Holcim continues to be recognized for its leadership in sustainability, underlined by consistently strong ratings in 2025 from independent and benchmarking agencies.

MSCI

AA
Based on management of industry-specific ESG risks

Leader
Category

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA

CDP

A
Awarded highest rating for climate change and water management

A
Supplier Engagement Leader

Climate Water CDP A List 2025
Supplier Engagement Leader CDP 2024

SUSTAINALYTICS

16.4
ESG risk rating assessed to be at low risk of experiencing material financial impacts from ESG factors

#1
Construction materials company

SUSTAINALYTICS

ISS ESG

B-
rating, awarding PRIME status

Top 8%
Companies in our industry

Corporate ESG Performance
RATED BY ISS ESG
Prime

WBA

#1
Rank in the World Benchmarking Alliance's Social Benchmark among construction materials industry

World Benchmarking Alliance

FTSE4GOOD

4.1
out of 5

Significantly exceeding industry average of 2.7

FTSE4Good

PARTNERING TO DRIVE CHANGE

Holcim is leveraging partnerships and opportunities to drive change as the leading partner for sustainable construction, while building progress for people and the planet.

MEMBERSHIPS OF KEY INDUSTRY GROUPS ADVANCING SUSTAINABILITY

gcca
WBCSD
Cement Europe
WORLD GREEN BUILDING COUNCIL
UN GLOBAL COMPACT
IETA
WORLD ECONOMIC FORUM
Global Alliance for Buildings and Construction

STRATEGIC PARTNERSHIPS

IUCN
BUILD CHANGE
ELLEN MACARTHUR FOUNDATION
ARUP

FRAMEWORKS AND STANDARDS

CSRD
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
IFRS Sustainability
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
TNFD Taskforce on Nature-related Financial Disclosures
SUSTAINABLE DEVELOPMENT GOALS

Find out more on holcim.com

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT GOALS

We have identified 10 United Nations Sustainable Development Goals (SDGs), where we can make the most meaningful contributions.

SDG 3 GOOD HEALTH AND WELL-BEING

Our strategy includes providing decent housing, clean water and sanitation, and accessible healthcare. For example, our health program encompasses initiatives to support the well-being of our employees and their families.

SDG 6 CLEAN WATER AND SANITATION

We actively manage our water use to lower consumption, reduce pollution, and protect water-related ecosystems. In partnership with the Holcim Foundation and World Vision, we provided water purification filters to three schools in Metapán, El Salvador. A total of 1 031 people, including 468 students and teachers, now have access to clean and safe water for daily consumption.

SDG 8 DECENT WORK AND ECONOMIC GROWTH

Guided by the Holcim Spirit, we are committed to creating the best workplace for our over 45 000 employees - ensuring that talent is nurtured, diversity is celebrated, and health and safety is our top priority. Achieving a global adjusted pay gap of under 1% by 2030 remains a central ambition, reinforcing our position as an equitable employer.

SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

We partner with researchers, startups, and industry leaders to advance R&D in the construction industry and develop disruptive solutions. Our unique open innovation ecosystem includes hundreds of pilot projects around the world.

SDG 11 SUSTAINABLE CITIES AND COMMUNITIES

Our purpose is to build progress for people and the planet. In 2025, we invested CHF 18.4 million in social initiatives for our communities, ranging from housing and health to education and skills development to enhance livelihoods.

SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

As a world leader in recycling, circularity is at the core of everything we do. We are leading the shift to circular construction across all our regions. In 2025, we recycled 8 million tons of construction demolition materials.

SDG 13 CLIMATE ACTION

Climate action is an important part of our strategy and is based on our net-zero targets, validated by the Science Based Targets initiative. We continuously find ways to reduce our carbon footprint, and to develop low-carbon and sustainable building materials and solutions. In 2025, we reduced the CO_2 per ton of cementitious materials produced by 3% compared to 2024.

SDG 14 LIFE BELOW WATER

Our bioactive concrete ranges are ideal for building artificial reefs and coastal protection to preserve marine biodiversity. For a pier in the Friedrichsort district of Kiel, Germany, Holcim donated and installed a new artificial reef, including 3D-printed “hotels” for fish.

SDG 15 LIFE ON LAND

We strive to create a nature-positive future, strongly committing to preserving biodiversity and reducing freshwater withdrawal. In 2025, Holcim added three new science-based targets for nature, validated by the Science Based Targets Network (SBTN).

SDG 17 PARTNERSHIP FOR THE GOALS

We engage with stakeholders at local, national, and global levels. In 2025, we partnered with Build Change, a leader in systems change for resilient housing, to enable the construction of safe and resilient homes and improve living standards for communities.



LEADING THE INDUSTRY SHIFT TOWARD CIRCULAR CONSTRUCTION

We are building cities from cities with our ECOCycle circular technology. Our ambition is to recycle over 20 million tons of construction demolition materials (CDM) by 2030.

The future of construction is circular and centers on reusing, recycling, upcycling, and reducing the materials used.

With ECOCycle, our proprietary circular technology, Holcim is optimally positioned to scale up circular construction, making it a key driver of profitable growth.

We add value by reducing the use of primary materials, conserving natural resources, and minimizing landfills, while generating revenue from recycling and new products derived from recycled materials.

The deployment of ECOCycle guarantees a minimum of 10% - and up to 100% - of recycled CDM.

ECOCycle solutions include alternative raw materials for use in low-carbon cement formulations; and recycled aggregates for use in ready-mix concrete, precast and mortars, or as fillers for road construction.

Our high-value, sustainable solutions incorporating recycled material are provided to customers with no compromise on quality and performance.



BUILDING SUSTAINABLE, ENERGY-EFFICIENT SCHOOLS

In Cologne, Germany, a modern school is benefiting 1 000 students and revitalizing an old industrial neighborhood – with Holcim's sustainable building solutions inside.

As the leading partner for sustainable construction, Holcim provided ECOPact and ECOCycle for this pioneering project, helping reduce embodied carbon during construction and incorporating recycled construction demolition materials (CDM) in the concrete to make it circular.

With its sustainable building solutions and state-of-the-art technologies to ensure energy efficiency, Brügelmannstrasse Gymnasium is setting new standards in sustainability for educational environments, while addressing Cologne's urgent need for more schools.

ACCELERATING PROFITABLE GROWTH WITH CIRCULAR CONSTRUCTION

We are promoting circular construction through advanced processing, expansion of our footprint through investments and value-accretive acquisitions, as well as advocacy for stricter landfill standards.

To accelerate profitable growth and the adoption of circular construction, we are prioritizing four areas:

1. Expanding circular construction footprint

Holcim is leading the shift to circular construction with its extensive footprint of over 100 local circular construction hubs. We are growing organically, investing in recycling capacity, and through value-accretive M&A, as well as partnering with municipalities, construction companies, and industry players.

In 2025, we increased our recycled construction demolition materials (CDM) by 23.5% to 8 million tons, supported by three circular construction acquisitions in 2025.

2. Advocating for building norms and standards

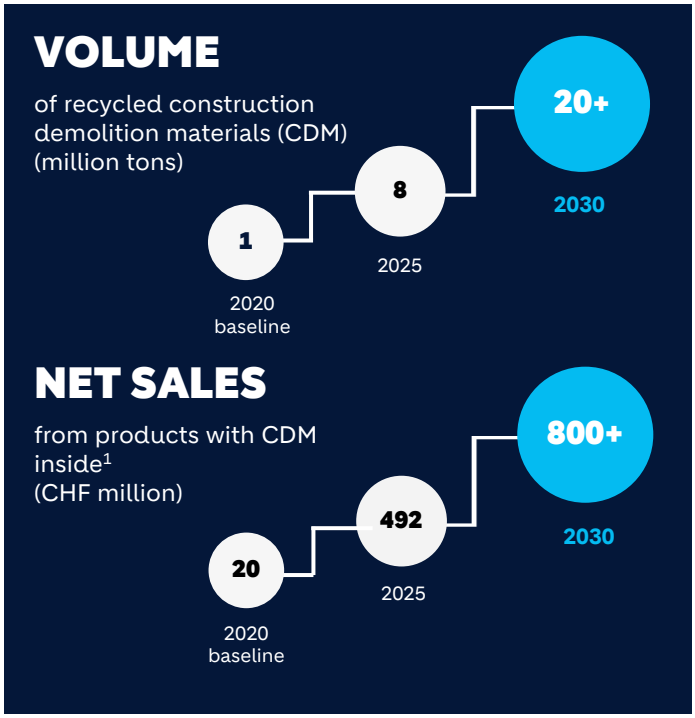
We are actively engaging with policymakers to evolve building norms and standards, promote circular construction, and increase permitted recycled content, as well as pushing for stricter landfill regulations.

3. Scaling ECOCycle technology

We are continuously scaling ECOCycle, producing a range of building materials and solutions that carry this label, with no compromise on quality or performance. Our ECOCycle circular technology is currently available in 12 countries.

4. Accelerating circular construction with innovation

Pioneering innovation in circular construction, Holcim is leveraging advanced technologies to produce high-value CDM, as well as implementing digitalization and AI across our operations to enable more sustainable, and resource-efficient building solutions.



Note: All 2020 baselines have been restated for material changes in scope.
[1] Defined as products and solutions with ECOCycle inside containing at least 10% of construction demolition materials.

ADVANCING CIRCULAR CONSTRUCTION THROUGH NEW TECHNOLOGIES

Through innovation, we are pushing the boundaries of our ECOCycle circular technology and expanding into new markets and applications.

We put innovation to work to develop and scale low-carbon, circular, and smart concrete applications. With our ECOCycle circular technology, we are helping to close the material loop to preserve natural resources.

We are continually launching game-changing technologies, such as our new advanced crushing system that enables us to upcycle 100% construction demolition materials (CDM) into new building solutions, including asphalt, aggregates, ready-mix, cement, precast and mortars.



ACHIEVING HIGHEST QUALITY RECYCLED AGGREGATES

Improved processing and advanced sorting technologies enhance quality, by ensuring higher performance and consistency.

As a result, the market adoption of recycled aggregates has increased across all applications and segments.



BROADER APPLICATION OF CDM IN CONCRETE

Innovation has expanded the use of CDM across a wider range of applications, enabling greater versatility and performance.

At the same time, the market adoption of recycled aggregates in ready-mix concrete has accelerated.



CDM AS ALTERNATIVE RAW MATERIAL IN CEMENT

The use of CDM as an alternative decarbonated raw material contributes to more resource-efficient production and helps reduce the CO_2 footprint of clinker.



CDM AS MINERAL COMPONENT IN CEMENT

New technologies reduce the clinker factor in cement production by incorporating CDM as a mineral component, thereby reducing the CO_2 footprint of cement.

MEETING CUSTOMER GOALS WITH INTERNATIONALLY RECOGNIZED GREEN LABELS

Green label[1] certification enhances the credibility of our sustainable offering, assuring customers that our products verifiably meet specific sustainability criteria.

At the core of our sustainable offering are Environmental Product Declarations (EPDs), which are standardized documents that provide comparable, objective, third-party verified information about the environmental performance of products and services throughout their life cycle.

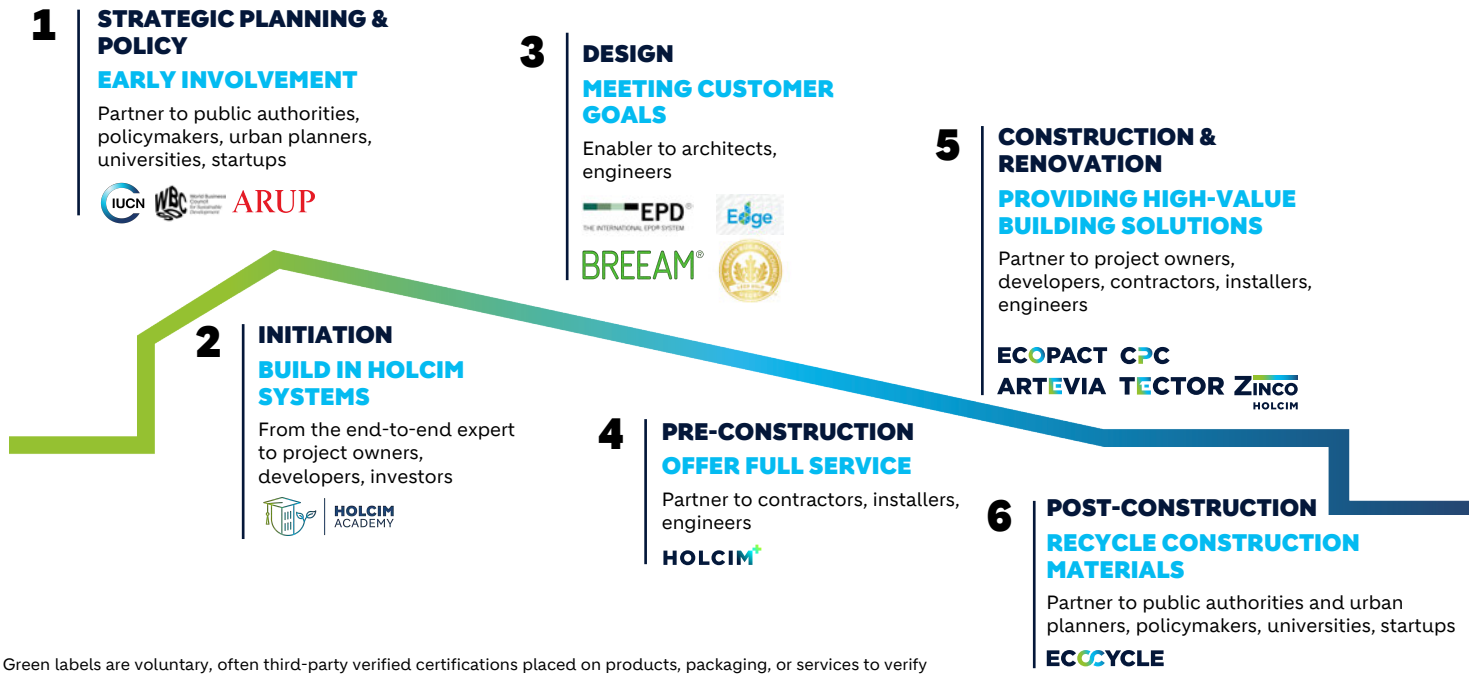
They provide detailed data on embodied carbon and other environmental indicators, enabling architects, engineers, and developers to make informed choices that meet the increasingly stringent requirements of green building rating systems.

Holcim advances sustainable construction through transparent, circular, low-carbon, high-performance solutions such as ECOPact, which is widely EPD-certified according to sustainable building standards.

EPDs represent recognized sustainability credentials and support our customers in achieving leading building certifications such as LEED (Leadership in Energy and Environmental Design), BREEAM (Building Research Establishment Environmental Assessment Method), EDGE (Excellence in Design for Greater Efficiencies) and DGNB (German Sustainable Building Council). For example, ECOPact was used in the Arca building in Milan, Italy, which received a LEED Gold certification due in part to the use of low-carbon concrete solutions.

We have rapidly expanded our EPD coverage across our cement, concrete, and other advanced material portfolios, driving the adoption of verified EPDs through global initiatives and partnerships – for example, with Climate Earth – ensuring consistent, trustworthy environmental transparency worldwide.

GREEN BUILDING LABELS ARE PLAYING AN INCREASINGLY IMPORTANT ROLE IN THE BUILDING VALUE CHAIN



[1] Green labels are voluntary, often third-party verified certifications placed on products, packaging, or services to verify environmental performance, such as eco-friendliness, energy-efficiency, or sustainable sourcing.

GREENHOUSE GAS EMISSIONS PROFILE

Holcim is committed to reducing its greenhouse gas (GHG) emissions across all three Scopes.

Scope 1

Scope 1 emissions account for 57.1% of our 2025 carbon footprint. Scope 1 includes all emissions released directly from our operations, mainly from cement production. The raw materials we use to produce clinker generate 35.5% of our emissions. Fuel combustion necessary to heat cement kilns represents another major emissions source. A small share of our Scope 1 emissions comes from our aggregates and ready-mix concrete operations.

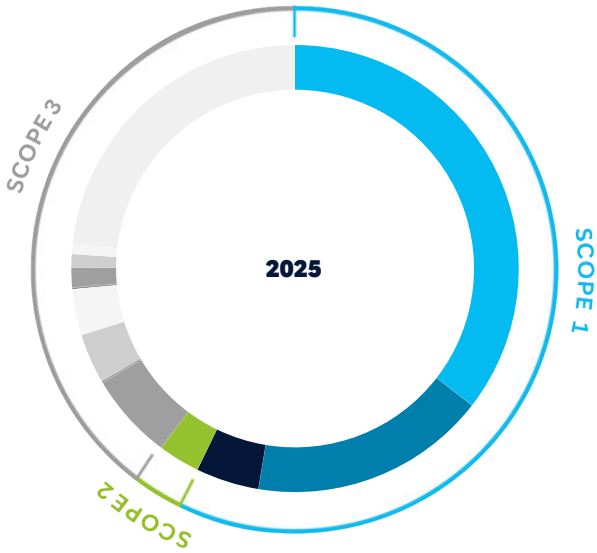
Scope 2

Scope 2 emissions account for 3.0% of our 2025 carbon footprint. Scope 2 includes indirect emissions from the generation of purchased electricity consumed in the company's owned or controlled equipment.

Scope 3

Scope 3 emissions account for 39.8% of our 2025 carbon footprint. Scope 3 includes all other indirect emissions generated in our value chain, such as for transportation as well as the extraction and production of purchased materials and fuels. Scope 3 also includes direct emissions from non-consolidated companies and investments.

SHARE OF OUR SCOPE 1, 2 & 3 EMISSIONS



SCOPE 1	Million tons of CO_2 equivalent	Share of total 2025 emissions
Raw material calcination in cement production	32.6	35.5%
Fuel combustion in cement production	15.7	17.1%
Power generation, aggregates, ready-mix operations	4.2	4.5%
SCOPE 2		
Purchased electricity	2.8	3.0%
SCOPE 3 BY CATEGORY[1]		
Cat 1 – Purchased goods and services	5.8	6.3%
Cat 3 – Fuel and energy-related activities	3.3	3.6%
Cat 4 – Upstream transportation and distribution	3.1	3.3%
Cat 9 – Downstream transportation and distribution	1.3	1.4%
Cat 10 – Processing of sold products	0.9	1.0%
Cat 12 – End-of-life treatment of sold products	0.7	0.8%
Cat 15 – Investments (joint ventures)	21.3	23.2%

Note: Due to rounding, numbers may not add up precisely to the totals provided.
[1] Emissions from Scope 3 categories 2, 5, 6, 7, 8, 13, and 14 are immaterial. Category 11 is not applicable to Holcim. Full disclosure is available on page 87 of this report.

SETTING INDUSTRY-LEADING TARGETS

The science-based targets for our net-zero pathway are among the most ambitious in the industry.

Sustainability, including climate action, is at the core of Holcim's strategy. Our 2030 and 2050 net-zero targets are aligned with the 1.5°C framework and have been validated by the Science Based Targets initiative (SBTi).

Restatement of targets post spin-off

In 2025, following the spin-off of the North American business, we restated our 2030 and 2050 science-based targets and 2020 baselines, without compromising on our commitment to achieve net-zero greenhouse gas (GHG) emissions across our operations and the value chain by 2050. We have also set a new Scope 3 target for joint ventures, in line with the SBTi requirement.

Short-term targets

Holcim is committed to reducing gross Scope 1 and 2 GHG emissions by 24.95% per ton of cementitious materials by 2030 compared to the 2020 base year. This is equivalent to a 21% reduction in absolute emissions within the same timeframe.

By 2030, Holcim is also committed to reducing gross Scope 3 GHG emissions per ton of purchased clinker and cement by 25.1% compared to the 2020 base year, and to reducing gross Scope 3 emissions from investments by 25.1% per ton of cementitious materials within the same timeframe.

This target covers 66.9% of Scope 3 emissions from purchased goods and services (category 1) and 99.8% of Scope 3 emissions from investments (category 15). Together, 67.2% of Scope 3 emissions are covered.

Long-term targets

Holcim is committed to reducing gross Scope 1 and Scope 2 GHG emissions by 94.9% per ton of cementitious materials by 2050 compared to the 2020 base year.

Additionally, Holcim is committed to reducing absolute Scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream and downstream transportation and distribution, and investments by 90% within the same timeframe.

2030 & 2050 NET-ZERO TARGETS VALIDATED BY SBTi[1]

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	2030	2050
SCOPES 1 & 2	**25%** REDUCTION in gross emissions per ton of cementitious materials	**95%** REDUCTION in gross emissions per ton of cementitious materials
SCOPE 3	**25%** REDUCTION in gross emissions per ton of purchased materials (clinker and cement) **25%** REDUCTION (NEW) in gross emissions per ton of cementitious materials (investments)	**90%** REDUCTION in absolute emissions from purchased goods and services, transportation, and investments

Note: All 2030 and 2050 reductions are measured against the 2020 baselines which have been restated for material changes in scope.
[1] Figures in table have been rounded to zero decimal places.

OUR CLIMATE POLICY

Our approach to accelerating climate action, while ensuring a Just Transition and climate adaptation, is described in our Climate Policy. The core principle of this policy is the delivery of our actions in a rigorous, science-based manner to fulfil our net-zero pledge.

Find out more in our Climate Policy

OUR SCOPE 1 & 2 PATHWAY TO NET ZERO

Holcim is committed to reducing its carbon footprint across its operations (Scopes 1 and 2) to become a net-zero company by 2050.

We have a clear and actionable 2050 climate strategy to meet our Scope 1 and 2 targets, as mapped out in the graphic below.

To reach our 2050 targets, we will continue to use our traditional levers, while also scaling up advanced technologies, including carbon capture, utilization, and storage (CCUS).

OUR ABSOLUTE SCOPE 1 & 2 EMISSIONS PATHWAY TO NET ZERO IN 2050

(Million tons of CO_2 equivalent)

EFFICIENCY GAINS IN DESIGN AND CONSTRUCTION

Smart design and low-carbon formulations of concrete to move the market toward more carbon-efficient construction.

EFFICIENCY GAINS IN CONCRETE

Shift from small project site batching of concrete using bagged cement to industrialized processes, generating significant CO_2 emissions savings through adherence to mix specifications and quality control.

FORMULATIONS

Substitution of part of the clinker in our final cement products with mineral components, such as calcined clay and novel binders. Substitution of limestone in the clinker making process with alternative raw materials, such as construction demolition materials.

ENERGY

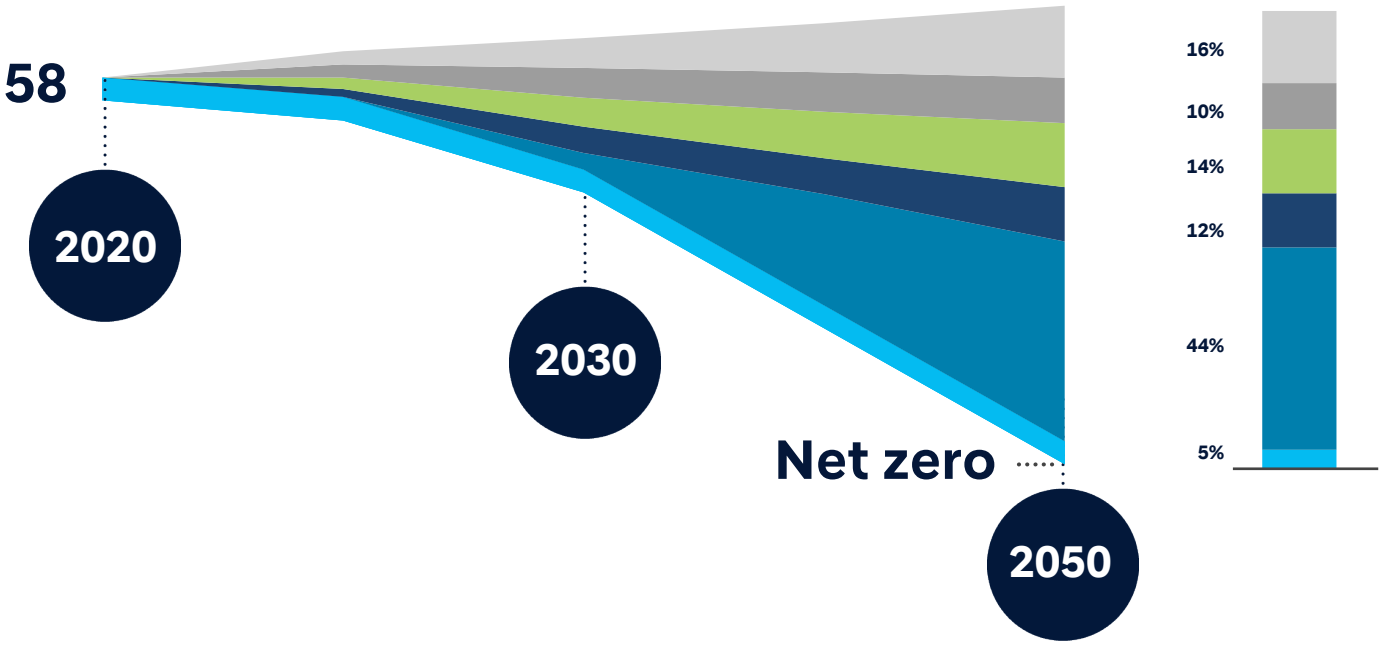
Increase in the share of decarbonized electricity through power purchase agreements and on-site renewable electricity, together with decarbonization of the electrical grid. Increased use of alternative fuels, including biomass.

CCUS AND OTHER ADVANCED TECHNOLOGIES

Deployment of advanced technologies like carbon capture, utilization, and storage (CCUS) as well as other breakthrough innovations, such as accelerating the CO_2 mineralization process.

PASSIVE RECARBONATION

Natural reabsorption of CO_2 during the lifetime of concrete products. Only recently it has been considered in carbon accounting, in the IPCC 6th Assessment Report published in August 2021.



Note: 2020 baseline has been restated for material changes in scope.

OUR SCOPE 3 PATHWAY TO NET ZERO

Holcim is committed to reducing its carbon footprint across its value chain (Scope 3) to become a net-zero company by 2050.

We are working closely with our joint ventures to advance the GHG emissions agenda, from setting ambitious targets to securing SBTi validation. We have adopted a similar approach across our supplier network.

We have implemented our sustainable procurement directive to guide informed decisions to reduce our Scope 3 emissions, covering logistics, and the purchase of cement and clinker, as well as fuels and electricity. Our main levers are described below.

OUR ABSOLUTE SCOPE 3 EMISSIONS PATHWAY TO NET ZERO IN 2050

(Million tons of CO_2 equivalent)

EFFICIENCY GAINS IN DESIGN AND CONSTRUCTION

Smart design and low-carbon formulations of concrete to move the market toward more carbon-efficient construction.

INVESTMENTS (JOINT VENTURES)

Actively engaging with our key cement-producing joint ventures to have their 2030 GHG reduction targets validated by SBTi.

TRANSPORTATION

Optimizing routes and loads, shifting volumes from roads to waterways or rail, and deploying fleets powered by electricity and more eco-friendly fuels.

FUELS AND ELECTRICITY

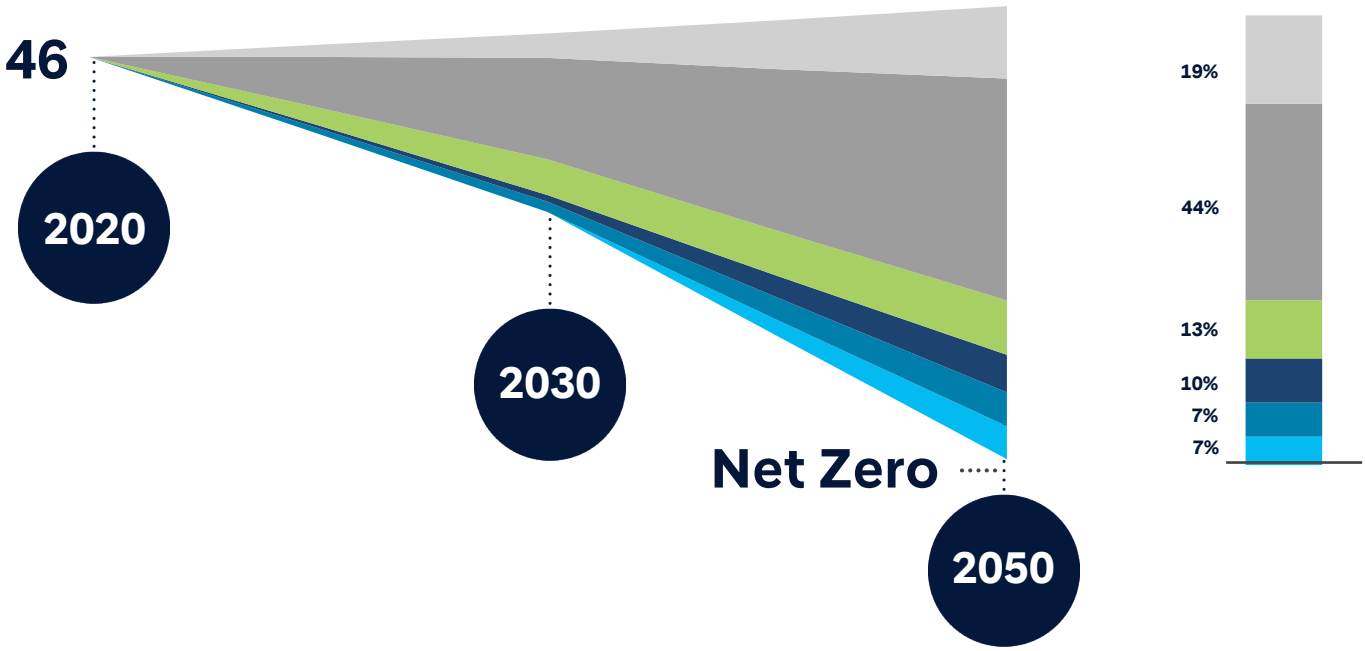
Replacing traditional fossil fuels with locally sourced, alternative and non-extractive fuels.

CLINKER AND CEMENT

Increasing the procurement of low-carbon products from clinker and cement suppliers, prioritizing those with Environmental Product Declarations (EPDs).

OTHER SCOPE 3 CATEGORIES

Prioritizing the purchase of low-carbon products/services; reducing CO_2 impact from processing and end-of-life of sold products.



Note: 2020 baseline has been restated for material changes in scope.

FOCUSED ACTIONS TO REDUCE SCOPE 1 EMISSIONS

Our 2030 climate plan is clear and actionable. To meet our Scope 1 target, we are focusing on three key areas.

We have identified three primary levers to reduce our Scope 1 emissions and meet our 2030 Scope 1 target of less than 400 kg of net CO_2 per ton of cementitious materials: formulations, energy, and advanced technologies, including carbon capture.

Based on our current roadmap, formulation improvements, driven by clinker substitution and the use of decarbonized alternative materials, are expected to contribute to around 40-50% of the required emissions reductions by 2030.

Energy-related measures, including alternative fuels, fuel switching, and efficiency gains, are projected to deliver a further 35-45%. Carbon capture technologies will address the remaining smaller proportion of emission reduction.

These contributions are indicative and reflect our current strategic balance. The relative importance of each lever may evolve over time, allowing flexibility to scale individual solutions as technologies mature and as operational, regulatory, and market conditions change.

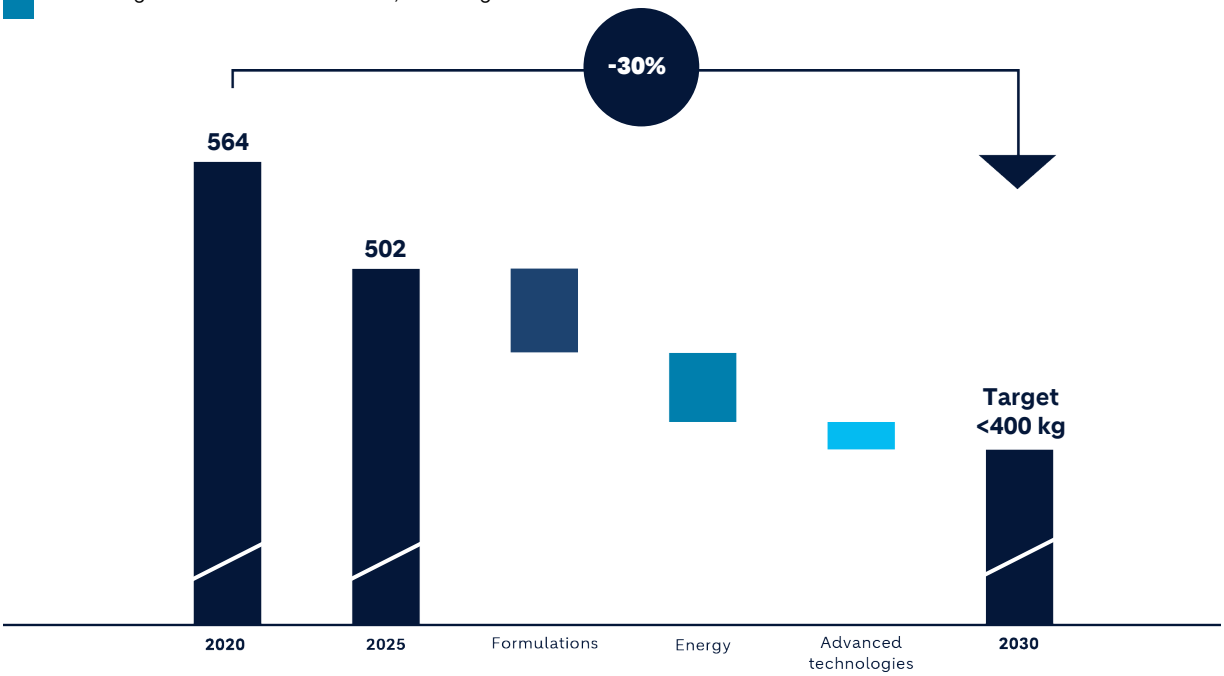
OUR SCOPE 1 EMISSIONS PATHWAY TO 2030

(Net kg of CO_2 equivalent per ton of cementitious materials)

FORMULATIONS
Develop cement and concrete mixtures with lower clinker content, increase the use of alternative raw materials and binders.

ENERGY
Increasing the use of alternative fuels, including biomass.

ADVANCED TECHNOLOGIES
Pioneering and scaling advanced technologies, with a key focus on carbon capture, utilization, and storage (CCUS).



Note: 2020 baseline has been restated for material changes in scope.

INNOVATIVE FORMULATIONS POWERING OUR SUSTAINABLE OFFERING

One of Holcim's key decarbonization levers lies in its 300 R&D researchers' mastery of formulating NextGen building materials and solutions that deliver low-carbon cement and concrete.

When it comes to formulations, our low-carbon range of products under the ECOPact and ECOPlanet brands lead the industry. These products offer CO_2 reductions of at least 30% compared to standard (CEM I/OPC) concrete and cement.

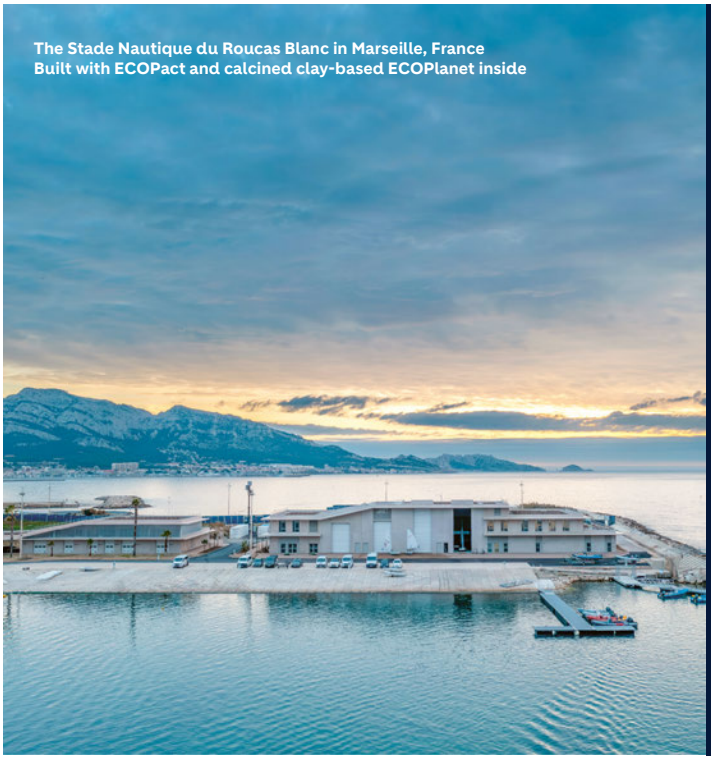
Alternative raw materials

The majority of scope 1 emissions from cement production result from the calcination of limestone into clinker. This part of the process is one of our largest source of CO_2 emissions, accounting for 35.5% of our total carbon footprint.

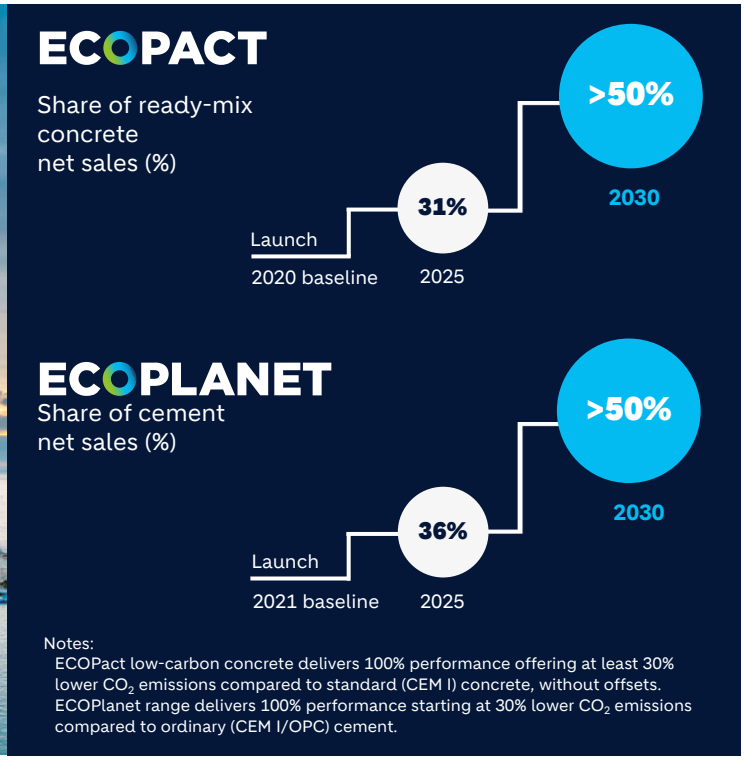
After our breakthrough in proving that natural raw materials could be fully replaced by recycled materials in clinker production in 2022, Holcim has been driving forward the use of alternative raw materials (ARM), tripling the volumes used in Europe over the past three years.

Using decarbonized materials in clinker production reduces our Scope 1 emissions in two ways: less CO_2 is emitted and less heat is required than with the use of conventional materials. In addition to the positive environmental impact, these innovative formulations help optimize production costs, contributing to operating profitability.

Reaching high ARM substitution rates requires advanced process control and precise chemical balancing to displace traditional raw materials while maintaining uncompromised product quality. By mastering such complexities, we have successfully decoupled production volume from CO_2 intensity at an industrial scale. As a result, seven of our operations in Europe are consistently achieving intensities of less than 400 kg net CO_2 per ton of cementitious materials.



The Stade Nautique du Roucas Blanc in Marseille, France
Built with ECOPact and calcined clay-based ECOPlanet inside



Notes:
ECOPact low-carbon concrete delivers 100% performance offering at least 30% lower CO_2 emissions compared to standard (CEM I) concrete, without offsets.
ECOPlanet range delivers 100% performance starting at 30% lower CO_2 emissions compared to ordinary (CEM I/OPC) cement.

INNOVATIVE FORMULATIONS POWERING OUR SUSTAINABLE OFFERING

Mineral components

Beyond reducing the level of CO_2 in clinker, our Scope 1 emissions pathway aims to reduce the level of clinker in our cement. We intend to decrease our clinker factor from 70% currently to 65% by 2030, with a further reduction by 2050.

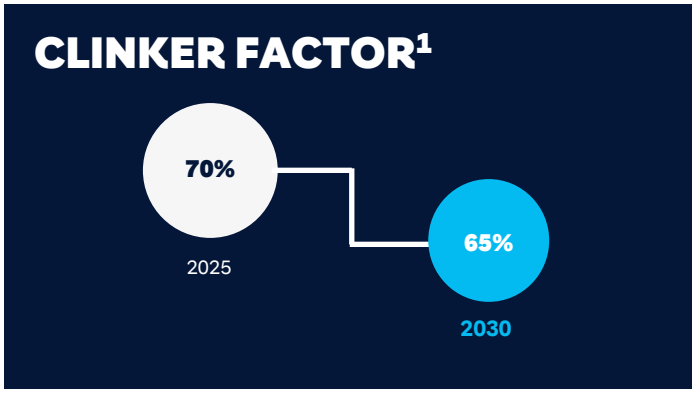
To achieve this, under our formulations lever, we are reducing the clinker factor by partially replacing clinker in our cement with mineral components, significantly lowering the carbon intensity of the final product.

Holcim uses four major categories of mineral components to reduce the carbon intensity of our cement and concrete mixes:

- Recycled cement paste from construction demolition materials (CDM).
- Innovative mineral components such as calcined clay, pozzolana, and reclaimed ashes.
- Waste and byproducts from other industries, including slag and fly ash.
- Traditional mineral components such as limestone and gypsum.

In the coming decades, we expect CDM and innovative mineral components to gradually replace slag and fly ash. To this end, we are investing in advanced crushing and processing technology to fully recycle CDM.

We are also accelerating the use of other innovative mineral components like calcined clay, with operations advancing in Europe and Latin America.



[1] Percentage of clinker in cement, where clinker is an intermediate material produced by mixing raw materials, primarily limestone and clay, at approximately 1 450°C in a kiln.

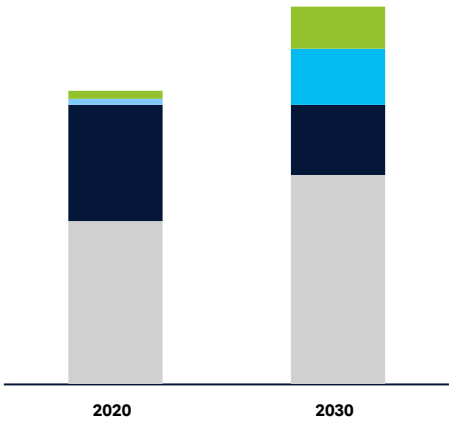
BUILDING WITH CALCINED CLAY-BASED CEMENT

Calcined clay is a mineral powder produced by calcinating natural clays at a relatively low temperature. It is an excellent replacement for limestone-based clinker and can lower CO_2 by up to 50% compared to standard cement production.

An abundant natural resource globally, calcined clay is a highly scalable solution for formulations, reducing our dependency on conventional supplementary cementitious materials such as the increasingly scarce slag and fly ash.

We are building new production lines and retrofitting existing clinker kilns to produce calcined clay.

MINERAL COMPONENTS TREND IN EUROPE TOWARD 2030



CONSTRUCTION DEMOLITION MATERIALS
Upcycled as cementitious materials in low-carbon cement.

INNOVATIVE MINERAL COMPONENTS
Calcined clay, pozzolana, and reclaimed ashes gain significance as a component of cement in the future.

SLAG & FLY ASH
Supply of slag and fly ash expected to decrease, resulting in lower volumes on the market and higher costs.

TRADITIONAL MINERAL COMPONENTS
Limestone and gypsum will continue to account for a significant share of the mineral components.

DECARBONIZATION THROUGH ALTERNATIVE FUELS

Shifting to alternative fuels reduces our carbon footprint. By 2030, we intend to increase our thermal substitution rate to 50%, up from the current 39%.

Holcim's Geocycle business provides crucial waste management solutions to industries and municipalities, transforming non-recyclable materials into valuable resources.

Holcim converts these materials into alternative fuels for its cement plants. Using these resources in our cement plants reduces our carbon footprint, preserves natural resources, and saves on energy costs. Leveraging our global network of advanced pretreatment platforms, we can implement these solutions across all regions.

Using lower-carbon fuels

Through Geocycle, as part of our ambitious roadmap, when possible, we are replacing traditional fossil fuels with low-carbon alternatives, including biomass, in our cement plants across the regions.

Geocycle supports Holcim operations by providing a compliant and sustainable solution for managing non-recyclable waste, turning it into alternative fuels and raw materials for cement kilns. This approach directly addresses the growing challenge of landfilling in Europe, where regulations are becoming increasingly restrictive, by safely treating waste with no residual ash and fully integrating it into final products. By doing so, Geocycle contributes to a circular economy, reducing environmental impacts and delivering tangible benefits to society.

In 2025, Geocycle supported Holcim's decarbonization by recycling 12.6 million tons of waste and byproducts for use as energy or raw materials.

Alternative fuels accounted for 39% of Holcim's thermal energy demand for clinker production in 2025. By further investing in waste treatment and coprocessing facilities, we aim to increase the thermal substitution rate to 50% by 2030.

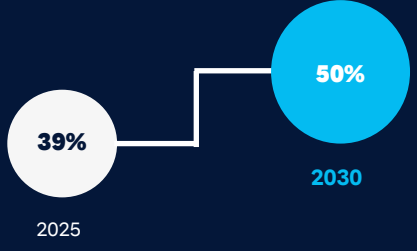
In Europe, 14 of our cement plants already use alternative fuels for more than 80% of their thermal energy.

In addition, as we progress toward net zero, advanced technologies such as electrification and the use of hydrogen are likely to account for an increased share of our decarbonization efforts.

Innovating to develop alternative fuels

We will continue to develop novel solutions to diversify our range of alternative fuels, while remaining focused on providing solutions to municipalities and industry. Taking advantage of our international footprint, we plan to rapidly scale best practices and new solutions in our plants across all regions.

THERMAL SUBSTITUTION RATE





DRIVING ADVANCED TECHNOLOGIES TO REACH NET ZERO

Advanced technologies, particularly carbon capture, utilization, and storage (CCUS), represent a key decarbonization lever that complements our innovative formulations and better energy mix.

CCUS enables us to capture CO_2 emissions before they are released into the atmosphere. This CO_2 can then be stored safely underground in deep geological formations, where most of it becomes fully mineralized. Alternatively, it can be used in various applications, including the production of low-carbon fuels or materials.

The CCUS project cycle

Each CCUS project moves through defined development stages, from feasibility studies and pilot tests to front-end engineering design (FEED), permitting, construction, commissioning, and operational scaling.

Once FEED is completed, the project is ready for the final investment decision (FID), when funding is committed and the project moves from planning to construction.

This phased strategy allows for technical, regulatory, and cost risks to be systematically managed, with learning and optimization at each step.

19 FULL-SCALE CCUS PROJECTS

8
CCUS projects in Europe selected for EU Innovation Fund grants

11
additional CCUS projects in Europe and AMEA in development

Fully committed as we progress toward CCUS

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, when and where the requisite infrastructure is available.

Holcim aims to complete the construction and commissioning of state-of-the-art, large-scale CO_2 capture technologies at leading sites, ready for storage and the supply of downstream utilization pathways. Our unique carbon capture testing platform in Martres, France, enables us to optimize leading-edge technologies for specific applications.

DECARBONIZATION THROUGH CCUS

Eight Holcim CCUS projects have been selected for grants by the EU Innovation Fund. The CCUS projects will enable projected near-zero cement production capacity as indicated below.

Carbon Hub CPT01
Campulung, Romania



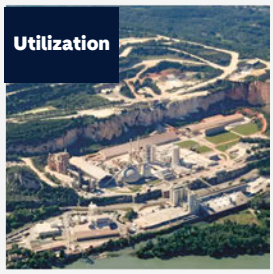
Carbon2Business
Lägerdorf, Germany



CarboClearTech
Martres, France



eCapt-Rhône
Le Teil, France



Go4ECOPlanet
Kujawy, Poland



GO4ZERO
Obourg, Belgium



KOdeCO
Koromačno,Croatia



OLYMPUS
Milaki, Greece



ADVANCING IMPLEMENTATION

Robust partnerships and value chains

Close collaboration between public authorities, private companies, local stakeholders, and other value chain partners is essential to unlocking the business case for CCUS.

Factors impacting the value chain include the availability of CO_2 infrastructure, proximity to ports, renewable power and water supply, nearby chemical or plastics industries, and the feasibility of onshore or offshore CO_2 storage.

End-to-end CO_2 pathways can be expedited with the support of governments (such as the regulation of CO_2 infrastructure and provision of other de-risking mechanisms), as well as partnerships with leading industry experts across the value chain.

Whether for storage or utilization, long-term investment in carbon management infrastructure requires a critical mass of emitters to commit to start supplying CO_2 over a reasonable ramp-up period.

Achieving a critical mass of CO_2 will boost investments in carbon transportation networks. Such investments include building pipelines within and across countries to deliver CO_2 from multiple sites and industries to multiple storage locations and utilization pathways. The coordinated development of export terminals for CO_2 will provide a flexible interface for its transport from land to sea, unlocking additional offshore storage options in the coming years.

The commitment and coordination of public and private entities to realize these first-of-a-kind projects are vital to ensuring tangible success for CCUS. More importantly, this will lay the groundwork to enable networks of industry players to access the requisite infrastructure to decarbonize at scale through CCUS from 2030 onward.



Groundbreaking ceremony for our state-of-the-art OLYMPUS project in Milaki, Greece

GROUNDBREAKING IN GREECE

In May 2025, Holcim broke ground at its plant in Milaki, Greece, for its OLYMPUS project, which is engineered to produce 2 million tons of near-zero cement per year.

With a planned investment of EUR 400 million, the OLYMPUS project is expected to create over 1 000 direct and indirect jobs.

The groundbreaking ceremony was held in the presence of Greek Prime Minister Kyriakos Mitsotakis.



GO4ZERO PHASE 1 WELL UNDERWAY

GO4ZERO is to deploy an innovative air-oxyfuel switchable kiln with carbon purification technology at Holcim's cement plant in Obourg, Belgium.

Construction of new limestone and clinker lines is in full swing. The completion of phase 1 and start-up of the next generation air-oxyfuel switchable kiln, which will produce clinker, is planned for the first quarter of 2027.

UNLOCKING INNOVATION AND OPPORTUNITIES WITH STARTUPS

We are actively engaging and making focused investments to accelerate innovation and sustainability.

At Holcim MAQER Ventures, our corporate venture capital and open innovation unit, we collaborate with startups, researchers, and partners to accelerate and scale solutions across the built environment. Our work centers on three strategic domains in need of urgent transformation.

1. Sustainable and circular construction

We are reinventing materials and processes to build smarter with fewer resources, using technologies that:

- Reduce CO_2 emissions from cement and concrete production.
- Advance circular construction through the reuse and recycling of construction demolition materials.
- Drive electrification and low-carbon process innovation.
- Enable carbon capture, utilization, and storage (CCUS) at industrial scale.
- Introduce new cement and concrete formulations that are both high-performance and low-carbon.

2. Efficient and digitalized construction

We are reducing construction time, making it more predictable and less resource intensive, with solutions that:

- Streamline workflows across the building value chain.
- Use AI and data to increase operational efficiency in plants, sites, and logistics.
- Enable real-time sensing and monitoring to reduce errors, waste, and downtime.
- Integrate process and material data to optimize planning and performance.
- Support digital commerce models for procurement and material flows.

3. Transformation through smart design

We are shifting from traditional construction to industrialized, automated, and adaptive building systems. To build for more people with less, we are exploring frontier technologies, including:

- Optimized prefabrication and advanced off-site manufacturing.
- 3D concrete printing for design freedom and precision.
- Modular construction systems for scalable, adaptable structures.
- Robotics and automation for safer, faster, and more repeatable building.



BRIDGING STARTUPS

Holcim MAQER Ventures is the gateway through which startups can connect with us. Using our three approaches – Venture Capital, Venture Clienting and the Accelerator Program – we find the right path for every startup to engage with Holcim, the leading partner for sustainable construction. Working together, we can reinvent how the world builds.

HOLCIM MAQER VENTURES

INVESTING IN STARTUPS WITH SUSTAINABLE INNOVATIONS

GRAVIS ROBOTICS: AUTOMATED EARTHMOVING TECHNOLOGY



NEW INVESTMENT AFTER SUCCESSFUL PILOT IN THE UK

Gravis Robotics' AI-based autonomous earthmoving technologies can boost output by 30%, reducing rework, and improving safety.

The successful pilot testing in the UK (Lee Moor quarry) led to a Memorandum of Understanding (MoU) signed with Gravis Robotics and Hyundai to adopt technology for our excavators and wheel loaders.

SALTX: PLASMA TECHNOLOGY FOR NEAR-ZERO CEMENT



NEW INVESTMENT WITH JOINT PROJECT UNDER DEVELOPMENT

SaltX's unique plasma-based process makes it possible to replace the fossil fuels used in cement production with renewable electricity with near-zero emissions.

Holcim and SaltX are working together on building the world's first fully electric cement plant.

PAEBBL: TURNING CO_2 INTO CARBON-NEGATIVE MATERIALS



DEEPENED PARTNERSHIP AND INITIAL COMMERCIAL PROJECT

Paebbl converts CO_2 into a future-proof industrial raw material that turns the built environment into a permanent carbon store.

In 2025, the partnership was strengthened through a follow-on investment, the kickoff of a first joint project with Goldbeck at a logistics center in Germany, as well as several successfully tested applications with Holcim's global R&D team.

CPC: PRESTRESSED CONCRETE WITH EXCEPTIONAL STRENGTH



SUCCESSFUL PARTNERSHIP LED TO FULL ACQUISITION OF CPC IN 2025

Carbon prestressed concrete (CPC) is a high-performance, ultra resource-efficient concrete technology that replaces traditional steel reinforcement with carbon fiber tendons.

Following a successful pilot project at Innovation Lab Grüze in Winterthur, Switzerland, Holcim acquired CPC in 2025, recognizing CPC's market potential and technology as a good fit with our sustainable offering.

OPTIMIZING OUR ENERGY MIX

Holcim's 2030 and 2050 Scope 2 targets, validated by SBTi, are one of the most ambitious targets in the industry.

Holcim's Scope 2 footprint will be reduced through an energy procurement plan to realize our ambitious target. Our target is to reach 14 kg CO_2/t cementitious materials by 2030, representing a 65% reduction compared to our 2020 baseline.

Decarbonization levers

Holcim is focusing on multiple levers to decarbonize energy, with the two main levers being grid emission and electrical power sourcing.

Shift to clean electricity

To decarbonize electricity, which makes up a significant portion of our energy use, we are shifting to clean energy sources such as nuclear, solar, hydro, wind, and geothermal power wherever possible.

Several factors impact the electricity value chain, including the availability of renewable power, transport and grid infrastructure, and geographic conditions. We take a tailored, local approach to decarbonizing our electricity use. Working with private companies and local officials, we leverage our diverse energy portfolio to decarbonize electricity at scale.

Leveraging power purchase agreements

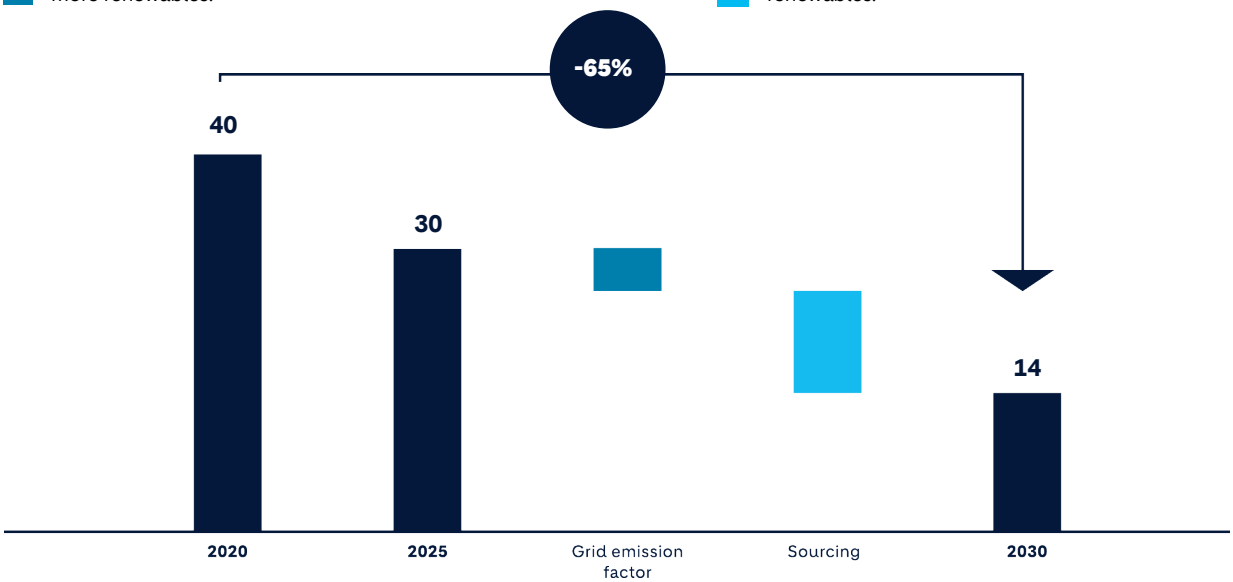
We are growing our renewable energy portfolio through partnerships with power producers. Power purchase agreements (PPAs) are long-term contracts for electricity supply between Holcim, as a corporate buyer, and renewable power suppliers. PPAs typically specify pricing, electricity quantities, and renewable sources.

OUR SCOPE 2 EMISSIONS PATHWAY TO 2030

(Net kg of CO_2 equivalent per ton of cementitious materials)

GRID EMISSION FACTOR
Reduction in carbon intensity as electricity grids incorporate more renewables.

SOURCING
Increasing share of electricity consumed from procured and own renewables.



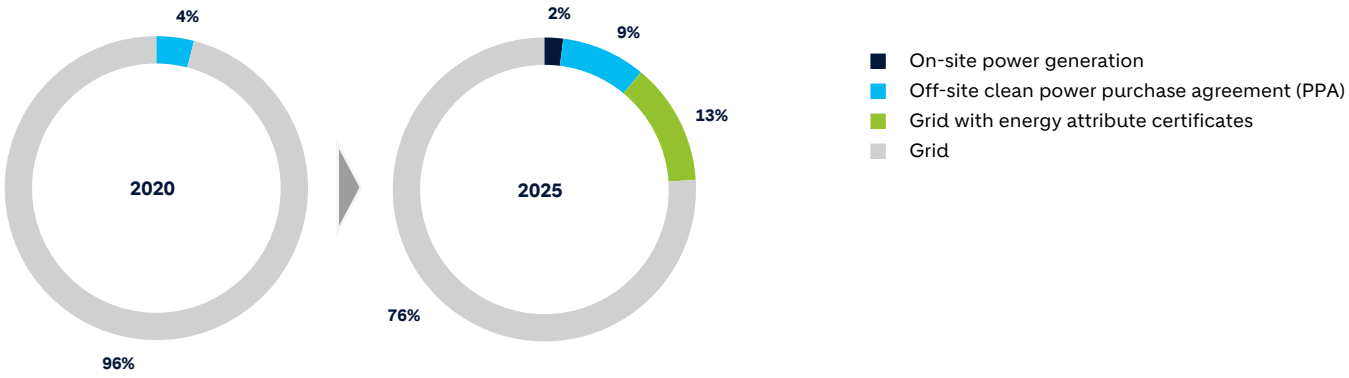
Note: 2020 baseline has been restated for material changes in scope.

PRIORITIZING CLEAN ENERGY SOURCES AND ENERGY REUSE

Our procurement focuses on obtaining energy from clean sources, such as wind and solar power, and capturing excess heat generated by industrial or other processes that would otherwise be released into the environment.

EVOLUTION OF EUROPEAN ELECTRICITY CONSUMPTION

We have accelerated the decarbonization of our power mix, achieving a 47% emissions reduction over the past five years.



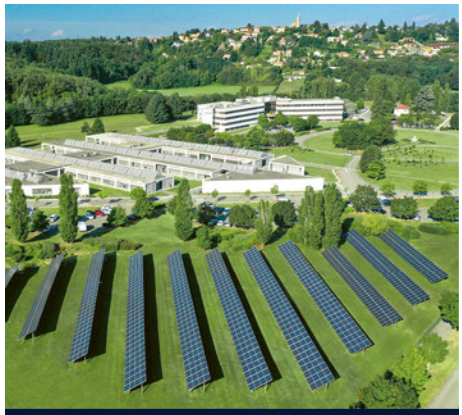
Power consumption: 4TWh
Emission: 36kg CO_2/t cem

Power consumption: 4TWh
Emission: 19 kg CO_2/t cem

CLEAN ENERGY SOURCES



WIND POWER



SOLAR POWER



WASTE HEAT RECOVERY

REDUCING SCOPE 3 EMISSIONS WITH THE HIGHEST IMPACTS IN THE VALUE CHAIN

Decarbonizing Scope 3 emissions requires us to mobilize our organization, make smart purchasing decisions, and engage across the value chain to build a net-zero future.

Scope 3 emissions are all indirect emissions associated with upstream and downstream activities of consolidated companies, as well as the direct emissions of our non-consolidated companies. We use a robust methodology to measure our CO_2 equivalent emissions across the 15 GHG categories. Two major (SBTi) contributors to our Scope 3 emissions (see chart below) are:

Investments (joint ventures' Scope 1 and 2 emissions): 58%

Clinker and cement purchased: 9%

Two other contributors are:

- Transportation (downstream): **9%**
- Fuels and electricity (not included in Scopes 1 and 2): **9%**

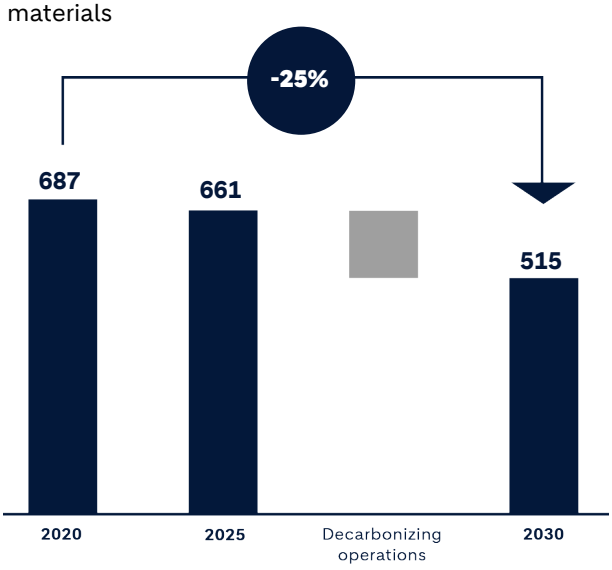
A detailed explanation of the contributors is provided on page 87 of this report.

SCOPE 3 DECARBONIZATION FOCUS

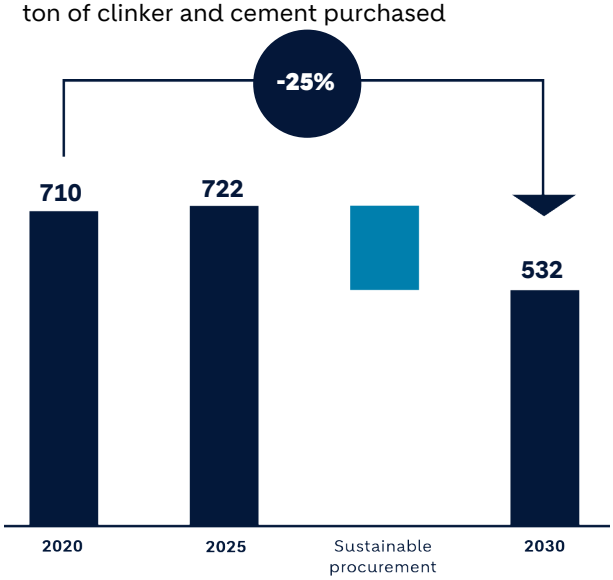
1	Supporting our joint ventures to have their 2030 targets validated by SBTi.
2	Working with the top 10 countries purchasing clinker and cement to engage with their suppliers on CO_2 measurement and target-setting.
3	Leveraging AI to simulate network scenarios and recommend the most efficient logistics, factoring in customer demand, transport capacity, costs, and emissions.
4	Working closely with the procurement and logistics teams to include CO_2 as a key factor in purchasing decisions.

OUR SBTI SCOPE 3 EMISSIONS PATHWAY TO 2030

Investments: kg of CO_2 equivalent per ton of cementitious materials



Clinker and cement purchased: kg of CO_2 equivalent per ton of clinker and cement purchased



Note: 2020 baselines have been restated for material changes in scope.

SUSTAINABLE SUPPLY CHAIN

Holcim's respect for human and labor rights and environmental protection is integral to how we work with our suppliers in all markets.

The standards and principles governing sustainable procurement at Holcim are based on the UN Global Compact's Ten Principles, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

The overriding policies that govern Holcim's approach to deploying responsible business practices in our supply chain are the Code of Business Conduct (replaced on 1 January 2026 by the Code of Ethics) for Suppliers, Climate Policy, Nature Policy, Sustainable Procurement Directive, and Workers in the Value Chain Directive.

Actions embedding sustainability in the supply chain

Supplier due diligence: We embed the key principles of the supplier due diligence in our corporate governance, and apply a robust management system to identify, prevent, and mitigate adverse ESG impacts in our own operations as well as in the value chain. See pages 56-57 of this report for further details.

Climate-informed decisions to decarbonize our supply chain: Our procurement and logistics teams integrate CO_2 performance into their sourcing strategies. They make purchasing decisions that drive the delivery of Holcim's climate commitments across all GHG Scopes (1, 2, and 3).

Driving down environmental impact through sustainable packaging: Our commitment to sustainable packaging centers on the core principles of the circular economy: reduce, reuse, and recycle. By embedding these actions into our sourcing strategy, we minimize the need for primary materials and proactively comply with the EU Packaging and Packaging Waste Regulation.

Protecting water in our supply chain: We apply the SBTN framework to identify suppliers whose operations heavily impact water-scarce areas. We partner with them to deploy water management practices that protect shared freshwater resources.

Promoting responsible mining in our supply chain: We engage with key extractive material suppliers through on-site assessments and tailored development programs. This collaboration focuses on improving mining practices to mitigate the environmental and social impact associated with the suppliers' operations.

COMMITMENT TO TRANSPARENCY

Holcim's due diligence commitment and performance are documented in regular public disclosures, structured around:

- Strong governance: Comprehensive policies and rigorous control standards to ensure universal ESG compliance.
- Materiality assessment: A risk-based methodology to identify areas with the most significant potential for ESG risks and impacts.
- Tangible performance: Reporting KPIs to measure and show how we actively prevent and mitigate supply chain risks identified.

CORE DIRECTIVES GOVERNING SUSTAINABLE SUPPLY CHAIN:

Code of Ethics for Suppliers

Sustainable Procurement Directive

Workers in the Value Chain Directive

ACCELERATING TOWARD SUSTAINABLE AND EFFICIENT TRANSPORT OPTIONS

Adopting more sustainable and efficient transport options in the transition to low-carbon mobility, from quarry to city.

Downstream transportation currently accounts for 9% of our total Scope 3 emissions. We are focusing on four areas to reduce these emissions:

- Transitioning to low-carbon mobility.
- Using rail and waterways where possible.
- Optimizing vehicle dispatch, including the use of lightweight trailers.
- Promoting eco-driving, adjusting behaviors to reduce fuel consumption.

We are also encouraging our customers to adopt a similar approach, with the aim of reducing Scope 3 downstream transportation emissions per ton of material transported by 25% by 2030, compared to the 2020 baseline.

Transforming our logistics operations

We are achieving next-level operational efficiency by integrating advanced digital solutions and AI-driven strategies:

- **Predictive AI planning:** Enhancing forecast accuracy with Holcim's Foresight tool to synchronize supply and demand, fully utilize our fleet, and pre-empt high-emission, unplanned operational moves.
- **AI-powered route optimization:** Designing the most efficient network routes to significantly cut transport distances and fuel consumption.
- **Dynamic dispatch consolidation:** Smart systems actively consolidate shipments, reducing total truck usage and minimizing costly empty-load journeys.
- **Global performance intelligence:** Our Transport Analytics Center (TAC) spans over 50 countries, delivering real-time, global insights that empower dispatch managers to optimize resources, reduce energy consumption, and reduce emissions across the entire logistics operation.

Decarbonizing maritime logistics

Committed to decarbonizing every step of our logistics network, we are signatories to the Sea Cargo Charter, promoting CO_2 transparency and accelerating international shipping's decarbonization.



SWISS GOTTHARD TUNNEL BUILT WITH HOLCIM CEMENT AND DELIVERED BY ELECTRIC VEHICLES

Holcim is driving the transition to low-carbon logistics with electric vehicles. In the construction of the Gotthard tunnel's second tube, one of Switzerland's most important infrastructure projects, Holcim is playing a key role by delivering an economical and environmentally friendly transportation solution.

100% of all deliveries — totaling over 150 000 tons of cement — were made using fully electric trucks, setting a new standard for sustainable logistics in challenging alpine environments.

By operating a zero-emission delivery model at such scale, we are demonstrating that large infrastructure can be built efficiently and sustainably while maintaining project performance.

To support this shift, Holcim built a large fast-charging station at our Siggenthal plant, providing electricity to over 30% of our transport logistics at our Swiss plant, amounting to more than 30 trucks.

BUILDING A NATURE-POSITIVE FUTURE

Holcim takes a measurable, science-based approach to implementing nature-positive solutions for the regeneration of ecosystems and cities.

As part of NextGen Growth 2030, we offer customers a broad range of Building Solutions to bring nature into cities, including:

1. **HYDROMEDIA CONCRETE**
   Enables ultra-rapid evacuation of water
2. **BIOACTIVE CONCRETE**
   Supports marine animals and plants
3. **GREEN ROOFS**
   Brings living plants on roofs

FOCUS OF OUR NATURE-POSITIVE ACTIONS

1. Fostering biodiversity and well-being in cities with our nature-positive Building Solutions.
2. Regenerating ecosystems and water basins with communities and credible partners to develop long-term resilience and trust.
3. Advancing supplier actions to protect nature, prioritizing water management, sustainable packaging, and mining.

Partnering for a nature-positive built environment

To accelerate the shift to a nature-positive future, we partner with leading NGOs, coalitions, and other actors in the built environment value chain to share and transfer knowledge. In 2025, we collaborated on several publications to inspire corporate action on nature.

Publications featuring our actions on nature

Find out more about our nature-positive solutions

PIONEERING NEW SCIENCE-BASED TARGETS

Holcim's science-based nature target-setting, starting with freshwater, marked a significant milestone in advancing ambitious and measurable corporate action for nature. This was affirmed by the Science Based Targets Network (SBTN), which named Holcim as one of the first three companies in the world to adopt science-based targets for nature, and the only one in our sector.

THREE NEW TARGETS VALIDATED BY SBTN IN 2025

1. **-38% by 2035, in the Haine basin, Belgium[1]**
2. **-23% by 2030, in the Cyclades basin, Greece[1]**
3. **-16% by 2030, in the Onyar basin, Spain[1]**

"SBTN welcomes Holcim's newly validated science-based targets to reduce freshwater withdrawal across three priority European basins. This demonstrates credible action for nature and a clear investment in long-term business resilience. We encourage other companies in their sector and beyond to follow their lead and step up for nature."

ERIN BILLMAN
Chief Executive Officer
Science Based Targets Network

SCIENCE BASED TARGETS NETWORK

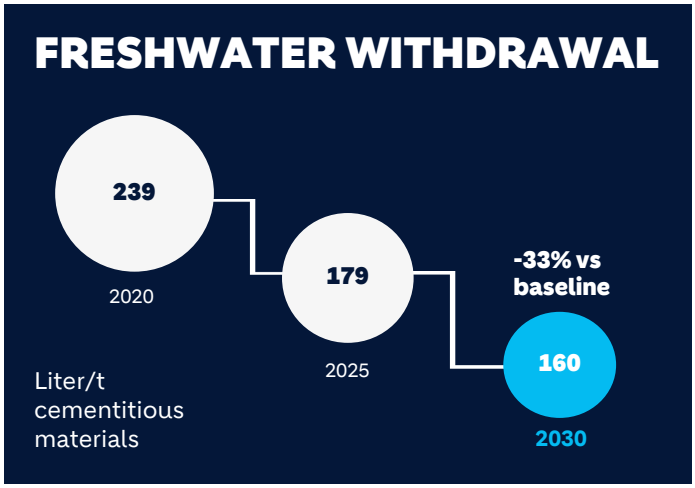
[1] As per SBTN methodology, the baseline refers to a 2020-2024 average.

AMBITIOUS TARGETS FOR FRESHWATER WITHDRAWAL

Our nature agenda sets out measurable targets to protect and restore precious freshwater resources, with a tangible action plan to achieve these goals by 2030.

Since freshwater is a finite resource, we are committed to:

- Reducing freshwater intensity.
- Recycling and reusing water.
- Ensuring high-quality water discharge.
- Implementing nature-based solutions.
- Developing solutions that optimize freshwater and rainwater harvesting.



Note: 2020 baseline has been restated for material changes in scope.



PRESERVING FRESHWATER EXAMPLES

MEXICO: Holcim replaced 100% of its operational freshwater with treated wastewater in two of our concrete plants in Mexico through an agreement with the government. This effort tackles the pertinent issue of water scarcity and quality in the region of Mexico City by reducing the amount that Holcim Mexico withdraws from natural sources and providing an alternative path for the city's sewage discharge. Through this effort, 34 157 m^3 of freshwater were saved, the equivalent of 13.6 Olympic sized pools.

MOROCCO: In Morocco, we launched the country's first ready-mix concrete production using treated wastewater at our Tit Mellil plant. We partnered with a nearby wastewater treatment plant to source the water, and implemented a special tank and pump system at the ready-mix concrete plant, enabling us to reduce our freshwater withdrawal by 30%.

Combined with other measures to reduce freshwater use, boost water recycling, and ensure operational resilience, our operations in Morocco – one of the most water-scarce countries in the world – have saved 180 000 m^3 of water (equivalent to 72 Olympic swimming pools) in the past three years.

PROTECTING BIODIVERSITY

We focus on implementing tailor-made solutions and technology as well as leveraging data from BIRS to improve our biodiversity score and foster an environment in which nature can thrive.

We go beyond traditional rehabilitation in transforming local ecosystems, helping to increase the resilience of our planet and society.

Protecting biodiversity

Our approach to protecting biodiversity involves working with nature to accelerate restoration. We harness natural processes, endemic species, and local adaptation, while taking into account the landscape and local context.

Our biodiversity improvement target is based on progressive transformative rehabilitation actions and are measured using a scientific method developed in partnership with the International Union for Conservation of Nature (IUCN).

Using the IUCN's Biodiversity Indicator and Reporting System (BIRS), we have set a 2030 target to reach a higher biodiversity index compared to the 2024 baseline established for all our quarries.

BIRS enables us to identify risks and opportunities to improve the effectiveness of our biodiversity actions. We continue to partner with IUCN in identifying further opportunities to improve our biodiversity index.

Holcim also looks beyond its operations and it is committed to implement nature-based solutions ranging from reforestation initiatives to wetland restoration together with communities and local stakeholders across its regions.



RESTORING ECOSYSTEMS

Holcim UK has transformed the Newbold Quarry into a thriving natural habitat with public access trails, showcasing sustainable land management.

We collaborated with ornithologists and local conservation groups, creating habitats for bird species, and promoted environmental awareness. This project serves as a model for future quarry restoration by balancing industrial use with ecological recovery, enhancing local nature, and fostering community engagement.



REFORESTATION

In Puerto Hondo, Guayaquil, Holcim Ecuador launched the country's first community-led mangrove nursery, training 22 people in reforestation and sustainability.

The project has already prepared the first 2 000 mangrove seedlings of three different species to be planted. The community has begun selling seedlings and reforestation services, creating a sustainable business model that supports both the local economy and climate change mitigation.

ADVOCATING FOR SUSTAINABILITY-DRIVEN POLICY FRAMEWORKS

We take a responsible approach in advocating for climate-responsible and innovative policy frameworks to advance the goals of the Paris Agreement.

Holcim actively engages in developing public policy frameworks that fully reflect and advance the Paris Agreement's 1.5 °C goal. Holcim partners with stakeholders, policymakers, and industry leaders to accelerate the transition of industry to more sustainable, circular, and energy-efficient solutions.

The company contributes to policy development dialogue aimed at fostering the deployment of innovative technologies and building industrial carbon management value chains from the ground up.

Advocacy governance

Holcim's climate policy advocacy is led by the Group Public Policy and Government Relations function, supported by other Group functions as well as regional and country experts.

Communication consists of sharing advocacy guidance through public affairs networks to ensure consistent messaging and local policy engagement.

On the basis of its Responsible Lobbying and Advocacy Directive, Holcim is committed to transparent and fair conduct in all its lobbying and advocacy activities and complies with all applicable laws. This includes adhering to public codes of conduct and lobbying registers, where those exist. Furthermore, participation in industry and business associations is subject to mandatory compliance training and regular review.

Find out more about our Climate Policy Engagement Report



Delegation of world's business and industry leaders meeting Mrs. Von der Leyen at the launch of the European Leaders for Growth and Competitiveness initiative by the World Economic Forum (WEF).

ADVOCACY ANCHORED IN SUSTAINABILITY AND CLIMATE RESPONSIBILITY

Our business model, operational activities, and advocacy are fully aligned with the climate objectives defined by the 1.5 °C pathway.

Holcim is a signatory to the UN Global Compact's Business Ambition for 1.5 °C campaign, pledging to align its climate objectives and operational actions with the 1.5 °C pathway. This pledge was translated into rigorous SBTi-validated targets for 2030 and 2050, which form the basis for Holcim's advocacy and stakeholder engagement.

Competitive industrial decarbonization

Our climate action directly supports the objectives of ambitious public policy frameworks, such as the EU Clean Industrial Deal.

Decarbonization is a key element of our sustainability plan, driven by the large-scale utilization of advanced technologies, such as carbon capture, and the rollout of sustainable products and solutions, such as ECOPact. The competitive deployment of such technologies and products requires a level global playing field for carbon costs. Public policy initiatives, such as the Carbon Border Adjustment Mechanism (CBAM) in Europe, fair state aid rules for energy-intensive sectors, and dynamic carbon pricing are critical to scaling decarbonization efforts.

Collaborating on policy frameworks for advanced low-carbon technologies

Acknowledging that solutions and technologies cannot be universally scaled due to differing regulatory environments, Holcim works collaboratively with policymakers to shape clear, transparent, and dependable policy frameworks for decarbonization. These efforts focus on streamlining permitting processes, securing sufficient funding for innovative technologies, and establishing value-chain risk mitigation mechanisms to incentivize first movers.

Securing competitive decarbonized energy

Affordable clean energy is essential to industrial decarbonization at scale. It requires a well-functioning electricity market, faster permitting for investments in decarbonized energy, and reliable access to alternative fuels such as non-recyclable and biomass waste.

Fostering demand for sustainable offerings

The introduction of innovative sustainable products and solutions on a global scale requires a dynamic standardization framework supported by building codes and progressive public procurement practices, integrating sustainability performance alongside metrics, such as safety, performance, durability, and affordability.

ADVANCING MANDATORY HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE

We take a whole-society approach to achieving net zero, respecting labor and human rights while creating meaningful jobs. We are committed to decarbonization in line with the Just Transition principles (see page 50 of this report), assessing and addressing the impacts of our journey to net zero on four key stakeholder groups: our people, our suppliers, our communities, and our customers.

As part of its climate policy engagement, Holcim supports the implementation of regulatory frameworks that require mandatory human rights and environmental due diligence. Establishing common legal requirements, such as those proposed at European Union level, creates consistent standards across industries. It also ensures that the efforts made by companies to respect people and the planet are not undermined by the lack of uniform standards. Such regulatory frameworks increase legal certainty and provide a competitive level playing field, benefiting the environment and local communities.

ADVOCACY THROUGH OPEN STAKEHOLDER ENGAGEMENT AND DIALOGUE

Openly and transparently discussing our global and sector-specific climate policies with key stakeholders reinforces our position as a leading partner for sustainable construction.

Comprehensive stakeholder engagement

Holcim works closely with policymakers, business partners, and stakeholders to address global and sector-specific policy challenges (see page 60 of this report).

Holcim engages with key stakeholders at the global, national, and local levels, aiming to advance all aspects of the climate action agenda – from industrial decarbonization and technology deployment to the transformation of the built environment as carbon sinks.

At the global level, we are present and proactively engage with delegations and business partners at events such as the World Economic Forum (WEF) in Davos and Climate Week NYC to promote low-carbon and circular solutions.

At the regional level in Europe, we actively contribute to developing innovative policy frameworks, such as the EU's Circular Economy Act and End-of-Waste criteria.

At the national level, Holcim engages with decision makers to drive the effective implementation of local policies and support responsible business growth.

Direct and indirect climate policy advocacy through multi-stakeholder collaboration

Our advocacy efforts center on amplifying climate action through both direct and indirect engagement with policymakers, contributing to relevant policy developments and establishing strategic partnerships.

In 2025, we collaborated with global organizations such as the World Business Council for Sustainable Development (WBCSD), World Green Building Council (WGBC), and WEF, to drive industrial and built-environment decarbonization, supporting circular economy principles and the Paris Agreement.

Holcim also worked closely in 2025 with Cement Europe to ensure that the EU's Carbon Border Adjustment Mechanism (CBAM) would be implemented in a timely and rigorous manner as of 1 January 2026.

Industry association review

Every year, we conduct a review to ensure that our advocacy through industry associations is aligned with the Paris Agreement and our own positions. The review focuses on:

- Support for the Paris Agreement's climate ambition and net-zero agenda.
- Support for carbon pricing mechanisms.
- The need to develop decarbonization roadmaps for 2050.
- Acceptance of the need to deploy advanced technologies, including CCUS.
- Support for creating demand-pull policies for low-carbon products.

We are committed to working with industry associations to shape climate policies locally and globally, as well as to addressing misalignment or, if necessary, reconsidering our membership. Our industry associations and partners include Cement Europe and the Global Cement and Concrete Association.



HOLCIM RECOGNIZED AS AN INDUSTRY LEADER IN SUPPORTING THE EU CLEAN INDUSTRIAL DEAL

OUR PEOPLE



OUR PEOPLE AND CULTURE

At the heart of NextGen Growth 2030 are our over 45 000 employees, united by our Holcim Spirit of Purpose, People and Performance.

Since its introduction in 2024, the Holcim Spirit has become embedded throughout Holcim, enhancing the alignment between our culture, strategy, and business goals.

PURPOSE	Driven by a clear purpose to build progress for people and the planet, with sustainability and innovation at the core to drive our NextGen Growth 2030 strategy
PEOPLE	Creating the best workplace where talent is nurtured, diversity is celebrated, people are engaged, and health and safety is our top priority
PERFORMANCE	Fostering a deeply embedded culture of performance and value creation for our people, customers, and shareholders

2025 Holcim Spirit engagement survey

We conducted a global employee survey to measure how our culture is lived across the company. With an impressive participation rate of 94% and engagement score of 82%, these results reflect the incredible commitment and passion of our teams around the world.

As we advance our NextGen Growth 2030 strategy, we're turning feedback into action, creating even more opportunities for learning, development, collaboration, and career growth across Holcim.

Holcim Spirit Award

In 2025, we inaugurated the Holcim Spirit Award to celebrate how our teams are delivering superior performance and living the Holcim Spirit.

Following a thorough evaluation process, Holcim Poland was selected as the overall winner for being at the forefront in sustainability and financial performance, while Australia, Costa Rica, and Spain were winners in the Purpose, People and Performance categories, respectively.



NURTURING TALENT THROUGH HOLCIM UNIVERSITY

Our people programs are nurturing the next generation of leaders and managers.

Holcim University continued to expand its reach and its catalog of functional and leadership programs, ensuring our people's growth and development by providing all employees access to our key learning platforms. On average, each employee received 26 hours of training in 2025, including at Holcim University.

The Holcim Senior Leaders Business School 2025/26 program is designed to align leaders with the core Holcim Spirit framework of Purpose, People and Performance, focusing on fostering culture, driving individual and team performance, sustainability, and value creation.

For 2026, Holcim University's programs are anchored around three core pillars to support our business and people in accelerating our NextGen Growth 2030 strategy:

1. **Tailored growth:** Personalizing career growth and development using our new skills matrix, and ensuring that we are developing NextGen leaders who embody the Holcim Spirit in every layer of the organization
2. **NextGen focus:** Developing the skills needed to execute NextGen Growth 2030 and drive growth through operational excellence, sustainability, AI, and M&A across our regions and product lines
3. **Broad reach:** Democratizing learning by empowering every employee, regardless of their role or location, with growth tools to shape their own career journey, thereby boosting engagement and retention

RECOGNITION

Our Business School for Advanced Leaders received two awards in 2025: the MERIT Award for the Strongest Executive Education Partnership, and the Brandon Hall Gold Award in the Best Senior Manager Development Program category.



HIGH UPTAKE FOR HOLCIM SUSTAINABLE CONSTRUCTION ACADEMY

Holcim Sustainable Construction Academy, a program run by Holcim University, is a hybrid (online and in-person) sustainable construction training program for architects, engineers, and urban planners.

It brings together built environment experts from different parts of the construction value chain, and is completely free and accessible to all.

There have been more than 6 400 enrollments, with 3 200 users from 118 different countries, on the online platform since its launch in September 2024. All of the online content is available in English, German, French, and Spanish. In-person workshops and events have been held in New York, London, and Dubai in collaboration with local offices and associations.

Find out more at *www.holcimacademy.com*

NURTURING CAREERS

Our employee career programs are building the next generation of leaders and managers.

CAREER HUB

Career Hub is Holcim's AI-powered talent market place, connecting our people with development assignments to accelerate their personal and career growth. Career Hub supports collaboration across geographies, facilitates the exchange of best practices, and strengthens the company's internal talent pipeline.



CAREER CATALYST

Career Catalyst is Holcim's global digital mentorship platform, focusing on employee growth, connecting early-career talent with experienced mentors for personalized learning, skill development (including AI literacy), networking, and career progression, all within a dynamic ecosystem that supports NextGen Growth 2030. This program led to Holcim's recognition as a Global Top Employer 2025.

ONE YOUNG WORLD

We continued our strategic partnership with One Young World for the fifth year. In November, 30 NextGen leaders attended the Summit in Munich, participating in a program directly aligned with our strategic agenda, including deep dives on circular economy and responsible technology.

Beyond individual development, this platform empowers our delegates to drive innovation, sustainability, and inclusion, ensuring they return as activated change-makers who accelerate our strategic priorities.



FUTURE FORUM

In 2025, we launched our inaugural Future Forum: a five-day experience to ignite innovation and drive our NextGen Growth 2030 strategy with future leaders. One hundred employees, including 40 speakers, facilitators, and panelists from around the world, came together to create inclusive solutions, guided by our purpose of building progress for people and the planet.

The event featured plenary sessions and workshops focused on driving sustainability, decarbonization, artificial intelligence, and inclusion. As a result of the Future Forum, several global business initiatives were ignited.

GLOBAL TOP EMPLOYER

Holcim was one of 18 companies worldwide to receive the prestigious certification from the Top Employers Institute, recognizing organizations for their excellence in people practices.

Ranked as Top Employer

In 2025, Holcim was one of just 18 companies across industries worldwide to be named a Global Top Employer by the Top Employers Institute.

We received certification in 27 of our markets, spanning four continents. We scored highly for our people practices in all countries participating for the first time, reflecting the strong foundation and consistency of our global People strategy and reinforcing our position as an employer of choice.

The Top Employer benchmark evaluates companies against global standards in career development, learning, well-being, and compensation practices. Notably, Career Catalyst, Holcim's global digital mentorship platform, was recognized by the Top Employers Institute as an HR best practice and is featured in their Best Practice Library.

Pay equality

Holcim conducted two in-depth pay-gap analyses in 2025 using a recognized third-party platform for the fourth consecutive year. This approach enabled us to identify disparities, understand their root causes, and define targeted actions to close potential gaps. Achieving a global adjusted pay gap of under 1% by 2030 remains a central ambition, reinforcing our position as an inclusive and equitable employer.

Our overarching long-term goal is to ensure that all our employees receive a living wage, guaranteeing sufficient income for a decent standard of living. As a crucial first step, we are undertaking a global assessment to determine whether we pay an adequate wage to all our employees. This analysis will support us in identifying and remedying any gaps.



DIVERSITY, EQUITY, AND INCLUSION

In 2025, Holcim advanced its Diversity, Equity, and Inclusion (DE&I) roadmap, underscoring the role of diversity and inclusivity as drivers of business performance.

Fostering diverse leadership teams and more inclusive workplaces

Diversity is embedded in our purpose-driven performance culture. In Costa Rica, we are implementing a robust diversity and inclusion program. Through initiatives promoting internships, young leaders, and reverse mentoring, Holcim Costa Rica has achieved an increase of more than 5% in talent under 30 years of age. In addition, the drive for gender balance resulted in women holding 50% of management positions thanks to measures to attract diverse talent as well as strategic development opportunities.

At our Retznei plant in Austria, female leadership grew from 15% just three years earlier to 70% in 2025. This was the result of leadership commitment, as well as mentoring and development of internal talent.

Holcim has a target of 30% women in management positions by 2030 and is taking active steps to achieve this ambition.



WOMEN ON WHEELS (WOW)

In 2025, WoW, our global initiative to empower female truck drivers and enhance road safety, expanded to Bulgaria, Algeria, and within Australia. In Algeria, our WoW was the first ever female truck driver in the country.

In recognition of WoW, Holcim won the Inclusion and Diversity category at the 2025 International Road Federation (IRF) Awards. We also continue to advocate for female truck drivers on global platforms, including the WHO Global Ministerial Conference in 2025.



SHE LEADS

This flagship program represents an important stride toward gender-balanced leadership across Holcim. SHE LEADS focuses on equipping our high-potential female talent with leadership skills essential for career progression, including executive presence, public speaking, and personal branding.

Beyond offering mentorship and visibility, the program delivers targeted development and networking opportunities to build a robust pipeline of female leaders. Following the strong results of the pilot, we are scaling the program next year, extending its reach to accelerate the execution of Holcim's NextGen Growth 2030 strategy.

"This program was all about strengthening our skill sets, elevating our confidence, and empowering us as female leaders in heavy-industry operations. I came back with renewed passion, fresh perspectives, and a stronger drive to keep pushing boundaries and making an impact."

MARIA FUAD
Electrical Engineer
Holcim IRAQ

HEALTH AND SAFETY IS OUR TOP PRIORITY

Our strong culture prioritizes zero harm and empowered teams.

In 2025, our three-pillar operating model – Critical Risk Management, Workforce Engagement, and Continuous Improvement – drove tangible progress in Health, Safety & Environment (HSE).

Critical risk management

The critical risk management program remains a cornerstone of our strategy, zeroing in on the top 50 highest-risk controls. In 2025, over 67 000 verifications were conducted, with more than 31 000 actions closed. Furthermore, we delivered 108 000 coaching sessions, enhancing our workforce's understanding and application of these vital controls.

Our two-year World-Class Energy Isolation initiative has mobilized all our operations to embed industry-leading practices. This initiative reached full global scale, consolidating more than 100 000 procedures into a single, quality-assured system.

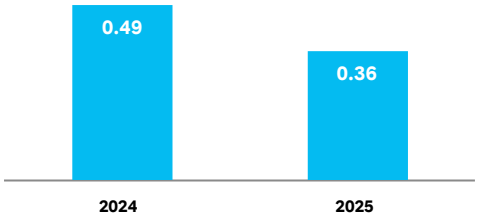
Aiming for a zero-harm business

- Zero fatal work-related incidents in 2025.
- In 2025, our lost-time injury frequency rate (LTIFR) fell to 0.36, with 99% of our sites and 60% of countries reporting zero lost-time injuries (LTIs).

Our operating model is delivering results, confirming that we are on the right path toward achieving zero harm.

LOST TIME INJURY FREQUENCY RATE

27% lower vs 2024





HEALTH AND SAFETY IN ACTION

Continuous improvement

Holcim continues to enhance employee health and well-being through focused initiatives in mental health and industrial hygiene.

We conducted a week-long noise awareness campaign during the Treasure Hunt, our annual team competition in our Boots on Ground app. The campaign, supported by webinars on hearing conservation, resulted in assessments of 5 000 high-noise areas and the implementation of 2 100 actions to reduce noise exposure.

A mental health coaching protocol was integrated into our Boots on Ground app, enabling supervisors to address concerns in real time, while webinars reached over 600 participants.

In our fourth global rewards and recognition program, we celebrated three gold and eight silver country awards, and 85 unit awards for outstanding HSE performance.

We conducted 46 comprehensive HSE audits and invested CHF 116 million in HSE improvement projects in 2025.

Engagement driving HSE performance

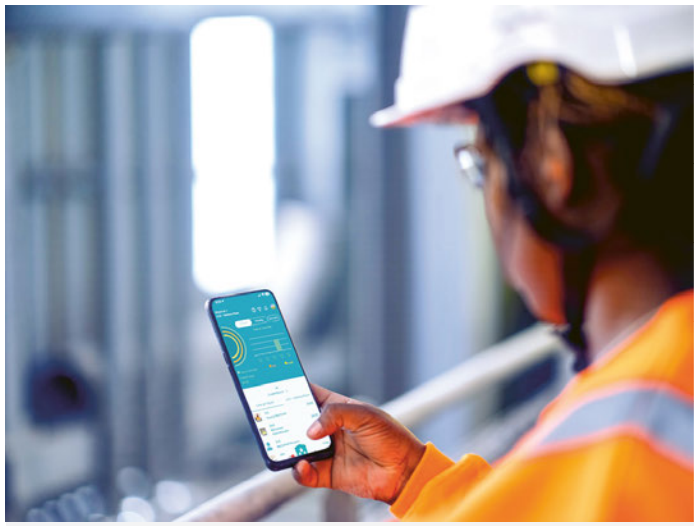
At Holcim, engagement is more than participation – it is the driving force behind exceptional HSE performance.

Holcim introduced HSE in Action, a comprehensive new engagement framework, with a focus on two key areas.

The first concerns everyday behaviors expected from every employee: being visibly present, coaching consistently, verifying controls, and recognizing positive actions. These shared habits strengthen a unified culture where high standards become part of daily work.

The second centers on periodic high-impact initiatives designed to enhance HSE culture, reduce risk, and accelerate maturity globally.

Together, these elements form an “infinity circle” of continuous improvement, where every action reinforces the next. Through HSE in Action, Holcim is building a culture where excellence is not reduced to an initiative – it is the way we work, every day.



BOOTS ON GROUND

Our workforce engagement program took a major step forward with the integration of artificial intelligence (AI) and advanced digital tools, making health and safety performance more predictable, transparent, and actionable.

A key milestone was the launch of the app’s executive dashboard, providing a one-stop view of Group, regional, and country results. It brings together AI-driven insights, key indicators, and benchmarking in real time. This enables leaders to instantly identify priorities, track progress, and focus attention where it matters most.

We also launched a digital module for mapping and assessing risks associated with structural and hazardous materials. It ensures consistent risk ratings, transparent results, and effective planning through a unified dashboard.

The Treasure Hunt was expanded to cover hearing and fire protection, as well as energy efficiency, water conservation, dust emission reduction, and serious safety risk mitigation, resulting in more than CHF 3 million saved and 66 000 findings closed in 2025. More than 10 000 employees and 387 executives participated.

In 2025, Boots on Ground continued to grow, engaging 16 500 users across 2 700 sites. Executives and HSE professionals shared 3 500 field feedback reports, while more than 450 000 coaching sessions were conducted and 300 000 actions were closed.

FOSTERING POSITIVE SOCIAL IMPACT IN LOCAL COMMUNITIES

Holcim partners with communities and governments in numerous countries to help raise the standard of living, contributing to a far-reaching impact for society.



ACCESS TO ADEQUATE HOUSING

In August 2025, Holcim launched a global partnership with Build Change to advance resilient housing, beginning with a project in Guatemala.

Through Holcim's Disensa network, the largest construction materials retail franchise in Latin America, we are providing communities with building materials and educational resources to support the construction and retrofitting of safe, sustainable homes.

By combining Holcim's expertise in sustainable construction with Build Change's focus on resilience, the initiative aims to improve living standards while reducing vulnerability to natural disasters.



IMPROVING ACCESS TO HEALTHCARE FACILITIES AND SUPPORT

In our ongoing partnership with Ronald McDonald House Charities, Holcim helped to build a safe, supportive space for families of hospitalized children in Warsaw, Poland. Holcim donated modern, sustainable building solutions that offered enhanced strength, better insulation, and a lower environmental impact.

In Serbia, we provided significant funding for the reconstruction and renovation of the Beočin Health Center, several local clinics, as well as kindergartens in the Beočin municipality, ensuring safer, more modern spaces for the community.



RESTORING ECOSYSTEMS

Our commitment to community well-being extends beyond people to the ecosystems that sustain them. By repairing environments, we strengthen resilience and create lasting value for the communities concerned.

In the Ocean Race Europe 2025, Team Holcim-PRB integrated sustainability with their "Go Circular" mission, which culminated in them winning the race's first-ever Sustainability Award for their efforts. The mission involved collecting ocean data and recycling materials, as well as donating a new artificial reef made from low-carbon concrete in Kiel, Germany, to boost marine biodiversity at the race's start.

This reef project showcases Holcim's innovative marine preservation solutions, using specially designed bioactive concrete to accelerate ecosystem restoration.

UPHOLDING HUMAN RIGHTS

We are committed to upholding and promoting human rights, while fostering positive social impact in the communities where we operate.

Upholding human rights

Treating people with respect and dignity, and providing decent working conditions, are the minimum requirements in all our operations, business activities, business relationships, and the communities where we work.

Holcim is committed to adopting internationally recognized human rights frameworks such as the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. We have actively participated in the UN Global Compact for more than two decades.

Our human rights approach

Our Human Rights and Social Policy and Human Rights Directive set out our approach and processes as well as the salient risks. We have carried out human rights assessments for more than a decade, led either by Group-level experts or conducted at country level.

Today, every country where we operate has a human rights assessment process in place with defined action plans. In the last three years, 46 impact assessments and 23 self-assessments were conducted. All the findings from the human rights assessments and the mitigating action plans are recorded in a global system and followed up every quarter by the countries and the Group's human rights experts.

Ongoing due diligence, stakeholder engagement, and training define our human rights approach. Through our country- and Group-level programs, we trained over 7 000 employees, contractors, community members, and other stakeholders on human rights topics in 2025.

We engage with a wide range of stakeholders – including community members, employees, NGOs, and government representatives – to explain our company positions, build trust, understand expectations, and listen to grievances and concerns. This type of constructive engagement also regularly takes place at and around our sites. All cement and grinding sites are required to implement a locally managed stakeholder map and engagement plan.

Cement plants and grinding units must have a Community Advisory Panel, ensuring regular dialogue with community representatives. In 2025, 1 158 meetings were held with local stakeholders. Engaging with relevant stakeholders in this way is mandatory in the planning of any new industrial development.

We have several mechanisms in place to address stakeholder questions and concerns. Our Integrity Line is an anonymized, confidential and safe environment in which to raise concerns regarding Holcim's business practices. It is operated by an external third party. Available in multiple languages, the line serves all our stakeholders. All concerns are investigated and responded to. Further details on our ongoing stakeholder engagement can be found on page 60 of this report.

OUR HUMAN RIGHTS APPROACH

1 POLICY

Policy commitment
Human rights and social policy embedded in related policies and processes.

2 IDENTIFY

Identify risks and impacts
Conduct impact assessments/self-assessments. Regular dialogue with communities.

3 MITIGATE

Grievance and remedy
Global, country, site, and community-level grievance mechanisms.

4 MONITOR

Monitor and communicate
Track effectiveness of responses. Communicate on performance.

5 REMEDY

Address adverse impacts
Integrate findings in functions and processes. Prioritize salient issues, develop action plans.

CORE ELEMENTS OF OUR HUMAN RIGHTS APPROACH

Ongoing due diligence
Salient risks
Stakeholder engagement
Impact assessments
Training

JUST TRANSITION

We take a responsible, whole-society approach to reaching net zero, advancing labor and human rights, while creating meaningful employment opportunities.

Decarbonizing in line with the Just Transition

We are committed to decarbonization in line with the Just Transition principles, assessing and addressing the impacts of our journey to net zero on four key stakeholder groups: our people, our suppliers, our communities and our customers.

Holcim is committed to advancing a Just Transition that prioritizes the well-being of our key stakeholders. Our Just Transition commitments ensure the most equitable and inclusive solutions for decarbonizing the built environment as we progress on our net-zero journey.

By promoting a fair and holistic approach, Holcim seeks to ensure that everyone, including people from marginalized and disadvantaged groups, has the opportunity to lead fulfilling and sustainable lives characterized by dignity, inclusivity, and empowerment.

Our Just Transition plan

Our comprehensive Just Transition plan represents our commitment to implementing a series of substantive actions as we transition to a low-carbon economy. These actions will be designed to support our key stakeholders, such as employees, unions, communities, suppliers, and customers throughout our sustainability journey.

Our Just Transition brochure is available here: *www.holcim.com/sustainability/esg/esg-policies-documents-reports*.

OUR PEOPLE

We are committed to supporting our people, and empowering them with the necessary skills to succeed and thrive in a net-zero future. To ensure the successful implementation of our NextGen Growth 2030 strategy with our highly engaged workforce, we offer programs at Holcim University, comprehensive training, reskilling and upskilling opportunities, as well as fair compensation packages.

OUR CUSTOMERS

As the leading partner for sustainable construction, we offer customers high-value building materials and building solutions across the built environment. Our comprehensive portfolio, ranging from low-carbon cement and circular aggregates to energy-efficient building systems and high-performance concrete and surfacing, help our customers build sustainably and reduce their own footprint.

OUR SUPPLIERS

Our respect for human rights and commitments to climate and nature are integral to how we work with suppliers. We actively engage with suppliers to identify and manage the environmental impact of their operations, as well as the products and services that we procure from them, focusing on areas with the highest impact on climate, water, air emissions, waste, biodiversity, and land use.

OUR COMMUNITIES

Holcim remains fully committed to creating a positive social impact in the communities where we operate. We aim to provide high-value jobs, increased affordable housing, medical facilities, and skills development. We promote sustainable development through innovative building materials and solutions to enable our communities to thrive in safe and resilient environments.

SUSTAINABILITY DISCLOSURES



Torre Olivia in Quintana Roo, Mexico's Yucatán Peninsula, Mexico. Built with ECOPact inside.

GENERAL DISCLOSURES

Legal Framework of Reporting

The 2025 Sustainability Statement is prepared in accordance with the provisions of the Swiss Code of Obligations (Art. 964b and 964j-l) and related ordinances, and in accordance with the European Sustainability Reporting Standards (ESRS) adopted by the EU Commission through Commission Delegated Regulation (EU) 2023/2772.

BP-1 – GENERAL BASIS FOR PREPARATION

The 2025 Sustainability Statement represents the first comprehensive report of Holcim's sustainability performance under our NextGen Growth 2030 strategy. It is prepared on a consolidated basis, with the data consolidated according to the same principles as the financial statements, including Holcim Ltd and its subsidiaries. As used herein, the terms "Holcim" or the "Group" refer to Holcim Ltd together with the companies included in the scope of consolidation. The list of principal consolidated entities is presented in Note 2.4 to the Consolidated Financial Statements of the 2025 Financial Report.

In this Sustainability Statement, we include information from across our upstream and downstream value chain, which is essential for understanding our full sustainability impacts, risks, and opportunities.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided.

Under Articles 19a(3) and 29a(3) of Directive 2013/34/EU, companies are permitted not to disclose impending developments or matters that are in the course of negotiation. Holcim has opted to use this exemption and has not disclosed our GHG emission reduction targets for Scope 3 in absolute value in 2025.

BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Time horizons

To provide a clear view of our strategic timeline for risks and opportunities, Holcim defines short-term as less than three years, medium-term as less than 10 years, and long-term as up to 2050, as per our enterprise risk management process.

Sources of estimation and outcome uncertainty (including value chain estimates)

The preparation of this statement includes estimates and assumptions based on historical experience and future expectations. These assessments and estimates involve using data from indirect sources, including sector-average data and proxies.

For example, it is not always feasible to obtain accurate supplier-specific data and emissions factors for all of our Scope 3 GHG emissions categories. In such cases, we apply the GHG Protocol to estimate CO_2 emissions for the respective Scope 3 categories. We select the GHG calculation methods that appropriately reflect the most material GHG emissions and support the decision-making process to achieve reduction targets. We apply the following criteria to select calculation methods: 1. Relative size of the emissions, 2. Data availability, 3. Data quality, 4. Cost and effort required to apply each method.

All sites that were active during the reporting year were considered eligible for inclusion in our reporting. For sites active for less than six months, impacts were estimated based on production volumes and group averages. For environmental data, cement terminals are not considered material and are hence excluded from the consolidation. See the table "Producing Assets Included in Evaluation" on page 53 of this report for the number of sites included in our reporting.

Extrapolation

To accelerate the reporting process and align with the financial reporting timeline, some data is based on 11 months of data (as of 30 November), and has been extrapolated to estimate annual values. This includes:

- Employee data: hours of training per employee
- Environmental data: air emissions and non-cement CO_2 emissions

Other indicators are either based on 12 months of data or no extrapolation was required, as they do not necessarily change between November and December (for example, environmental certifications and hectares rehabilitated).

Changes in preparation or presentation

To ensure comparability, prior years' data is restated to reflect the current year's scope of consolidation, particularly taking into account acquisitions and divestments. The data for business(es) divested during the year is excluded for the entire year. The data for business(es) acquired during the year is included for the entire year. When a new site is acquired by Holcim, its policies and procedures for non-financial reporting may not necessarily be consistent with Holcim's standards. Accordingly, new sites have until the second reporting year following the acquisition to meet and report performance in line with Holcim's standards.

In the 2025 Sustainability Statement, the most significant changes in the scope of consolidation are the spin-off of the North American business, and the divestments of Nigeria and Karbala Cement Manufacturing Ltd in Iraq. In order to ensure full reporting of environmental aspects, Jordan is still included in the 2025 performance data, as it was consolidated for the majority of the year (divestment closed in December 2025). For the purpose of year-end headcount alignment, the Employee disclosure tables (S1-1 to S1-13) exclude Jordan as of December 31, 2025.

Entities in Peru & Guatemala were acquired in late 2024 and are gradually adopting the reporting process. In 2025, they reported Human rights, Employee, Energy and CO_2 emissions data. They will complete all other non-financial reporting by end of 2026.

Throughout this report, the 2024 and 2023 figures have been restated in line with the 2025 scope of consolidation.

For the purpose of certain outstanding financial instruments within the Group, which refer to the baselines of certain sustainability performance indicators that were established by reference to an earlier scope of consolidation, these changes constitute a significant change to the structure of the Group. As such, they constitute a recalculation event (as determined in good faith by the Group) requiring the relevant baselines to be recalculated. EY, has independently verified the restatements of the baselines of these sustainability indicators. See pages 134-137 of this report for EY's assurance statement and the list of sustainability indicators verified.

Disclosures stemming from other frameworks

Our disclosures are also informed by and cross-referenced with other leading frameworks, including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Taskforce on Climate-related Financial Disclosures (TCFD), and the Taskforce on Nature-related Financial Disclosures (TNFD). Detailed content indices are provided on pages 140-152 of this report.

Incorporation by reference

Our CSRD content index on pages 140-146 of this report lists all of the ESRS disclosure requirements under ESRS 2 and the topical ESRS standards which are material to Holcim. The content index shows where to find information relating to specific disclosure requirements that lie outside of the 2025 Sustainability Statement and are 'incorporated by reference'. Our 2025 Annual Report Executive Summary, 2025 Governance & Risk Report, 2025 Compensation Report, and 2025 Financial Report are published as separate reports.

Reporting cycle

Holcim will continue to report annually. We have launched a three-year implementation plan to achieve full compliance with the Corporate Sustainability Reporting Directive (CSRD), supported by a progressive expansion of assurance to cover the full Sustainability Statement. 2025 was the first year of this roadmap, during which we voluntarily increased both disclosure depth and assurance coverage. We aim to reach full CSRD compliance by 2027.

PRODUCING ASSETS INCLUDED IN EVALUATION

	Unit	2023 restated	2024 restated	**2025**
Cement producing sites including grinding and blending	#	107	107	**112**
Aggregates sites	#	299	305	**269**
Asphalt sites	#	44	48	**47**
Ready-mix and concrete product sites	#	906	960	**967**
Quarries operated	#	382	398	**408**

GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Effective governance is the bedrock of our strategy, ensuring sustainability is steered from the highest level of the organization. The Board of Directors holds ultimate responsibility for our NextGen Growth 2030 strategy, including our climate and nature roadmaps.

Composition and diversity

The composition of the Board of Directors is well balanced in terms of diversity, nationality, cultural background, and tenure. The Board is composed of 10 members, is 100% independent and highly diverse, with 40% female representation and members of nine different nationalities. Full biographies of the Board of Directors members and further details on their expertise can be found in the 2025 Governance & Risk Report on pages 12-16.

Sustainability expertise

The Board of Directors has significant sustainability expertise across all our material sustainability topics. Holcim assesses the Board's Environmental, Social, and Governance (ESG) competencies, with a specific evaluation of its climate change expertise. This assessment of the Board's competencies considers each director's relevant background, industry knowledge, and experience, and includes a structured self-evaluation process.

CLIMATE CHANGE EXPERTISE

The different levels of expertise are defined as follows:



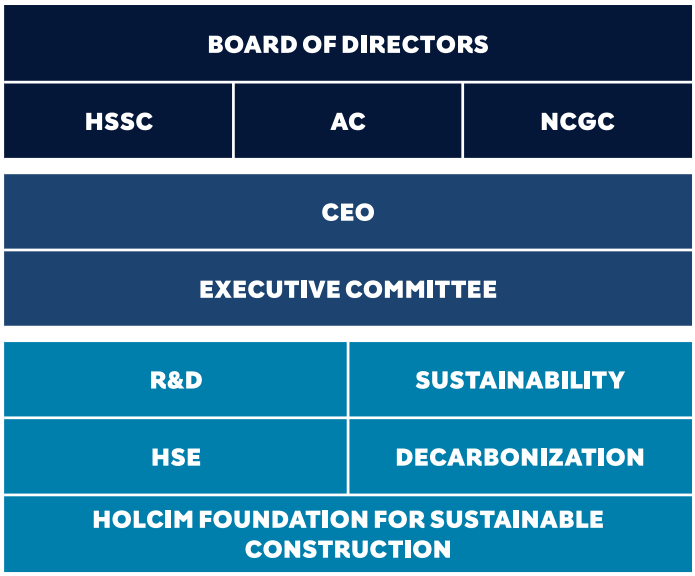
- **Significant expertise –** Substantial knowledge and/or practical experience on the topic — 60%
- **Experienced –** Relevant knowledge and/or indirect experience through interacting with or having undertaken internal training on the topic — 20%
- **Awareness –** General knowledge and/or limited experience — 20%

To enhance the Board's sustainability competencies (e.g., on climate topics), our internal subject matter experts offer Board members training on sustainability topics such as climate, nature, and human rights. These experts are also invited to present specific topics of high materiality to the Board. Relevant topics for discussion concerning climate change and our decarbonization journey include our carbon capture, utilization, and storage projects.

We also organize site visits to deepen understanding of our sustainable offering, circular construction, and sustainability overall. For example, in 2025, the Board visited Holcim's cement plant in Obourg, Belgium, and a ready-mix concrete site in Athens, Greece.

Roles and responsibilities

The Board of Directors has ultimate responsibility for the strategy and overall governance of the company. Through the Audit Committee (AC) and the Health, Safety, and Sustainability Committee (HSSC), the Board oversees Holcim's risk management and internal control process, including ESG-related risks and opportunities.



The HSSC supports and advises the Board of Directors on the development and promotion of a healthy and safe environment for employees and contractors as well as on sustainable development and social responsibility. The HSSC consists of five Board members, who advise the Board on all sustainability-related matters.

The Executive Committee is responsible for executing the sustainability strategy, including approving our DMA, our strategic direction, and our sustainability targets. The Executive Committee is also accountable for our performance on sustainability topics including progress against our targets. Sustainability issues are managed on an operational level by the Chief People & Sustainability Officer (CPSO), an Executive Committee-level position. The CPSO is supported by a core Sustainability team. The core Sustainability team is a cross-disciplinary department responsible for developing and overseeing the deployment of Holcim's sustainability strategy.

GOV-2 – INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In 2025, the HSSC held four ordinary meetings. The topics discussed by the HSSC included:

- Health, safety, and environment KPIs and focus areas, in particular the launch of HSE in Action, a comprehensive new engagement framework, and strategic initiatives to reduce air emissions.
- Sustainability focus areas and ESG strategy including:
  - The Group's fourth Climate Report, presented at the 2025 AGM, which received 89.75% approval by shareholders.
  - Review and approval of NextGen Growth 2030 sustainability strategy and updated 2030 targets.
  - Review of rebaselining of sustainability targets included in the long-term incentive plan (LTIP).
  - Quarterly review of progress against climate targets to decarbonize Scopes 1, 2, and 3 and the associated levers.
  - Quarterly review of circularity targets to increase recycling of construction and demolition materials.
  - Quarterly review of progress against nature targets to reduce and replenish freshwater used, as well as a science-based measurable positive impact on biodiversity.
  - Quarterly review of progress against people targets on social initiatives, human rights assessments, and affordable housing programs.
- Holcim's response to adverse events. Mainly geopolitical events, pandemic/epidemic outbreaks, natural disasters.
- Security and resilience program. In particular, the updated governance and key performance indicators.

Say on Climate

Holcim's commitment to climate governance has included voluntarily providing shareholders with a Say on Climate, by submitting a Climate Report to an annual general meeting (AGM) vote. For the past four years, Holcim's annual Climate Report was approved by shareholders.

With the evolution of sustainability standards, we have consolidated our Climate Report and Report on Non-Financial Matters into a single 2025 Sustainability Statement, voluntarily prepared in accordance with CSRD/ESRS. This integration increases the transparency, consistency, and depth of our disclosures for all sustainability topics, including climate.

Shareholders will continue to have a direct say and vote on Holcim's more comprehensive 2025 Sustainability Statement at the 2026 Annual General Meeting, and we will not hold a separate vote on climate. However, to ensure continued oversight, we intend to submit a dedicated vote on the climate strategy to shareholders periodically, or in the event of material strategic changes.

Vote on Sustainability Statement

The 2025 Sustainability Statement satisfies the disclosure requirements mandated by Art. 964a-c of the Swiss Code of Obligation (CO) on non-financial matters and by Art. 964j-l CO regarding the report on due diligence and transparency in relation to minerals and and metals from conflict-affected areas and child labor. At the 2026 Annual General Meeting, shareholders will be invited to vote on the approval of the 2025 Sustainability Statement.

GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The executive compensation system is directly linked to our sustainability strategy and to our climate goals in particular. This framework ensures clear accountability for our ESG performance by linking the long-term incentive plan (LTIP) to the Group's sustainability strategy. The sustainability objective encompasses three pillars of the company's sustainability strategy, in line with Holcim's commitment to building a net-zero future with science-based targets for climate, circularity, and nature. The climate pillar focuses on reducing direct Scope 1 CO_2 emissions, while circularity targets the integration of construction demolition materials (CDM) recycled from various infrastructure and residential projects. Lastly, the nature pillar aims to minimize environmental impact by reducing freshwater withdrawal relative to the production of cementitious materials.

Sustainability performance accounts for 10.4% of the CEO's compensation, while representing 8.2% for the remaining members of the Executive Committee.

Comprehensive information regarding the Executive Committee compensation system is provided in the 2025 Compensation Report on pages 7–13.

GOV-4 – STATEMENT ON DUE DILIGENCE

Holcim's due diligence process is a comprehensive and integrated system designed to identify, prevent, mitigate, and account for adverse impacts, including child labor and conflict minerals, throughout its value chain.

Embedding due diligence in governance, strategy and business model

Our Code of Business Conduct (replaced by Code of Ethics as of 1 January 2026) defines high behavioral standards for our employees and business partners. In addition, all Holcim suppliers are required to adhere to the standards within our Code of Conduct for Suppliers (replaced by Supplier Code of Ethics as of 1 January 2026) and to apply the same principles within their supply chain.

Holcim's Third Party Due Diligence Directive provides the governance framework for due diligence, including assigned functional responsibilities for carrying out due diligence.

Focus areas for due diligence include human rights assessments as set out in the Human Rights Directive as well as supply chain due diligence as set out in the Sustainable Procurement Directive.

Holcim's due diligence approach is supported by proactive stakeholder engagement and a comprehensive system for addressing complaints and grievances.

1. Human rights assessments

Identifying and assessing adverse impacts

Proactive stakeholder engagement is a key part of the human rights assessments conducted at both country and site levels.

Holcim employs a robust, risk-based methodology guided by international standards, including the OECD Due Diligence Guidance and the UN Guiding Principles on Business and Human Rights. The process begins with thorough human rights assessments and is informed by external benchmarks such as the UN Human Development Index (HDI) and the Freedom House Index.

Taking actions to address adverse impacts

Any gaps identified in human rights assessments are addressed through action plans.

Tracking and communicating their effectiveness

Holcim tracks the effectiveness of its human rights strategy through a rigorous monitoring framework. Country CEOs oversee the implementation and timely resolution of action plans, with high-risk findings frequently monitored to ensure immediate mitigation.

To verify long-term impact, Holcim conducts triennial reassessments to confirm that previous actions successfully resolved identified issues, and communicates these results annually through Group-level sustainability reporting and direct engagement with Community Advisory Panels (CAPs).

Prevention of child labor in own operations

Holcim is committed to respecting and promoting the rights of people in its own operations, supply chain, and in the communities where it operates. Respect for human and children's rights is fundamental to Holcim's ability to do business across all sites in its operating countries. Children's rights are fully integrated into Holcim's human rights and sustainable procurement programs and standards. In 2021, Holcim signed a pledge to eliminate child labor in global supply chains.[1]

Holcim's commitment is aligned with the principles and values contained in the following internationally recognized regulations:

- ILO Convention No. 138 on Minimum Age.
- ILO Convention No. 182 on the Worst Forms of Child Labour.
- ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015.
- OECD Due Diligence Guidance for Responsible Business of 8 June 2023.

Holcim's efforts to eliminate child labor start with our own operations. For Holcim employees, the Code of Business Conduct explicitly prohibits the exploitation of children, including through child labor. The basic principles provided by the International Labour Organization (ILO) are adopted in Holcim's Human Resources Policy and implemented throughout all business operations.

For the 2025 financial year, Holcim does not have reasonable grounds to suspect any child labor within its own operations.

[1] *endchildlabour2021.org/holcim-ltd*

2. Supply chain due diligence

Identifying and assessing adverse impacts

In all countries, Holcim has processes in place to identify, prevent, and manage potential adverse impacts in its supply chain relating to climate, nature (biodiversity and water), health and safety, security and resilience, social responsibility, human rights, business ethics, and legal compliance.

Holcim applies a periodic supplier prioritization methodology to focus due diligence actions on the main risk procurement categories: maintenance and production, contracted services, raw materials (in particular mining, chemicals, and packaging), logistics services, and energy and fuels.

Our due diligence approach begins with qualifying priority suppliers, which consists of regular verifications in the form of self-assessments, fact-finding, or audits to verify compliance. Throughout the process, we engage with suppliers to ensure they understand our expectations and how they will be evaluated.

Taking actions to address adverse impacts

When due diligence uncovers relevant issues, or a supplier does not meet the requirements of the Supplier Code of Conduct, corrective action plans are established and guidance is provided. Holcim monitors progress made and, where appropriate, supports suppliers in developing their capabilities to improve ESG performance. Holcim may terminate relationships with suppliers that breach zero-tolerance requirements and/or suppliers that repeatedly and knowingly violate the Supplier Code of Conduct and/or refuse to implement improvement plans.

Tracking and communicating the effectiveness of these efforts

Holcim's supply chain traceability system monitors every purchase of goods and services, enhancing the ability to trace materials and monitor country-level risks. We also monitor critical and very high-risk suppliers as a further preventative measure. Holcim publicly discloses annual performance indicators.

Holcim cooperates in good faith with any OECD National Contact Point, as required, to address adverse impacts that might arise from stakeholders with regard to principles and standards contained in the OECD Guidelines.

Prevention of child labor in the supply chain

Holcim clearly and actively communicates its commitment and human rights expectations of suppliers and business partners through its Supplier Code of Conduct. The Supplier Code of Conduct, which forms an integral part of contracts and agreements between Holcim and its suppliers, explicitly states that suppliers shall prevent all forms of child labor.

Holcim's supply chain traceability system enhances our ability to trace the origin of the materials purchased. This information is used to monitor the country risk for child labor via the UNICEF Children's Rights in the Workplace Index and the ILO Statistics on Child Labour. Furthermore, Holcim maps and monitors additional tiers of the supply chain as an additional measure to prevent child labor in its supply chain.

Holcim applies a zero-tolerance approach to any form of child labor in its supply chain. In the case of any breach, we will immediately terminate the business relationship in question and remediate the situation.

For more information on Holcim's supply chain, please refer to page 131 of this report.

Statement on metals and minerals from conflict areas

Holcim is committed to maintaining a responsible and ethical supply chain. Based on the information contained in Holcim's supply chain traceability system, Holcim has not placed in free circulation or processed in any country of operation, including Switzerland, any conflict minerals or metals (tantalum, tin, tungsten, and gold) from conflict-affected or high-risk areas in 2025.

3. Stakeholder engagement, complaints, and grievances

In addition to proactive stakeholder engagement, which is embedded in the due diligence procedures, Holcim addresses complaints and grievances received through its global Integrity Line, which supplements numerous site- and community-level grievance mechanisms. All Holcim employees, suppliers, and other interested third parties have access to the Integrity Line, which is an independently operated tool to raise concerns regarding business practices, including human rights and child labor. For more details on the Integrity Line, please refer to the 2025 Governance & Risk Report (page 27).

GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Holcim's risk management and internal control processes related to sustainability reporting are fully integrated into our comprehensive enterprise risk management (ERM) framework, which is described in detail in the 2025 Governance & Risk Report.

Oversight on sustainability reporting is primarily assured through a dual committee structure comprising the Audit Committee and the Health, Safety, and Sustainability Committee (HSSC). This approach ensures that both financial and non-financial aspects of risk and reporting receive thorough scrutiny, with the ultimate purpose of providing a high degree of confidence regarding the reliability of sustainability disclosures and ensuring alignment with the overarching NextGen Growth 2030 strategy.

Internal controls implemented to ensure data quality and robustness include:

- Principal sustainability KPIs, namely those relating to Holcim's cement business (Scope 1 and 2 emissions from cement activities), freshwater withdrawal, and circular economy volumes (waste-derived resources and construction demolition materials), are reported monthly through Holcim's financial reporting process and are subject to a rigorous internal verification process. This includes an annual certification process to review the main action plans in progress and to confirm management's responsibility for the quality of internal controls and financial reporting at each relevant level of the Group organization.
- The Axiom digital reporting and analytics platform, as well as internally developed proprietary spreadsheet-based import questionnaire templates, include built-in validation rules to ensure robustness of the reported data. This involves flagging when a value is outside an expected range or deviates significantly from previously reported data, requiring an explanatory comment.
- A robust workflow process is in place, requiring two managers to validate the data and explanations provided in each questionnaire. We have developed validation dashboards to allow entities and subject matter experts to identify values that are out of range.
- Data (such as production, contribution to social initiatives, and number of employees, etc.) is checked against other reporting streams such as SAP and technical reports, as well as for consistency.
- Key Scope 3 KPIs are available on a bi-annual basis, leveraging a data lake to automate extraction from underlying data sources and calculations for each of the Scope 3 categories. The report includes automated controls and sensitivity analyses and is subject to signoff by the functions responsible for the underlying data.

SBM-1 - STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Holcim's NextGen Growth 2030 strategy is disclosed and discussed in detail in the 2025 Annual Report Executive Summary, and on pages 5–50 of this report. Please see pages 64–65 of this report for a description of Holcim's Value Chain.

SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

Engaging with our stakeholders is an integral and continuous process that fundamentally informs our strategy and business model, and is central to how we operate, build trust, and co-create value. Our approach is designed to understand the interests and views of those who influence or are impacted by our business, ensuring their perspectives are embedded in our decision making, from local site level to our global corporate strategy.

Our engagement framework

Our stakeholder engagement is structured across multiple levels to be both strategic and locally relevant. At Group level, we conduct formal consultations to define our core policies. For instance, the development of our Human Rights and Social Policy and the review of our salient human rights risks were the direct result of a global consultation process. This involved in-depth interviews with a wide range of stakeholders, including senior internal executives, international human rights experts, and civil society representatives, as well as canvassing the views of over 200 staff members worldwide. The outcome of this engagement directly shaped the content of the policy and our strategic priorities for risk management.

At the local level, where our operational impacts are most direct, every site is required to maintain a stakeholder map and a specific engagement plan. For our cement plants and grinding units, this is formalized through mandatory Community Advisory Panels, which ensure regular and constructive exchanges with community representatives. Furthermore, engagement with relevant stakeholders is a mandatory step in the planning stages of any new development (e.g., a new quarry) ensuring that we consider local perspectives before projects begin.

Informing strategy and governance

The insights we gain from this multi-layered engagement are critical inputs for our strategy. The dialogue helps us understand stakeholders' perspectives on our business activities and sustainability performance, allowing us to adapt our approach accordingly. The formulation of our Human Rights and Social Policy is a clear example of how stakeholder views have directly led to a change in our strategic framework, while regular engagement calls with investors have resulted in valuable feedback that has helped us increase transparency and improve our disclosures. In addition, we actively engage with our shareholders on our climate transition plan. Shareholders' insights have been instrumental in enhancing our disclosures and refining our strategy. This collaboration has led to significant improvements such as the inclusion of all 15 categories of Scope 3 emissions and enhanced disclosures about our transition CapEx plan, disaggregated by decarbonization lever.

These findings and strategic updates are systematically integrated into our governance. The development of significant Group policies and the updating of salient risks are strategic functions that fall under the oversight of our senior management and, ultimately, the Board of Directors. Information on key stakeholder concerns and the resulting strategic adjustments are therefore communicated to our governing bodies through our established risk management and policy approval processes.

A prime example of our long-term commitment to proactive engagement is our continued support for the Holcim Foundation for Sustainable Construction. This non-profit organization fosters a global dialogue with architects, engineers, and planners to promote sustainable construction. Through its international awards and forums, the Foundation has built a network focused on creating socially inclusive and environmentally sound spaces, demonstrating how we engage with key professional stakeholders to shape a more sustainable future for the entire industry collaboratively.

Building trust with our stakeholders

Our ongoing open and transparent dialogue with key stakeholders brings us valuable insights and enhances our credibility, leading to stronger working relationships and outcomes that drive growth.

	HOW WE ENGAGE	ISSUES WE ENGAGE ON
Employees	Employee surveys, town hall meetings, newsletters, intranet, social media, performance reviews and objective setting, team meetings	Health and safety, labor rights, human rights, working conditions, local impacts, diversity, company and employee performance
Communities	Community advisory panels, plant open days and tours, one-on-one meetings, community forums, public hearings, social media	Local impacts (environmental and social), health and safety, human rights, creating shared value in relation to land rights (e.g., obtaining free, prior, and informed consent)
Investors and financial institutions	Annual general meetings, investor roadshows, one-on-one meetings and calls, investor surveys, rating agency assessments, site visits	Business performance, corporate governance, sustainability (climate, environmental impacts, social impacts), innovation, human rights
Suppliers	Supplier qualification, development and relationship management process, contract negotiations, supplier audits, one-on-one meetings	Business ethics, health and safety, human rights, contract performance, local impacts (environmental and social), innovation, decarbonization and circular economy
Customers	Customer surveys, net promoter score, key account contacts, customer events, local country websites, social media, product and service brochures, contract negotiations	Commercial negotiations, customer satisfaction, sustainable products, product and service innovation, health and safety, human rights
Policymakers	Direct meetings and technical briefings, site and plant visits, public events, committee participation (expert working groups), hearings and public consultations (written briefs and policy papers)	Climate policy, industrial competitiveness, deployment of decarbonization technologies, advancing low-carbon and circular solutions, developing lead markets for low-carbon products
Academia	Direct meetings and technical briefings, site and plant visits, public events (conferences, forums hosted by industry associations and other institutions), committee participation (expert working groups), hearings and public consultations (written briefs and policy papers)	Sustainable construction practices, circular construction, sustainable business models, leadership, regenerative cities, urban resilience
NGOs	Partnerships, forums and panel discussion events, face-to-face meetings, joint projects on biodiversity and circularity, social impact projects (affordable housing, water, education)	Human rights, sustainability (climate, environmental impacts, social impacts), circularity

IRO-1 – DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Holcim is committed to regularly identifying and assessing our material impacts, risks, and opportunities. We conducted a comprehensive double materiality assessment (DMA) in line with the European Sustainability Reporting Standards and the EU's Corporate Sustainability Reporting Directive (CSRD).

The material topics identified through this assessment are the cornerstone of our sustainability strategy, ensuring it prioritizes our most relevant sustainability drivers for business growth, while building value and progress for people and the planet.

Our materiality assessment is closely aligned with our enterprise risk management process.

Double materiality assessment (DMA) process

The materiality assessment process, which is aligned with the CSRD's double materiality concept, examines both impact and financial value dimensions in detail. This approach acknowledges that an organization can both influence and be influenced by sustainability matters.

The assessment was guided by our Group sustainability and risk specialists, along with relevant subject matter experts. To ensure objectivity, we partnered with DNV Business Assurance to assist us with the process, providing independent expertise and guidance on aligning with the CSRD and best practices. Our assessment process was designed to align with the CSRD requirements, while integrating the existing group risk universe and the previous materiality assessment. This approach ensured consistency in the scoring of financial risks, as well as expanding the assessment to comprehensively evaluate impacts and opportunities. The assessment was specifically tailored to evaluate the materiality of sustainability topics and their associated impacts, risks, and opportunities across the short term (less than 3 years), medium term (less than 10 years), and long term (up to 2050), as per our enterprise risk management process.

Our process was designed with the following key definitions in mind:

- Financial materiality: The materiality of risks and opportunities based on the potential magnitude of their financial effects and likelihood of occurrence (assessed before any mitigation actions). Collecting information on the type of impact on our business, the estimated financial outcomes, and additional perceptions on topic management.
- Impact materiality: Evaluation of actual and potential (unmitigated) impacts, both positive and negative, within Holcim's value chain. Consideration of these impacts in terms of their scale, scope, irremediable character, and likelihood.

We completed our assessment in three key stages:

1. Horizon scanning, key issues review, and process design

2. Stakeholder engagement

3. Analysis, insights, and validation

1. Horizon scanning, key issues review, and process design

In the initial phase of our process, we conducted an in-depth review of sustainability matters that could significantly influence Holcim's financial success or have an impact on society and/or the environment. This review encompassed both current and future perspectives, examining our materiality topics identified in previous years and updating these using insights from our latest information, including Group risks, strategy, climate, and value chain activities.

We identified an initial list of topics covering environmental, social, governance, and market focus areas. Topics and their definitions were updated to reflect the current context, such as expanding digital transformation to encompass AI and cybersecurity, and expanding energy consumption to include Holcim's vulnerability to fluctuating fuel prices and its ability to switch to alternative fuels.

We mapped these topics against the ESRS 1 application requirements list of sustainability matters, with relevant subtopics included where applicable to Holcim's operations.

Key to our assessment was identifying where in Holcim's value chain our material impacts, risks, and opportunities were likely to occur. Holcim's value chain was integrated into the survey design to ensure the finalized topic list considered all potentially material sustainability matters relating to our direct and indirect activities.

2. Stakeholder engagement

We recognize that our stakeholders' priorities are constantly evolving and that it is important for us to regularly capture their views. As such, our assessment leveraged Holcim's internal stakeholder expertise on impacts, risks, and opportunities for the business, as well as knowledge of our external impacts on society and/or the environment. We continue to proactively and transparently engage with our external stakeholders as well, and reached out directly for their views in this same assessment.

We conducted a stakeholder mapping exercise designed to ensure representation of all of Holcim's key stakeholder groups, internally and externally. This process identified over 600 internal stakeholders and more than 300 external stakeholders for inclusion in the assessment. Internal stakeholders represented all key functions, including Environment, Health and Safety, Operations, Sales/Commercial, Finance, Human Resources, Supply Chain, Marketing/Communications, Audit and Risk Management, General Counsel/Board, Corporate Affairs/Investor Relations. External stakeholders represented all key groups including customers, suppliers, investors/banking partners, non-governmental organizations, industry groups/bodies, architects/specifiers, workers' unions/trade associations, academia, local governmental/regulators, and joint ventures.

Stakeholders were selected to encompass a wide range of categories, including affected stakeholders and users of sustainability statements. Stakeholders with relevant sustainability expertise were identified as well as those able to reflect our global operations (diversified geographical representation). We developed two distinct stakeholder surveys, tailored for our internal and external stakeholders. Stakeholders received an accompanying survey guide to provide them with details of topic definitions and scoring criteria.

The surveys were designed to score the topics against the criteria. Internal stakeholders assessed the financial materiality of topics and external stakeholders assessed the impact materiality of topics.

Stakeholders were asked to provide a score from 1 (low) to 4 (very high), a scale that aligns with our Group enterprise risk management system and risk universe framework. The criteria were designed to use the risk descriptors from the risk universe framework, while also integrating impacts and opportunities and transitioning from an event-based to a topic-based assessment. Furthermore, the scoring criteria were crafted to gather insights on topics of strategic importance to our external stakeholders, reflecting their relationship in doing business with us. Stakeholders could answer additional detailed questions if they had relevant knowledge and expertise on a particular topic they believed to be of high/very high impact. Respondents were always provided with an option to select "unsure" to avoid skewing the results if they were not informed on a certain topic. Stakeholders were also given the opportunity to provide details of additional topics not included in the potentially material topic list.

3. Analysis, insights, and validation

We received over 400 responses: 357 internal responses and 87 external responses.

Responses were assessed for any potential skewing of results by dominant stakeholder groups and any significant variances in responses. Weighting of responses was not deemed necessary, as we received sufficient responses from all stakeholder groups surveyed. The materiality of topics was determined by the proportion of stakeholders who rated each topic as having a high or very high financial impact or a high or very high impact on society and/or the environment (actual/potential and positive/negative) over the next one to three years. Responses were also analyzed by stakeholder category and geographical location to gain more specific insights. Qualitative open-ended questions were also reviewed for additional insights.

The results were overlaid with information from internal subject matter experts' assessments of ESRS materiality, to reach a final list of material topics and subtopics mapped to ESRS. Senior governance stakeholders, including our VP of Sustainability, CPSO, CFO, and CEO then provided feedback and validation. Their input led to the consolidation of topics with a similar nature and scores. The materiality priority thresholds were ultimately validated and approved by the Health, Safety, and Sustainability Committee in February 2025.

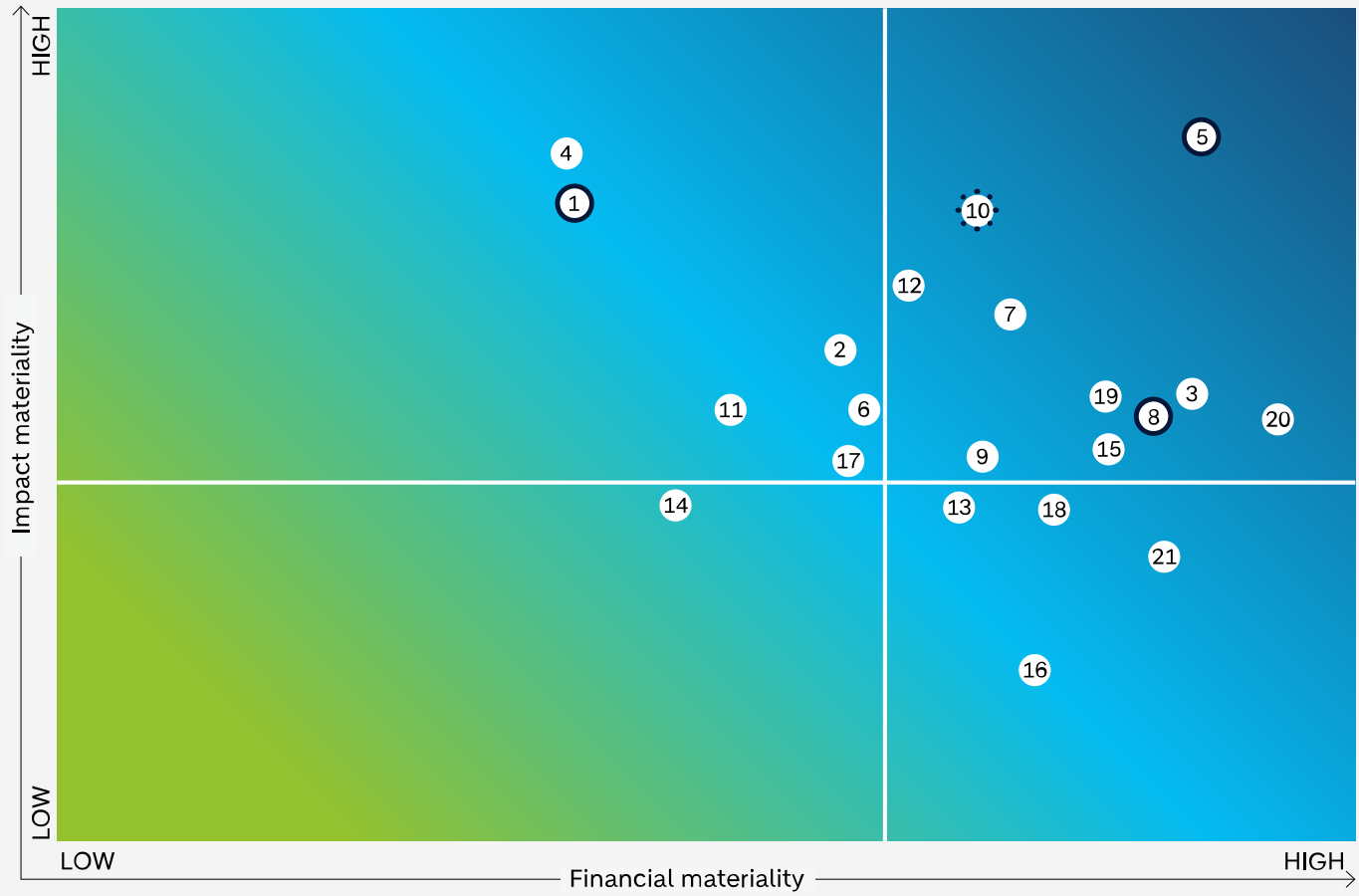
In October 2025, Holcim's sustainability and risk specialists, together with relevant subject matter experts, reviewed the material topics identified in the 2024 assessment. The review concluded that there were no material changes since the previous assessment except for "Responsible Advocacy and Public Policy", which was elevated in impact materiality.

Results

The DMA results are presented in Holcim's double materiality matrix (page 63 of this report) that maps our material priorities, with the financial impacts on the x-axis and the impact materiality on the y-axis. In the top right quadrant are the most material topics for Holcim in terms of both financial and impact materiality.

You can find further details on our double materiality assessment – including the process steps, value chain mapping, stakeholder mapping, an analysis of the qualitative and quantitative results, as well as the validation steps – here: *holcim.com/materiality-assessment*

DOUBLE MATERIALITY MATRIX



ENVIRONMENTAL

1. Biodiversity, ecosystems, and water management
2. Climate change adaptation and resilient infrastructure
3. Energy and alternative fuels
4. GHG emissions in the value chain (indirect)
5. Operational GHG emissions (direct)
6. Operational waste management
7. Pollution (air)
8. Resource use and circular economy

SOCIAL

9. Human rights and labor practices
10. Occupational health and safety
11. Responsible procurement
12. Social impact and community engagement
13. Talent attraction, diversity, and inclusion

GOVERNANCE

14. Corporate communications
15. Corporate governance, ethics, and compliance
16. Digitalization, AI, and cyber security
17. Responsible advocacy and public policy
18. Responsible pricing

MARKET

19. Green CapEx and innovation
20. Product quality
21. Sustainable financial returns

Material topics linked to long-term incentives scheme

Material topic linked to annual incentives scheme

HOLCIM VALUE CHAIN

UPSTREAM



Raw material sourcing

Raw materials: Includes limestone (the primary component of clinker) and aggregates such as sand, gravel, and crushed stone.

Alternative raw materials: Includes basic elements (Ca, Si, Fe, Al, S), recycled construction demolition materials (CDM), waste from other industries such as slag and fly ash, and innovative mineral components such as calcined clay, pozzolana, and reclaimed ashes.

We are partially replacing clinker with these mineral components to significantly reduce the carbon intensity of our cement.

Energy sourcing

We are transitioning to alternative fuels such as biomass and waste-derived resources, substituting traditional fossil fuels (e.g., coal, petcoke) used in cement kilns.

We are generating our own electricity and benefiting from the grid electricity shift to more renewable sources. We are decarbonizing the electricity we consume through long-term PPAs and on-site generation from wind, solar, and waste heat recovery.

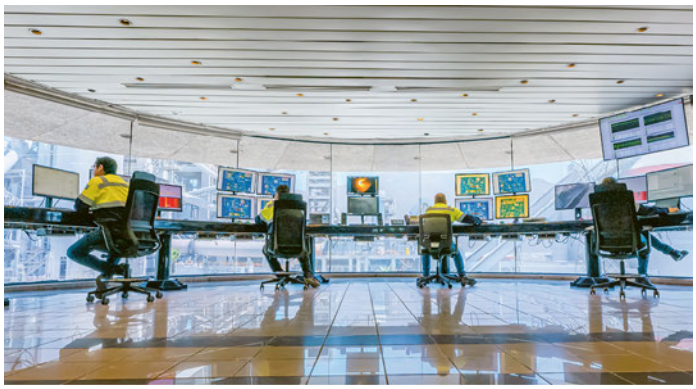
Transport logistics

We are utilizing advanced digital and AI-driven solutions to optimize our logistics, reduce transport distances, and cut emissions. Our transport network utilizes various modes of transport, including trucks, rail, and ships.

Supply chain management and due diligence

We manage supplier relationships through procurement contracts that emphasize sustainability. Direct suppliers include quarry operators, mining companies, waste management firms, energy providers, as well as equipment and machinery manufacturers and service providers. Although influence decreases further up the supply chain, Holcim promotes responsible practices through policies and processes. We consistently enforce our Code of Business Conduct for Suppliers (replaced by Supplier Code of Ethics as of 1 January 2026), Sustainable Procurement Directive, and Workers in the Value Chain Directive to ensure that suppliers adhere to human rights, labor rights, and environmental standards by actively engaging with them. We also assess and manage ESG risks through a risk-based methodology that includes supplier audits.

OWN OPERATIONS



Manufacturing and production

Clinker and cement: Holcim produces clinker and cement at over 100 plants worldwide. Activities include quarrying limestone, as well as producing and grinding of clinker and materials to produce cement.

Aggregates: Holcim produces aggregates (sand, gravel, and crushed stone) at over 250 sites. Activities include extraction, crushing, screening, and washing of aggregates. Quarry rehabilitation to foster biodiversity takes place simultaneously with extraction work.

Ready-mix concrete: Holcim produces ready-mix concrete at over 950 sites. The production process involves mixing cement with aggregates, water, and admixtures.

Building Solutions: Holcim manufactures roofing and walling systems, insulation, and specialty building solutions, such as mortars, tile adhesives and façades, and coatings at specialized facilities.

People

Employees: Holcim aims to create the best workplace by nurturing talent and engaging our employees. Our over 45 000 people reinforce Holcim's culture of performance and value creation for our people, customers, and shareholders, every single day.

Health and safety: Holcim aims to protect the physical, mental, and social wellbeing of its people. That means conducting our business with zero harm and providing a healthy and safe environment for employees, contractors, communities, and customers.

Innovation

Holcim invests in research and development for innovative products and processes. Our focus is on low-carbon formulations, use of alternative fuels and raw materials, and the development of digital solutions, reinforced by AI.

Holcim is decarbonizing its products with innovative formulations. Our low-carbon ECOPlanet cement and ECOPact concrete deliver at least 30% lower CO_2 emissions compared to conventional alternatives.

We are investing in carbon capture utilization and storage (CCUS).

Holcim MAQER Ventures invests in exciting startups to enable scaling of breakthrough technologies.

HOLCIM VALUE CHAIN

DOWNSTREAM



Customers/distributors

Holcim has a diverse range of customers, including construction companies, developers, distributors and retailers, as well as individual homeowners for renovation and repair.

We distribute products through various channels. These channels include direct sales to large construction projects, sales through distributors and retailers, and delivery to customer sites using Holcim's or third-party logistics providers.

In building long-term relationships with our customers and partners, we provide technical support, sustainable solutions, and our HOLCIM+ digital ecosystem that enhances service and performance.

Building materials and solutions

Holcim develops high-value solutions to meet our customers' needs. We deliver a broad range of sustainable, circular, energy-efficient, nature-positive and resilient, and smart building solutions, from end to end.

Holcim's advanced roofing, insulation, and building systems featuring premium brands like PRB and ZinCo, are designed to enhance energy efficiency, bring nature into cities, and make construction more sustainable.

Community

Holcim engages with local communities to create long-term shared value through initiatives focused on job creation, education, affordable housing, and skills development, to enhance livelihoods.

Circularity

Recycling: Holcim currently runs 109 circular construction hubs in or near major metropolitan areas worldwide.

Holcim is scaling its ECOCycle technology to process construction demolition materials (CDM) into new building solutions. CDM is reintegrated as recycled aggregates, mineral components in cement, and inputs for ECOPact concrete, enabling circular construction at scale.

Geocycle: At Geocycle, we transform non-recyclable waste into alternative fuels and raw materials in our operations, reducing landfill dependency and GHG emissions.

SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Our 2025 double materiality assessment confirmed our most material topics, led by climate change, circularity, resource use, and health and safety. We view these topics as the drivers of our commercial strategy and future growth.

The following tables list the impacts, risks, and opportunities (IROs) identified and assessed as material. Brief descriptions are provided, along with an indication of whether each IRO relates to our own operations (OO) or the value chain (VC), and its associated time horizon (short, medium, or long term). More information on each IRO, including how we manage them, can be found on the pages listed below.

ENVIRONMENT

Impact, risk, and opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS E1 – Climate change				
Operational GHG emissions (direct emissions) Holcim's operations, particularly cement production, lead to the release of greenhouse gases into the atmosphere. These direct emissions represent an actual negative impact on the environment.	I (-)	ST, MT, LT	OO	Pages 17–30
GHG emissions in the value chain (indirect emissions) Third-party activities, upstream and downstream of Holcim's operations, lead to the release of greenhouse gases into the atmosphere. These indirect emissions represent an actual negative impact on the environment.	I (-)	ST, MT, LT	VC	Pages 17, 31–33
Exposure to carbon pricing mechanisms Holcim's CO_2 emissions are subject to taxation under regulated and voluntary carbon markets, leading to higher operational costs and increased investments in advanced technologies to meet stricter emissions limits.	R	ST, MT, LT	OO	Page 73
Ineffective deployment of low-carbon technologies Delays or uncompetitive deployment of low-carbon technologies, such as carbon capture, utilization, and storage (CCUS), could lead to sustained greenhouse gas emissions, resulting in higher operational costs from carbon pricing and reputational damage.	R	ST, MT, LT	OO, VC	Page 74
Unfavorable market conditions for low-carbon products Weak demand, low pricing, slow adoption, ineffective marketing, or insufficient alignment of low-carbon product development with market trends could lead to reduced financial performance, negatively affecting Holcim's market position and sustainable growth.	R	ST, MT, LT	OO, VC	Page 74
Price of raw materials and natural resources (also applies to E4 and E5) Rising prices or restricted availability of raw materials and natural resources needed for Holcim's operations could disrupt production processes, leading to increased operational costs and lost sales opportunities.	R	ST, MT, LT	VC	Page 77
Unsubstantiated environmental claims and climate liabilities Inaccurate, undocumented, or misleading sustainability claims and marketing practices, including climate action failure, could undermine stakeholder confidence, potentially leading to legal claims with financial and reputational consequences.	R	ST, MT, LT	OO VC	Page 74
Asset and operational exposure to natural hazards Holcim's exposure to acute and chronic natural hazards, such as floods, storms, or extreme temperatures, could lead to operational disruptions and damage assets, ultimately resulting in financial losses.	R	ST, MT, LT	OO, VC	Page 75
Use of lower emission sources of energy The substitution of traditional fuels with lower-emission energy sources could reduce Holcim's greenhouse gas emissions and its exposure to carbon pricing, ultimately reducing operational costs and enhancing competitiveness.	O	ST, MT, LT	OO, VC	2025 Governance & Risk (GR) Report Page 32
Access to competitive and decarbonized energy Securing access to competitive and decarbonized energy, including investing in renewable projects, could enhance capital availability by attracting investors who favor low-carbon products. This could also lead to reputational benefits, resulting in higher demand for such products.	O	ST, MT, LT	OO, VC	Page 75
Capitalizing on the demand for low-carbon products The growing demand for low-carbon products creates an opportunity to strengthen Holcim's market position and drive revenue growth by directly responding to evolving customer preferences.	O	ST, MT, LT	OO, VC	Page 76

Type: I (-) = Negative impact; R = Risk; O = Opportunity
Time horizon: ST = Short term; MT = Medium term; LT = Long term
Value chain: OO = Own operations; VC = Value chain

Impact, risk, and opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS E2 – Pollution				
Pollution of air Emissions of byproducts, dust, and harmful chemicals could lead to the degradation of local air quality, resulting in potential negative impacts on the environment and human health, including workers and nearby communities.	I (-)	ST, MT	OO, VC	Page 95
Air pollution management Emissions of byproducts, dust, and harmful chemicals exceeding regulatory limits lead to non-compliance with environmental standards, potentially resulting in penalties and reputational damage.	R	ST, MT	OO, VC	GR Report Page 32
Pollution of water Wastewater discharges and pollutant runoff from production activities could lead to the degradation of water quality, resulting in potential negative impacts on marine ecosystems and local water users.	I (-)	ST, MT	OO, VC	Page 96
Water pollution management Wastewater discharges and pollutant runoff from production activities could lead to non-compliance with environmental standards, potentially resulting in penalties and reputational damage.	R	ST, MT	OO, VC	GR Report Page 32
ESRS E3 - Water and marine resources				
Operational water use Holcim's operational water use could contribute to water scarcity, particularly in water-stressed regions, leading to actual negative impacts on ecosystems and local water users.	I (-)	ST, MT, LT	OO	Page 98
Nature-related policy and regulatory changes (also applies to E4) More stringent regulations on quarry rehabilitation, biodiversity, and water management could require Holcim to adapt its operations, potentially resulting in increased compliance costs.	R	ST, MT	VC	Page 77
Slow adoption of nature-friendly technologies (also applies to E4) The slow adoption of technologies that reduce environmental impacts, reliance on natural resources, or improve resource efficiency, could lead to delays in Holcim's nature-positive transition, resulting in reputational damage.	R	ST, MT	OO	Page 77
Changes in perception of Holcim's nature impacts (also applies to E4) Unfavorable stakeholder perception of Holcim's actual or potential negative impacts on biodiversity, ecosystems, and natural resources could lead to reputational damage and impact its competitive positioning.	R	ST, MT	OO	Page 78
Liability arising from nature claims (also applies to E4) Evolving laws and regulations as well as potential litigation in relation to Holcim's commitments on biodiversity, ecosystems, and water management could result in financial and reputational consequences.	R	ST, MT	OO	Page 78
Capitalizing on the demand for nature-friendly products (also applies to E4) The growing demand for products with lower impacts on nature creates an opportunity to strengthen Holcim's market position and drive revenue growth by responding directly to evolving customer preferences.	O	ST, MT	VC	Page 79
ESRS 4 - Biodiversity and ecosystems				
Biodiversity and ecosystems impacts Holcim's use of natural resources, notably through quarrying activities, could contribute to biodiversity loss and ecosystems degradation, resulting in actual negative impacts on the environment.	I (-)	ST, MT, LT	OO, VC	Page 101
Biodiversity management Inadequate or insufficient biodiversity management plans across the project life cycle could lead to increased costs related to penalties or corrective compliance measures. See "Liability arising from nature claims"	R	ST, MT, LT	OO, VC	Page 78

Type: I (-) = Negative impact; R = Risk; O = Opportunity
Time horizon: ST = Short term; MT = Medium term; LT = Long term
Value chain: OO = Own operations; VC = Value chain

Impact, risk, and opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS 5 – Circularity				
Business expansion through circular building practices The growing demand for circular products and solutions creates an opportunity to strengthen Holcim's market position and drive revenue growth by responding directly to evolving customer preferences.	O	ST, MT, LT	OO, VC	Page 75
Operational efficiency through resource optimization Optimizing material use and adopting energy efficiency measures across operations could lead to reduced operating costs, supporting Holcim's financial performance and transition to a low-carbon and circular economy.	O	ST, MT, LT	OO	Page 79

SOCIAL

Impact, risk, and Opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS S1 – Own workforce				
Occupational health and safety The exposure to occupational hazards inherent in Holcim's operations could lead to injuries, illnesses, or fatalities among employees, resulting in actual and potential negative impacts on the workforce.	I (-)	ST, MT	OO	Page 119
Occupational health and safety management Inadequate management of occupational hazards could lead to injuries, illnesses, or fatalities, resulting in operational disruptions, with potential legal and reputational consequences.	R	ST, MT	OO	GR Report Page 33
Diversity and inclusion Perceived insufficient diversity and inclusion in the workplace could reduce employee well-being and engagement at Holcim, resulting in potential negative impacts on the workforce.	I (-)	ST, MT	OO	GR Report Page 33
Discrimination and harassment Perceived shortcomings in upholding fair treatment, equal opportunity, and respectful conduct at Holcim workplaces could erode organizational well-being, resulting in potential negative impacts on the workforce.	I (-)	ST, MT	OO	GR Report Page 33
Talent attraction and retention Failure to attract and retain skilled workers could create operational gaps and capability constraints, hindering Holcim's ability to meet its business objectives.	R	ST, MT	OO	GR Report Page 33
ESRS S2 – Workers in the value chain				
Occupational health and safety in supply chain The exposure to occupational hazards inherent in Holcim's value chain could lead to injuries, illnesses, or fatalities among suppliers, contractors, or logistics partners, resulting in actual and potential negative impacts.	I (-)	ST, MT	VC	Page 126
Health and safety in the supply chain Inadequate management of occupational hazards among suppliers, contractors, or logistics partners could lead to injuries, illnesses, or fatalities, resulting in supply disruptions, with potential legal and reputational consequences.	R	ST, MT	VC	GR Report Page 33
Working conditions in the supply chain Inadequate implementation of labor standards among suppliers, contractors, or logistics partners – including fair wages, working hours, and freedom of association – could result in supply disruptions, legal liabilities, and reputational damage.	R	ST, MT	VC	GR Report Page 33
Discrimination and harassment in the supply chain Inadequate implementation of fair treatment, equal opportunity, and respectful conduct in the workplace among suppliers, contractors, and logistics partners could lead to legal claims, with potential sanctions and reputational damage.	R	ST, MT	VC	GR Report Page 33
Forced or child labor in high-risk supply chains Sourcing materials or services from regions or sectors with prevalent forced or child labor could lead to litigation, with potential sanctions and reputational damage	R	ST, MT	VC	GR Report Page 33

Type: I (-) = Negative impact; R = Risk; O = Opportunity
Time horizon: ST = Short term; MT = Medium term; LT = Long term
Value chain: OO = Own operations; VC = Value chain

Impact, risk, and opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS S3 – Affected communities				
Health and safety impacts on communities Proximity to Holcim's sites could lead to health issues for people and local communities due to dust and other emissions inherent in its operations, resulting in potential negative impacts on communities.	I (-)	ST, MT	OO, VC	GR Report Page 33
Impacts on community livelihoods and land use Holcim's operations and land use practices could lead to reduced local livelihoods and limited access to land, resulting in potential negative impacts on communities.	I (-)	ST, MT	OO, VC	Page 78
Security-related impacts on communities Unlawful or abusive practices by private security providers could lead to physical harm and erode trust, resulting in potential negative impacts on communities.	I (-)	ST, MT	OO, VC	GR Report Page 31
Impacts on community cultural heritage Holcim's operations could lead to alterations to cultural heritage sites and practices, resulting in potential negative impacts on communities.	I (-)	ST, MT	OO, VC	Page 78

GOVERNANCE

Impact, risk, and opportunity (IRO)	Type	Time horizon	Value chain	Reference
ESRS G1 – GOVERNANCE				
Legal and compliance requirements Breaches of laws and regulations governing business conduct – including anti-bribery and corruption, fraud, unfair competition, trade sanctions, export controls, and unauthorized use of personal data – could lead to legal penalties and reputational damage, ultimately impacting Holcim's operational and financial performance.	R	ST, MT	OO	GR Report Page 34
Data protection and privacy Inadequate protection of personal and sensitive data in Holcim's operations and systems could lead to legal penalties and reputational damage, ultimately impacting Holcim's operational and financial performance.	R	ST, MT	OO	GR Report Page 34
Responsible advocacy and public policy Advocacy or public policy engagement perceived as inconsistent with ethical standards or stakeholder expectations could lead to a loss of trust and increased regulatory scrutiny.	R	ST, MT, LT	OO	Page 37
Responsible pricing Pricing practices perceived as unfair, non-transparent, or misaligned with market or ethical standards could lead to legal penalties and reputational damage.	R	ST, MT	VC	GR Report Page 34
Digitalization, AI, and cybersecurity Cyber attacks, data breaches, or inadequate management of artificial intelligence and digital systems could lead to financial losses and operational disruptions, with potential reputational damage.	R	ST, MT	OO	GR Report Page 34

ENTITY SPECIFIC

Impact, risk and opportunity (IRO)	Type	Time horizon	Value chain	Reference
Product quality Failure to meet customer expectations or maintain consistent product quality could lead to customer dissatisfaction and loss of market share, negatively affecting Holcim's financial performance and brand reputation.	R	ST; MT	VC	

Type: I (-) = Negative impact; R = Risk; O = Opportunity
Time horizon: ST = Short term; MT = Medium term; LT = Long term
Value chain: OO = Own operations; VC = Value chain

INTERDEPENDENCIES BETWEEN IMPACTS, RISKS, AND OPPORTUNITIES (IROs)

Impact, risk, and opportunity (IRO)
ESRS E1 – Climate change
Operational GHG emissions (direct emissions) This actual negative impact could result in: 1) the transition risk "Exposure to carbon pricing mechanisms", as direct emissions increase financial liability under carbon taxation schemes; 2) the transition risk "Ineffective deployment of low-carbon technologies", since failure to reduce direct emissions demonstrates ineffective adoption of the necessary low-carbon technologies; 3) the physical risk "Asset and operational exposure to natural hazards", given that direct emissions contribute to climate change, thereby increasing the frequency and severity of natural hazards that could potentially affect Holcim's assets and operations.
GHG emissions in the value chain (indirect emissions) This actual negative impact could result in: 1) the transition risk "Exposure to carbon pricing mechanisms", as indirect emissions increase financial liability under carbon taxation schemes; 2) the transition risk "Ineffective deployment of low-carbon technologies", since failure to reduce indirect emissions demonstrates ineffective adoption of the necessary low-carbon technologies; 3) the physical risk "Asset and operational exposure to natural hazards", given that indirect emissions contribute to climate change, thereby increasing the frequency and severity of natural hazards that could potentially affect Holcim's assets and operations.
ESRS E2 – Pollution
Pollution of air This potential negative impact could result in the risk "Air pollution management", given that the degradation of local air quality due to the emission of byproducts, dust, and harmful chemicals exceeding regulatory limits would lead to non-compliance with environmental standards, potentially resulting in penalties and reputational damage.
Pollution of water This potential negative impact could result in the risk "Water pollution management", given that the degradation of water quality due to wastewater discharges and pollutant runoff from production activities would lead to non-compliance with environmental standards, potentially resulting in penalties and reputational damage.
ESRS 4 – Biodiversity and ecosystems
Biodiversity and ecosystems impacts This actual negative impact could result in the risk "Biodiversity and ecosystems management", since the degradation of biodiversity and ecosystems indicates inadequate biodiversity management plans across the project life cycle, which could lead to increased costs related to penalties or corrective compliance measures.
ESRS S1 – Own workforce
Occupational health and safety This actual and potential negative impact could result in: 1) the risk "Occupational health and safety management", as inadequate workplace safety standards increase the risk of injuries, illness, and fatalities among employees; 2) the risk "Health and safety in the supply chain", as weak occupational health and safety practices within the company's own operations could translate to inadequate health and safety standards across the supply chain, thereby increasing the risk of injuries, illness, and fatalities among suppliers, contractors, or logistics partners.
Diversity and inclusion This potential negative impact of Holcim's activities could result in: 1) the risk "Talent attraction and retention", since low diversity and inclusion reduces overall workplace productivity and well-being; 2) the risk "Working conditions in the supply chain", as weak diversity and inclusion practices within the company's own operations could translate to inadequate diversity and inclusion standards across the supply chain, thereby increasing the risk of reduced employee well-being and engagement among suppliers, contractors, or logistics partners.
Discrimination and harassment This potential negative impact could result in: 1) the risk "Talent attraction and retention", since discrimination and harassment could reduce overall workplace productivity and well-being; 2) the risk "Discrimination and harassment in the supply chain", as weak practices against discrimination and harassment within the company's own operations could translate to inadequate discrimination and harassment standards across the supply chain, thereby increasing the risk of reduced workplace productivity and well-being among suppliers, contractors, or logistics partners.

IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

Holcim has adopted the ESRS on a voluntary basis for its 2025 Sustainability Statement. The 2025 CSRD content index, found on pages 140–146 of this report, provides a comprehensive mapping of all the ESRS disclosure requirements we have reported on, ensuring full transparency.

ESRS STANDARD	ESRS SUBTOPICS	MATERIAL TO HOLCIM
E1 Climate change	Climate change mitigation	Yes
	Climate change adaptation	Yes
	Energy	Yes
E2 Pollution	Pollution of air	Yes
	Pollution of water	Yes
	Pollution of soil	No
	Substances of concern or very high concern	No
	Pollution of living organisms and food resources	No
	Microplastics	No
E3 Water & marine resources	Water	Yes
	Marine resources	No
E4 Biodiversity & ecosystems	Direct impact drivers of biodiversity loss	Yes
	Impact on the state of species	Yes
	Impact on the extent and condition of ecosystems	Yes
	Impact and dependencies on ecosystem services	Yes
ES Resource use & circular economy	Resource inflows including resource use	Yes
	Waste	Yes
	Resource outflows related to products and services	Yes
S1 Own workforce	Working conditions	Yes
S2 Workers in the value chain	Equal treatment and opportunities for all	Yes
	Other work-related rights	Yes
S3 Affected communities	Communities' economic, social and cultural rights	Yes
	Communities' civil and political rights	No
	Rights of Indigenous peoples	Yes
S4 Consumers and end-users*		No
G1 Business conduct	Corporate culture	Yes
	Protection of whistleblowers	Yes
	Political engagement and lobbying activities	Yes
	Management of relationships with suppliers including payment	Yes
	Corruption & bribery	Yes
	Animal welfare	No

* S4 "Consumers and end-users" was not aligned to the universe of topics defined by Holcim and stakeholders did not raise this as a mission area when asked if any potentially material topics were missing in the surveys. S4 was hence not assessed as material in the DMA.

ENVIRONMENTAL DISCLOSURES

ENVIRONMENTAL IROS

Climate- and nature-related risks and opportunities

Holcim has implemented a comprehensive framework to manage climate- and nature-related risks and opportunities. This includes identifying, assessing, mitigating, and monitoring our exposure to climate- and nature-related risks, while also capitalizing on opportunities for innovation, value creation, and sustainable growth. Fully integrated into our Enterprise Risk Management (ERM) system, it ensures that climate and nature topics are assessed with equal importance to other financial, operational, and external considerations — supporting our NextGen Growth 2030 strategy and broader sustainability goals. As part of this assessment, we considered climate- and nature-related regulations, market and economic assumptions, and contingencies for major CapEx projects, including carbon capture, utilization and storage (CCUS), and resource-efficient technologies, among other factors.

Organization and governance

For further details on our ERM organization and governance, please refer to the 2025 Governance & Risk Report, pages 28-30.

Risk and opportunity management principles

We ensure a consistent approach to risk and opportunity management. Holcim processes for managing climate- and nature-related risks and opportunities, including how Holcim makes decisions to prioritize, respond, transfer, accept, or control these topics, are therefore aligned with our overall risk management process. For further details on our ERM methodology, please refer to the 2025 Governance & Risk Report, pages 28-30.

1. Climate-related risks and opportunities

Holcim identifies climate-related risks and opportunities following the Taskforce on Climate-related Financial Disclosures (TCFD) framework. TCFD categorizes climate-related risks into two main types: transition risks and physical risks:

- Transition risks arise from the shift to a lower-carbon economy and include policy and legal changes, technological advancements, market shifts, and reputational considerations.
- Physical risks result from the physical impacts of climate change, and can be acute (e.g., extreme weather events) or chronic (e.g., long-term shifts in climate patterns).

The TCFD framework also highlights opportunities related to climate action, such as resource efficiency, adoption of low-emission energy sources, development of low-carbon products and services, access to new markets, and enhanced supply chain resilience.

By employing the TCFD framework, we ensure a structured and comprehensive approach to managing climate change impacts on our people, assets, and operations. This also includes the impacts of climate-related risks on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 12-13.

2. Nature-related risks and opportunities

Holcim identifies nature-related risks and opportunities following the Taskforce on Nature-related Financial Disclosures (TNFD) framework. TNFD assists in identifying risks and opportunities that stem from our organization's dependencies and impacts on nature. Nature-related risks can be physical, transitional, or systemic:

- Physical risks arise from the degradation of nature and the loss of ecosystem services and can be either acute or chronic.
- Transition risks are associated with the shift toward nature-positive practices, including new nature-related policies, access to new markets, technological substitutions, reputational impacts, and potential liabilities.
- Systemic risks arise from the breakdown of the entire system, rather than the failure of individual parts.

At the same time, nature-related opportunities involve actions that yield positive outcomes for both our organization and nature. These opportunities are categorized into business performance – including resource efficiency, capital flow and financing, markets, products and services – and sustainability performance, including sustainable use of natural resources and reputational capital.

By leveraging the TNFD framework, we are able to manage our impacts and dependencies on nature, mitigate risks effectively, and capitalize on opportunities that contribute to both business success and environmental sustainability.

CLIMATE-RELATED RISKS AND OPPORTUNITIES OVERVIEW

KEY CLIMATE RISKS

Definition	Potential impacts	Our response
Exposure to carbon pricing mechanisms Exposure to carbon pricing mechanisms refer to the regulated or voluntary carbon markets in which Holcim operates and that incentivize CO_2 emissions reduction through carbon pricing. These mechanisms, such as cap-and-trade systems, emissions trading schemes, and carbon taxes, support Holcim's transition to a decarbonized business model. However, the effectiveness of these mechanisms is subject to risks such as volatility, regulatory uncertainty, the potential for double regulation, inconsistent application between local and foreign producers, and the availability and pace of government incentives for alternative technologies. **ESRS reporting**: E1 Climate Change; G1 Business Conduct **TCFD reporting**: Policy and legal	The European Union Emission Trading System (EU ETS) and associated carbon pricing schemes, including the Swiss and UK ETS, exposes our operations to CO_2 price volatility. Prolonged low or unstable prices can weaken investment signals and reduce the return on our decarbonization investments. The Carbon Border Adjustment Mechanism (CBAM) also poses risks if not strictly enforced, as weak anti-circumvention can undermine a level playing field with non-EU producers. ETS systems in other geographies, such as in Mexico and Colombia, are still under development and must be implemented fairly and effectively to truly support our decarbonization efforts. In addition, voluntary agreements under Article 6 of the Paris Agreement, along with the Voluntary Carbon Market (VCM) offer further avenues for enabling actions to achieve our sustainability targets. Nonetheless, these mechanisms operate outside formal government oversight. Without robust regulation, including rigorous verification and transparent emissions reduction tracking, they risk producing low-integrity carbon credits, undermining genuine climate action. Overall, the Group's key challenge is to accelerate the deployment of low-carbon technologies at scale to contain carbon costs, drive green growth, and secure long-term competitiveness. Clear and consistent CO_2 regulations, including rules for the re-use of captured CO_2, and other environmental guidelines such as green claims standards and waste management regulations, present significant opportunities for the Group to pursue its strategy. Holcim also considers the impacts of this climate-related risk on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 12-13.	Holcim is committed to reducing its carbon footprint across its operations to become a net-zero company by 2050, with Scope 1 emissions at the core of its NextGen Growth 2030 strategy. In 2025, Holcim made strong progress toward its targets, which are in line with the 1.5°C framework, by accelerating the decarbonization of its own operations. This involves switching to low-carbon energy, developing new formulations, adopting green mobility, and utilizing advanced technologies such as carbon capture, utilization, and storage (CCUS). We centrally monitor regulatory changes worldwide to assess our exposure to new CO_2 pricing schemes and identify opportunities and market incentives for low-carbon solutions, or any developments that require us to accelerate or adapt the deployment of our decarbonization roadmap. Holcim actively addresses global and specific climate policy issues through close collaboration with policymakers, partners, and key stakeholders. Our advocacy efforts focus on promoting climate policies aligned with the Paris Agreement's 1.5°C goal, enabling climate action throughout our activities, and promoting frameworks that facilitate the development and deployment of circular and low-carbon solutions. We support global regulatory enhancements that: • Support investment in decarbonized technologies. • Incentivize demand for decarbonized and circular building materials and solutions. • Facilitate access to competitive decarbonized energy. • Implement effective carbon pricing mechanisms while maintaining industry competitiveness.

OVERVIEW OF OUR EXPOSURE TO CO_2 REGULATIONS



Scope 1 emissions uncovered	66%
EU ETS	28%
UK ETS	1%
Swiss ETS	2%
Carbon taxes	3%

Currently, 34% of our Scope 1 gross emissions of consolidated operations are subject to CO_2 regulations.

Europe is the most advanced region, with a mature climate policy resting on a functioning carbon pricing mechanism (EU ETS) that incentivizes carbon reduction initiatives. This, together with other climate policies such as the EU Carbon Border Adjustment Mechanism (CBAM) and innovation funding, means that Europe offers opportunities for the successful implementation of our net-zero roadmap.

Latin America is moving toward carbon regulation akin to the EU ETS, with advancing frameworks already in place in certain countries, notably Mexico. We expect the implementation of carbon pricing in Latin America to support our decarbonization efforts.

In the long term, the absence of ambitious and incentivizing CO_2 regulation in the Middle East, Africa, and Asia may pose future challenges to aligning financial performance with emission reduction objectives.

KEY CLIMATE RISKS

Definition	Potential impacts	Our response
Ineffective deployment of low-carbon technologies Low-carbon technologies refer to the risk that Holcim fails to identify and invest in the necessary technologies or experiences delays in their deployment and delivery due to technical constraints or deficiency, which can ultimately hinder the success of its decarbonization roadmap and commitments. **ESRS reporting**: E1 Climate Change **TCFD reporting**: Technology risk	The successful deployment of decarbonization technologies heavily depends on external factors, including economic incentives, favorable regulations, finding enough storage capacities, and market acceptance of low-carbon building materials and building solutions. An unsupportive or unstable external environment could compromise our decarbonization strategy. The success of large-scale and complex carbon capture, utilization and storage (CCUS) projects hinges on Holcim's capacity to meet technical specifications, such as in relation to internal expertise and maintenance, financial expectations such as high CapEx, high OpEx, and sustainable returns on investments, as well as effectively managing project complexities, notably community impacts. Failure to meet these requirements may result in project delays, increased costs, underperforming investments, and, ultimately, non-success of our CO_2 emission reduction strategy. Securing sufficient funding is hence crucial, given the substantial investment and operating costs associated with these technologies. In the long term, if CCUS becomes the primary method for CO_2 removal, regions lacking the necessary architecture such as transportation or storage infrastructures, renewable power and water supplies, or sufficient economic and regulatory incentives may face stranded assets. Failure to meet our climate-related commitments may not only lead to non-compliance or litigation with regulatory bodies, but also damage our reputation and impact the demand for our building materials and building solutions offering. Holcim also considers the impacts of this climate-related risk on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 10-13.	Holcim is piloting the broadest possible range of CCUS technologies to bring them to market at scale in a competitive way. With eight large-scale carbon capture projects in Europe, engineered to produce eight million tons of near-zero cement per annum by 2030, Holcim is on track to make near-zero cement and concrete a reality at scale this decade. Our long-term CCUS strategy combines planned and opportunistic projects, prioritizing regions with supportive regulations and infrastructure. We are proactively assessing and mitigating potential negative impacts across the value chain, including: • Energy consumption: We prioritize access to low-carbon or renewable energy sources to minimize the energy intensity of CO_2 capture. • Water withdrawals/consumption: We carefully manage water use by implementing recycling systems and utilizing non-freshwater sources to reduce water stress, especially in sensitive areas. • Communities: We thoroughly address community concerns regarding the safety of CO_2 storage and implement measures to prevent potential leaks. • Scope 3 emissions: We continuously evaluate the impact of CCUS on Scope 3 emissions and integrate these assessments into our Scope 3 modeling. Holcim also continues to explore promising opportunities such as smart design, novel binders, kiln electrification, and the use of hydrogen to further decarbonize its operations, achieving both cost competitiveness and sustainable performance.
Unfavorable market conditions for low-carbon products Unfavorable market conditions for low-carbon products refer to the risk of weak demand for Holcim's low-carbon brands which can hinder the profitability of its transition toward a decarbonized business model. This risk can be driven by factors such as insufficient regulatory incentives, limited customer awareness and willingness to pay premium prices for sustainable alternatives, Holcim's failure to align its offering with evolving customer expectations, weak strategic partnerships, or ineffective marketing of our low-carbon portfolio. **ESRS reporting**: E1 Climate Change; entity- specific disclosures **TCFD reporting**: Market risk	Slow market demand for Holcim's low-carbon offering could lead to revenue losses due to limited margin improvements. Although there is currently no global substitute for cement, customers may potentially favor other construction materials over Holcim's low-carbon brands, ultimately reducing demand and impacting revenue. Currently, the global pressure to reduce carbon emissions is driving significant demand for low-carbon products and solutions. However, industry-wide decarbonization efforts are intensifying competition for alternative raw materials with smaller carbon footprints. The potentially limited availability and higher costs of these resources could constrain supply, possibly undermining Holcim's ability to fulfill its decarbonization commitments. As a result, failure to meet evolving customer needs and expectations could lead to a loss of market share and reputational damage. Holcim also considers the impacts of this climate-related risk on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 12-13.	Holcim offers solutions that address today's major construction challenges such as decarbonization, scarcity of resources, and sustainable and resilient infrastructure. We have successfully expanded our multi-billion brands, including our ECOPact low-carbon concrete and our ECOPlanet low-carbon cement, which deliver value-added margins. Transparency is key on Holcim's net-zero journey, and we are committed to providing reliable environmental information so customers can build with low-carbon materials in a transparent, verified way. Through our partnership with Climate Earth, we are expanding environmental product declarations (EPDs) globally using their EPD Generator™ platform. These EPDs, which indicate that the environmental profile of products and solutions has been independently verified, are critical to accelerating market demand for low-carbon building materials and solutions, while scaling construction and building decarbonization. Holcim's decarbonization journey also involves ensuring its capacity to satisfy customers and meet product quality requirements along the entire construction value chain.
Unsubstantiated environmental claims and climate liabilities Unsubstantiated environmental claims refer to the risk of actual or perceived inaccurate, undocumented, or misleading environmental claims, decarbonization targets, or sustainability disclosures. This also includes the risk of legal action taken against Holcim by local communities, authorities, and non-governmental organizations due to historical emissions, inadequate CO_2 reduction roadmaps, or failure to meet current and future climate targets. **ESRS reporting**: E1 Climate Change **TCFD reporting**: Reputation risks	Heightened public scrutiny of environmental claims presents a significant reputational risk. This may arise if the Group fails to meet its climate objectives, misreports its emissions, or if its targets and claims are perceived to be lacking ambition, completeness, clarity, or sufficient scientific documentation. Furthermore, the emergence of climate litigation, including lawsuits related to historical emissions or current climate action failure, could further damage Holcim's brand image. These negative perceptions of our company risk eroding stakeholder confidence, potentially reducing market demand and impacting long-term revenue, profitability, and sustainability. Holcim also considers the impacts of this climate-related risk on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 12-13.	Holcim manages this area through our unwavering commitment to transparency and environmental responsibility in ESG reporting. Holcim documents and backs up every environmental claim by: • Using environmental product declarations (EPDs) for independent product verification. • Adhering to strict global brand qualification criteria and international standards for brands like ECOPact and ECOPlanet, aligning with external frameworks like IDDI. • Maintaining rigorous Scope 1, 2, and 3 CO_2 emissions accounting based on the latest protocols, enhanced by AI-powered tools like OptiCEM for optimized product formulation We ensure our targets keep up with the latest scientific developments and the highest level of scientific rigor. We were the first in our sector to have 2030 and 2050 net-zero targets validated by the Science Based Targets initiative (SBTi), aligned with a 1.5°C pathway. As Holcim delivers on its net-zero roadmap, its reputation, trust, and credibility grow, aligning its strategy with stakeholders' expectations.

KEY CLIMATE RISKS

Definition	Potential impacts	Our response
Operational and asset exposure to natural hazards Operational and asset exposure to natural hazards refers to to both Holcim's exposure to acute physical risks, which result from event-driven impacts such as floods or extreme weather events, and chronic physical risks such as drought or extreme temperatures, which are associated with longer-term changes in climate patterns. **ESRS reporting**: E1 Climate Change **TCFD/TNFD reporting**: Physical risks	Natural disasters and emerging environmental shifts across geographies are disrupting Holcim's business activities. Holcim may be exposed to acute and chronic, geophysical and weather-related risks that can impact our people, operating environment, assets, operations, and profitability. Holcim also considers the impacts of this climate-related risk on the Group's financial reporting. Further details are provided in Note 1.4 of the 2025 Financial Report, pages 12-13.	Holcim has a continuous program to manage current and future physical risks that could impact our people, damage our assets, or disrupt our operations. In 2025, we expanded our assessment of the physical risks associated with climate change to cover all our major sites, enabling us to better understand localized vulnerabilities. This also informs our resilience and adaptation planning to mitigate current and future risks. For further details on our physical risks assessment, please refer to pages 89-90 of this report.

KEY CLIMATE OPPORTUNITIES

Definition	Potential impacts	Our response
Business expansion through circular building practices Holcim is strategically implementing practices that minimize waste and maximize the lifespan and value of materials used in the built environment. This encompasses circular design principles, increased use of recycled and secondary materials, efficient material recovery and reuse, and innovative approaches to extending the life cycle of buildings and infrastructure. **ESRS reporting**: E5 Circular economy **TCFD reporting**: Resource efficiency	Adopting circular practices in construction will substantially reduce Holcim's environmental footprint and improve resource efficiency across its value chain. By optimizing material choices, such as by lowering clinker content, increasing the use of recycled materials, and designing for reuse, Holcim can significantly lower CO_2 emissions and minimize waste. Furthermore, circularity unlocks cost savings, improves margins, and generates new revenue streams through material recovery and innovative reuse strategies, securing long-term growth and a more resource-efficient future for the Group.	Accelerating circularity in construction is a key driver of profitable growth for Holcim. Leveraging our ECOCycle circular technology, we can recycle up to 100% CDM into new building solutions, reducing the use of primary materials with no compromise on quality or performance. Endorsed by third-party verifiers, ECOCycle delivers on the promise of circularity and contributes to green building certifications. Moreover, processing CDM into alternative raw materials or mineral components generates CO_2 savings that further support our decarbonization efforts. In 2025, Holcim grew its recycling of construction demolition materials by 23%.
Access to competitive and decarbonized energy Access to competitive and decarbonized energy refers to securing reliable and cost-effective energy supplies from renewable or low-carbon sources. This includes strategies such as renewable power purchase agreements (PPAs), on-site generation, and other mechanisms that provide alternatives to traditional fossil fuel-based energy. **ESRS reporting**: E1 Climate change **TCFD reporting**: Energy source	Securing access to competitive decarbonized energy lowers Scope 1 and Scope 2 greenhouse gas emissions, accelerating our progress toward net-zero targets. Furthermore, embracing decarbonized energy strengthens our resilience against global supply chain disruptions, and evolving carbon regulations. Overall, this transition reduces our exposure to volatile fossil fuel markets, stabilizing long-term operational costs and improving financial predictability.	At Holcim, we work continuously to accelerate the decarbonization of our operations by switching to low-carbon energy and by growing our renewable energy portfolio. Our Group applies a wide range of strategies, which differ depending on the local context, such as: • Increasing the consumption of decarbonized power from Power Purchase Agreements (PPAs) produced by either on-site or off-site assets. • Bilateral clean power contracts directly with producers of decarbonized power to reduce dependency on market movements and achieve a more decarbonized footprint. • Investment in renewable power projects using available space in our plants and quarries. • Leveraging waste heat recovery systems, specifically engineered to convert excess heat from cement kilns into clean electricity.

KEY CLIMATE OPPORTUNITIES

Definition	Potential impacts	Our response
Decarbonizing the built environment Decarbonizing the built environment is the strategic transformation of the construction industry with a focus on reducing its carbon footprint. This involves innovation throughout the building life cycle, from using low-carbon materials and modular design to implementing energy-efficient refurbishment and circular construction methods. Digitalization enhances this process by enabling more precise monitoring, optimization, and management of resources and energy consumption in construction and building operations. **TCFD reporting**: Products and services	Climate change is set to bring both challenges and opportunities to the construction sector. We will need more low-carbon and resilient infrastructure, a rapid shift toward a circular economy in response to resource scarcity, and accelerated adoption of sustainable solutions, such as energy-efficient design for growing urban areas. Meeting these challenges requires the use of multiple strategic levers, with the construction and building materials industry as a key partner. For Holcim, transforming building design and construction practices presents a unique opportunity to drive the transition to a low-carbon economy and substantially reduce global CO_2 emissions. Moreover, providing low-carbon building materials and innovative construction solutions will accelerate the development of energy-efficient cities. This transition not only fosters sustainability but also stimulates innovation, enhances competitiveness across the construction value chain, creates new sustainability-focused jobs, and strengthens long-term economic resilience.	At Holcim, we put the decarbonization of the built environment at the core of our strategy. Building materials form the foundation of our business, comprising decarbonized cement and circular aggregates. Complementing this, we offer a broad range of high-value building solutions, including high-performance ready-mix concrete, low-carbon concrete, and surfacing – from foundation to flooring – and energy-efficient building systems – from walling to roofing . Together, these solutions create a diversified portfolio that enables us to serve all customer segments and meet the decarbonization needs of the entire built environment. In addition, Holcim is committed to decarbonizing its operations while creating high-quality jobs, expanding affordable housing, strengthening skills development, and advancing sustainable growth through innovative building materials and building solutions. Holcim also continuously invests in community development projects, with the aim of leaving no one behind in our decarbonization journey.
Capitalizing on the demand for low-carbon products As the economy increasingly embraces decarbonization through new standards and regulations, demand for low-carbon building materials and building solutions is rising. If Holcim's decarbonization efforts keep pace with this growing market, it presents a significant opportunity for profitable growth and strengthens the business case for further decarbonization. **ESRS reporting**: E1 Climate Change **TCFD reporting**: Markets	Meeting the growing demand for sustainable building and construction materials can create major benefits for Holcim, the people, and the planet. It drives the shift toward low-carbon construction, cutting emissions throughout the value chain. It also unlocks new sources of revenue and strengthens our market position, supporting long-term growth. At the same time, it enhances Holcim's position as a leading partner for sustainable construction, building stronger relationships with customers, partners, and regulators.	We are accelerating the decarbonization of our operations and developing a full range of solutions to meet customer demand for low-carbon building materials and building solutions. Leveraging our global brands like ECOPact and ECOPlanet, which offer at least 30% lower CO_2 while delivering 100% performance, we are well-positioned to capitalize on the growing market for sustainable building materials and solutions. As a partner of choice in the decarbonization of the built environment, we also actively engage with stakeholders to shape regulations and drive demand for sustainable construction. Moreover, we closely monitor climate policies and incentives, and we target both early adopters and future adopters of decarbonization solutions within our broad global customer base. For instance, book-and-claim mechanisms enable the construction and building materials industry to capitalize on the growing demand for low-carbon products beyond their physical sales. By decoupling CO_2 emissions reductions from the physical product and assigning these verified savings to other products, Holcim can balance supply and demand while supporting its transition to a low-carbon business model.

HOLCIM NATURE RISKS AND OPPORTUNITIES OVERVIEW

KEY NATURE RISKS

Definition	Potential impacts	Our response
Nature policy and regulatory changes Nature-related policy and regulatory changes represent the risk that new obligations from regulations, policies, or legal frameworks aimed at protecting biodiversity and natural resources may require Holcim to adjust its business operations. **ESRS Reporting:** E3 Water and marine resources; E4 Biodiversity and ecosystems **TNFD Reporting**: Policy and legal	Stricter environmental regulations are emerging. This is impacting our operations through increased scrutiny of raw material extraction and a greater need for transparency. This includes enhanced quarry rehabilitation, biodiversity management, and water management standards. Compliance with these regulations will require increased investment in new technologies and processes. Moreover, more stringent rules could lead to operational disruptions due to higher mining fees, restricted access to resources, and complex permit processes. Failure to comply with evolving environmental policies, or any perceived harm to biodiversity or protected species, could damage our reputation and financial standing.	Holcim proactively engages with increasingly stringent nature-related policies and regulations, which require investments and enhanced operational standards. Our Water Directive and Quarry Rehabilitation and Biodiversity Directive guide our efforts to achieve biodiversity and freshwater protection goals. We address potential negative impacts like land degradation through mandatory rehabilitation plans for leased or purchased land. To prioritize actions, we assess the biodiversity importance of each extraction site and implement biodiversity management plans for quarries in high-biodiversity areas (Categories 1 and 2, as defined by Holcim's quarry rehabilitation and biodiversity directive). We avoid opening new sites in protected areas (World Heritage, IUCN I and III). Furthermore, compliance with our water management standards is ensured through our Nature Policy, Water Directive, and Water Management Standard. We promote responsible sourcing by engaging suppliers of extractive materials in a responsible mining program to protect biodiversity and improve water management. We started a water program for our suppliers in water risk and/or biodiversity sensitive areas as part of our commitments with the Science Based Targets Network (SBTN). We have also created a responsible mining program for suppliers of extractive materials to promote the implementation of good practices. Holcim prioritizes transparency and publicly discloses its environmental performance and progress against its nature targets annually.
Fluctuations in raw materials and natural inputs prices Fluctuations of raw materials and natural inputs prices represent the risk of volatility in the price of resources, directly impacting Holcim's cost structure and overall profitability. This risk can be driven by factors such as increasing scarcity of resources or restrictions, along with mining fees from stringent nature-related regulations. **ESRS reporting**: E1 Climate change **TNFD reporting**: Market	Environmental policies that restrict the availability of essential materials and natural inputs for our operations (such as water, raw materials, aggregates, and mineral components) could disrupt production activities. In addition, rising costs of freshwater and other key materials may increase Holcim's overall production expenses. These pressures could necessitate supply chain optimization and pricing adjustments, potentially resulting in higher product prices and, consequently, reduced customer demand.	At Holcim, we actively monitor raw materials and the prices of natural inputs, as well as market trends, to anticipate potential risks and ensure a reliable supply of raw materials. Where sourcing is at risk, we have a dedicated program focused on securing the best possible prices and ensuring a reliable supply. Building a nature-positive future, we aim to reduce our dependence on natural resources through continuous innovation in materials and production processes.
Slow adoption of nature-friendly technologies Slow adoption of nature-friendly technologies represents the risk that Holcim fails to be at the forefront of new production processes and technologies that might offer more sustainable or efficient ways to produce building materials and building solutions with less impact on biodiversity and ecosystems. **ESRS Reporting**: E3 Water and marine resources; E4 Biodiversity and ecosystems **TNFD Reporting**: Technology	The market is increasingly demanding nature-friendly building materials and building solutions, beyond our low-carbon product offering. If we fail to adopt new production processes and technologies that reduce our impact on biodiversity and improve operational efficiency, we risk losing market share and damaging our reputation. Furthermore, project management issues such as resource shortages, lack of technical expertise, and site limitations could delay progress and increase costs. Growing pressure on freshwater availability and competition for waste streams will intensify these challenges.	Holcim is committed to continuous innovation in its materials and production processes, developing solutions to reduce, recycle, and reuse materials and natural inputs. Our innovation hubs actively invest in R&D to explore and implement new production processes and technologies that preserve natural resources and biodiversity while improving efficiency. This strategic focus allows Holcim to expand its portfolio to meet the growing demand for products and solutions with less impact on biodiversity and water. Our sites have already adopted processes and technologies to reduce our reliance on primary materials, such as using cement waste-derived materials. We have also invested in advanced water management systems that optimize freshwater withdrawal and consumption through improved rainwater capture, water recycling, and retention basins.

KEY NATURE RISKS

Definition	Potential impacts	Our response
Changes in the perception of Holcim's nature impacts Changes in the perception of Holcim's nature impacts represent the risk of a potential negative image being held by local communities, authorities, or non-governmental organizations regarding Holcim's dependencies on nature, as well as its actual or perceived impact on nature. This includes impacts on cultural heritage, impacts on community livelihoods and land use, and/or impacts on upstream and/or downstream activities in our value chain. **ESRS reporting**: E3 Water and marine resources; E4 Biodiversity and ecosystems; S3 Affected communities **TNFD reporting**: Reputation	Negative publicity stemming from a lack of transparency or stakeholder engagement during projects and their development could erode public trust, damage Holcim's brand image, and ultimately impact our financial performance. This could also lead to reduced investor confidence, boycotts of Holcim's products and services, community protests, and difficulty attracting and retaining talent.	Holcim proactively manages potential reputational risks associated with nature-related dependencies and impacts through robust stakeholder engagement and transparent communication from the planning phase of mining projects and throughout their development. Holcim notably conducts thorough human rights and environmental impact assessments, adhering to the principles of free, prior, and informed consent (FPIC) in all our operations. We also foster trusting relationships with communities by actively listening to their concerns, addressing potential conflicts, and ensuring responsible land use, particularly in extractive operations. This includes implementing Community Advisory Panels, accessible grievance mechanisms such as the Integrity Line, and transformative rehabilitation plans for quarries focused on biodiversity restoration. Guided by our Human Rights Directive and aligned with international standards such as the UN Guiding Principles and OECD Guidelines, we prioritize open dialogue, strategic partnerships, and tailored communication plans to build trust and create shared values with our stakeholders. Furthermore, Holcim is committed to creating a positive social impact in the communities in which it operates, focusing its social initiatives on affordable housing and infrastructure, education and skills, and health.
Liability arising from nature claims Liability arising from legal claims represents the risk of legal action taken against Holcim by local communities, authorities, or non-governmental organizations due to non-compliance with environmental regulations related to our activities' impacts and dependencies on biodiversity and ecosystems. **ESRS reporting**: E3 Water and marine resources; E4 Biodiversity and ecosystems **TNFD reporting**: Liability	Legal claims pose a significant risk to Holcim, potentially impacting our commitment to responsible operations and our financial performance. Environmental damage or violations of nature-related policies could lead to financial losses through settlements and fines. Ongoing legal proceedings and regulatory scrutiny could disrupt operations, causing project delays and higher costs. Furthermore, negative publicity from legal claims could damage our brand reputation, erode public trust, and harm customer relationships.	Holcim manages potential legal claims by applying high standards to corporate governance and ensuring compliance with internal and external laws and regulations. We have already taken proactive steps to respond to evolving nature-related policies, and protect and preserve biodiversity-sensitive areas that could be negatively affected by our activities. We are committed to transparency and accountability, and openly communicate our environmental performance. We also conduct proactive and active community engagement with relevant stakeholders, continuously addressing their concerns through the life cycle of all our projects.

KEY NATURE OPPORTUNITIES

Definition	Potential impacts	Our response
Capitalizing on the demand for nature-friendly products The demand for nature-friendly products reflects a growing preference for construction materials and practices that minimize negative impacts on ecosystems, biodiversity, and natural resources, extending beyond low-carbon building materials and building solutions. **ESRS reporting**: E3 Water and marine resources; E4 Biodiversity and ecosystems **TNFD reporting**: Market; Products and services; Sustainable use of natural resources; Ecosystem protection, restoration and regeneration	By investing in ways to produce nature-friendly solutions, we can minimize our impact on the environment and help preserve natural ecosystems. In turn, delivering these value-added building materials and building solutions enhances our reputation, attracts environmentally conscious customers, and strengthens our vision of being a leading partner for sustainable construction.	Holcim is actively expanding its portfolio to meet the growing demand for products and solutions with less impact on biodiversity and nature. This is enabled through circularity initiatives that reduce our use of primary materials, and innovative solutions that help cities create green space to make them more livable. For example, Hydromedia permeable concrete helps bring greenery into urban areas. Its permeable properties allow direct rainwater infiltration over urban surfaces, allowing us to create urban forests without irrigation.
Operational efficiency through resource optimization Resource efficiency is the practice of minimizing the consumption of raw materials, energy, and water throughout the production process. This also encompasses the substitution of natural resources with recycled, regenerative, renewable, and/or responsibly sourced organic inputs. **ESRS reporting**: E5 Circular economy **TNFD reporting**: Resource efficiency; Sustainable use of natural resources	By implementing resource-efficient processes, Holcim can significantly reduce operational costs and improve its environmental footprint. This strengthens the company's reputation as a leading partner for sustainable construction, while attracting environmentally conscious customers and investors. Furthermore, optimized resource management enhances supply chain resilience and fosters innovation in sustainable materials and production methods, driving long-term profitability and growth.	At Holcim, we are reducing our environmental impact through resource efficiency initiatives. By leveraging our ECOCycle circular technology, we have implemented circular solutions that reduce dependency on raw materials and make it possible to build cities from cities, utilizing recycled construction demolition materials (CDM). In addition, Holcim enhances efficiency through energy efficiency projects that reduce fuel consumption and emissions by promoting the use of alternative fuels and resources, including biomass and waste-derived fuels. We also aim to reduce freshwater usage in our cement, aggregates, and ready-mix concrete businesses by 2030.
Strengthening brand value through sustainable practices The enhanced value and credibility a company earns with shareholders and stakeholders by proactively demonstrating its commitment to protecting, restoring, and regenerating biodiversity and natural ecosystems. This is achieved through activities that support the protection, regeneration, or restoration of habitats and ecosystems, including areas both within and outside Holcim's direct control. **TCFD reporting**: Reputational capital; Sustainable use of natural resources; Ecosystem protection, restoration and regeneration	Protecting, regenerating, and restoring habitats and ecosystems, both within and beyond our direct operational control, enhances our reputation and positively shifts perceptions of our environmental impact. This commitment to biodiversity could lead to increased revenue through enhanced brand value, and improved market valuation due to proactive resilience planning. A stronger brand, driven by our positive nature-related actions, also strengthens our relationships with communities, regulatory bodies, and current and prospective employees.	Holcim's operations are strongly linked to natural resources, and its business plays a key role in tackling biodiversity loss and degradation. Holcim is committed to contributing to a nature-positive future by working with nature to accelerate restoration. In 2025, 100% of Holcim quarries had a quarry rehabilitation plan in place and 98% of quarries that are considered biodiversity sensitive had an additional biodiversity management plan in place. This involves harnessing natural processes, endemic species, and local adaptation, with a commitment to making a measurable positive impact on biodiversity by 2030. We also demonstrate our commitment to a nature-positive future through transparent reporting and investing in innovative solutions. Our detailed 2025 Sustainability Statement provides comprehensive disclosures on our nature-related impacts and progress toward our ambitious goals, including specific data on biodiversity and water management, and land restoration, as well as information on how we contribute to a more sustainable built environment through the delivery of products and services with less impact on biodiversity and nature.

ESRS E1 – CLIMATE CHANGE

Climate change is Holcim's most material topic and is central to our business strategy. Our commitment to leading the transition to sustainable building is embedded in every part of our company, from governance and policies to our actions and targets.

E1-1 – Transition plan for climate change mitigation

Holcim was the first in its industry to make a net-zero pledge and set 1.5℃-aligned SBTi-validated 2030 targets and 2050 net-zero targets. Our decarbonization roadmap to achieve net-zero emissions across our value chain by 2050 is deeply integrated into our business model, positioning decarbonization as a driver of profitable growth. Holcim's sustainability strategy, including the climate transition plan, was approved by our Executive Committee as well as by the Board of Directors.

Our roadmap is built on proven decarbonization levers: formulations, energy, and advanced technologies, discussed in detail below.

As of 31 December 2025, our sector is not excluded from the Paris-aligned Benchmark (PAB).

Investments linked to our transition plan

The "Leading partner for sustainable construction" chapter provides quantitative disclosures and visual descriptions of our transition plan (pages 19–33). CapEx associated with our transition plan is presented by the decarbonization lever in the EU Taxonomy section (pages 107–117).

Scope 1

Formulations

Our transition plan for Scope 1 emissions begins with decarbonizing our product formulations. The majority of emissions from cement production result from the calcination of limestone into clinker. To reduce the carbon intensity of clinker production, we aim to use more decarbonized materials, such as:

- basic elements (Ca, Si, Fe, Al, S).
- recycled construction demolition materials (CDM), and
- waste from other industries, including fly ash and steel slag.

We also intend to reduce the amount of clinker in our cement by replacing clinker with innovative mineral components. Our target is to reduce our clinker factor to 65% by 2030. This will be achieved by replacing clinker with supplementary cementitious materials:

- recycled cement paste from construction demolition materials (CDM).
- innovative mineral components such as calcined clay, pozzolana, and reclaimed ashes.
- waste from other industries including slag and fly ash.
- traditional mineral components such as limestone and gypsum.

Energy

We are modernizing our kilns to reduce CO_2 emissions. Through our "Plants of Tomorrow" program, we are going even further to create connected, smart, and energy-efficient sites that use digital solutions to support other decarbonization levers.

We use alternative fuels, derived from waste including biomass residues, to replace traditional fossil fuels. Waste volumes are increasing globally, and Geocycle offers highly safe and ecological waste solutions in accordance with international standards. Taking a circular approach, we will reduce the carbon intensity of our cement by substituting fossil fuels with pretreated non-recyclable and biomass waste fuels to operate our cement kilns. Our 2030 target is to increase our thermal substitution rate (TSR) to 50%.

We are advancing innovations to boost this transition, such as piloting oxyhydrogen boosting to enhance the combustion of biogenic fuels and exploring different methods of electrifying the production process.

Advanced technologies

For the process emissions that cannot be abated by formulations and energy levers, our transition plan includes substantial investment in advanced technologies, including carbon capture, utilization, and storage (CCUS). We have committed to invest CHF 2 billion (including public funding), in CCUS by 2030. Our ambitious CCUS roadmap features 19 projects, with an industry-leading eight large-scale European projects selected for grants from the EU Innovation Fund. We aim to produce 8 million tons of near-zero cement and capture 5 million tons of CO_2 per year by 2030. We are utilizing a broad range of capture technologies and following a structured, phased development pathway to manage risks and optimize performance as we bring these advanced technologies to market.

Holcim is thoroughly assessing the potential impacts of these technologies on the environment and the communities where we operate along the full value chain:

- Energy and water consumption of CCUS installations.
- Potential impacts on communities in relation to onshore storage solutions.
- Impact on Holcim's Scope 3 emissions.

Find out more about our climate and nature risks and opportunities on pages 72–79 of this report.

To reach our 2050 targets, we will continue using our traditional levers, while simultaneously scaling up carbon capture, utilization, and storage (CCUS) as well as other advanced technologies.

Scope 2

Our transition plan for Scope 2 emissions targets a 65% reduction in carbon intensity by 2030 through a comprehensive strategy to decarbonize our electricity. This plan is based on two main levers; grid emission and electrical power sourcing. Regarding our electrical power sourcing, we aim to increase our share of electricity consumed from procured and own renewables. First, we are expanding our waste heat recovery systems. Second, we are scaling up on-site renewable energy generation, including the deployment of solar and wind power at our sites. Third, we are securing long-term, low-carbon electricity supply through power purchase agreements (PPAs).

See page 19 of this report for our Scope 1 & 2 pathway to net zero.

Scope 3

We are mobilizing our value chain to reduce Scope 3 emissions, focusing on the approximately 80% of emissions concentrated in four key categories. For investments, we are actively engaging our joint ventures to have their 2030 reduction targets validated by the SBTi. For purchased clinker and cement, we are accelerating the purchase of low-carbon products by requiring suppliers to provide CO_2 information, such as EPDs. For fuels, we are replacing purchased fossil fuels with alternative and non-extractive sources. Finally, for transportation, we are decarbonizing our mobility by optimizing routes with our AI-driven Transport Analytics Center and transitioning our fleet to low emission solutions.

See page 20 of this report for our Scope 3 pathway to net zero.

Residual emissions

Our net-zero roadmap does not rely on carbon offsets. Our carbon capture and storage projects are engineered to capture the majority of the CO_2 emissions generated at our sites, including biogenic CO_2 from the use of biogenic alternative fuels. The permanent storage of biogenic emissions results in negative emissions. The contribution of such removals to addressing residual emissions will be determined in accordance with emerging standards and guidance, including those of the SBTi. In addition, our concrete products naturally reabsorb CO_2 throughout their lifetime, further contributing to reducing atmospheric carbon. Together, these measures place us on a clear and credible pathway to achieving net-zero emissions.

Locked-in emissions

Locked-in emissions are greenhouse gas emissions associated with assets or products over their economic lifetime that are not easily abated without significant technological or structural change.

For Holcim, the vast majority of emissions are generated during the production phase of cementitious materials, primarily from process emissions related to clinker production and energy use. Holcim's decarbonization strategy directly addresses these emissions.

Holcim building materials and solutions do not generate additional operational GHG emissions during their use. Cement-based materials used in buildings and infrastructure are inert in use and therefore do not create ongoing emissions over their lifetime. Accordingly, Holcim does not face material transition risks arising from product-use-related locked-in emissions.

In 2025, no significant CapEx was invested in coal-/oil-/gas-related economic activities.

E1-2 – Policies related to climate change mitigation and adaptation

Climate Policy

Holcim's governance and strategic approach to climate change are defined by its Climate Policy. The Climate Policy applies to Holcim Ltd. and its affiliates in consolidated and managed countries, and covers its own operations and the upstream and downstream value chain.

This policy outlines Holcim's commitment to accelerating climate action, achieving its 1.5°C-aligned net-zero targets (validated by the SBTi), in line with the Paris Agreement, and enabling a Just Transition and climate adaptation. The policy's main principle is the delivery of actions in a rigorous, science-based manner to execute the net-zero journey. This framework policy is supported by topic-specific directives and standards that govern emissions reduction, energy use, and climate adaptation across all operations.

The Chief Executive Officer and the Chief People and Sustainability Officer of Holcim have overall responsibility for the Climate Policy; oversight and performance reviews are carried out by the Board's Health, Safety, and Sustainability Committee (HSSC); Chief Executive Committees in countries where Holcim operates take responsibility and are accountable for assessing and addressing local climate performance.

The Climate Policy is publicly available and subject to regular review.

E1-3 – Actions and resources in relation to climate change policies

To execute our net-zero journey and meet our 1.5°C-aligned, SBTi-validated 2030 targets, our climate strategy is built on clear and actionable levers across our entire value chain.

In 2025, Holcim invested CHF 347 million in EU Taxonomy-aligned CapEx. This followed investments of CHF 336 million in 2024, with a continued focus on decarbonizing the cement manufacturing process.

Scope 1

As we progressed on our net-zero pathway in 2025, we reduced our specific net Scope 1 emissions by 3% year-over-year, from 515 kg to 502 kg per ton of cementitious materials. Compared to the 2020 baseline year, the decrease amounted to 11%. The decline in 2025 was mainly attributable to the increased use of alternative raw materials and alternative fuels.

Formulations

In 2025, we increased our consumption of alternative raw materials in cement to 14%. We are investing in advanced crushing and processing technology to fully recycle CDM and this was a significant driver in utilizing more alternative raw materials in the reporting period.

In 2025, more than 25% of our plants in Europe have successfully integrated over 15% alternative raw materials (ARM) into their clinker manufacturing processes. Reaching high ARM substitution rates requires advanced process control and precise chemical balancing to displace traditional raw materials while maintaining uncompromised product quality. By mastering such complexities, we have successfully decoupled production volume from CO_2 intensity. As a result, seven of our operations in Europe - Retznei and Mannersdorf (Austria), Beli Izvor (Bulgaria), Alesd and Campulung (Romania), Kujawy (Poland), and La Malle (France) - are consistently achieving intensities of less than 400 kg net CO_2 per ton of cementitious materials.

We are on track to reduce our clinker factor to 65% by 2030. Although our clinker factor remained stable in 2025, we are accelerating the use of innovative mineral components such as calcined clay, a highly scalable solution that can reduce a cement's CO_2 footprint by up to 50%. We are currently retrofitting existing kilns globally for production of calcined clay from Mexico and Ecuador to Spain and Egypt. The largest of these is at our plant in Guayaquil, Ecuador, which was commissioned in H2 2025 and is set to produce up to 900 000 tons of calcined clay-based cement per year. In 2025, five sites produced calcined clay, three in Europe and two in Latin America. We aim to have at least 30 sites by 2030.

In 2024, we launched OptiCEM, a digital tool to optimize cement formulations powered by artificial intelligence (AI) and materials science. By reducing the need for laboratory tests and industrial trials, OptiCEM accelerates the product development process. In the first 18 months of deployment, OptiCEM generated over 5 000 new cement formulations, saving more than 150,000 days of curing time.

See pages 22–23 of this report for further details of our cement formulation strategy.

Energy

We are decarbonizing our thermal energy mix by replacing traditional fossil fuels like coal and petcoke with lower-carbon alternatives. In 2025, alternative fuels accounted for 39% of our thermal energy demand, compared to 37.5% in 2024, with 14 of our European facilities now operating at over 80% on alternative fuels.

We are exploring using oxygen and hydrogen as a booster in our kilns to potentially enhance combustion, with an expectation of increasing the utilization of high biogenic waste fuels and raising clinker production rates. After successful trials in Europe, Holcim Mexico piloted oxyhydrogen boosting at our Ramos Arizpe plant. Working with a local partner, Knergy, we have installed two electrolyzers at the plant for controlled oxyhydrogen injection. We aim to create technical knowledge in the region that can be replicated and scaled across Latin America.

See page 24 of this report for further details of our alternative fuels strategy.

Advanced technologies

In 2025, Holcim advanced two landmark EU-backed near-zero cement projects in Greece and Romania.

In May 2025, Holcim broke ground at its plant in Milaki, Greece, for its OLYMPUS project. In November 2025, Holcim was awarded an EU Innovation Fund grant for its Carbon Hub CPT 01 carbon capture and storage project in Campulung, Romania. This project is currently targeting to begin production in 2032, aiming to pioneer large-scale onshore CCS in Eastern Europe.

This brings our total number of large-scale EU-supported projects to eight, the largest number of EU-backed projects in the industry. Further details can be found on page 25 of this report.

In 2025, Holcim invested in SaltX Technology, a listed Swedish company specializing in the electrification of industrial processes. Using renewable electricity, SaltX's electric plasma technology produces clinker while concentrating carbon emissions from primary materials, enabling more efficient carbon capture. Holcim's collaboration with SaltX aims to establish the world's first plant for all-electric cement production.

See pages 25–28 of this report for further details of our advanced technologies strategy.

Scope 2

In 2025, we reduced our specific Scope 2 emissions (market-based) by 4% year-over-year, from 31kg to 30kg per ton of cementitious materials. Compared to the 2020 baseline year, the decrease amounted to 26%. The decline in 2025 was mainly attributable to a reduction in the grid emission factor, primarily in Europe and Latin America, and additional green power purchase agreements.

Our actions to decarbonize our electricity consumption are central to meeting our 2030 Scope 2 target of a 65% intensity reduction.

We leverage waste heat recovery (WHR), with six operational units already converting excess kiln heat into 97 GWh of clean electricity annually.

We are developing renewable energy sources, including solar and wind, on our sites to reduce our dependence on electricity sources that generate CO_2 emissions.

Finally, we are securing power purchase agreements (PPAs) for long-term clean energy supply.

- In Europe, we secured long-term supply from renewable sources in Greece, Spain, Belgium, and Austria. Projects in Romania, Belgium, and Germany were completed and started operating in 2025.
- In Hungary, a new solar park was developed next to our plant, which is able to generate approximately 38 GWh of clean energy per year, equivalent to the average energy consumption of about 13 800 households. It is the largest renewable private power purchase agreement of its kind in Hungary. It enables the plant to cover nearly a third of its energy needs with renewables.
- In France, we signed an agreement to secure nuclear power supply. This partnership contract marks a decisive step in our commitment to reducing the carbon footprint of our operations by ensuring a competitive, reliable supply of low-carbon electricity for our sites.
- In the Philippines, we entered into a PPA to supply geothermal power.

See pages 29–30 of this report for further details of our strategy for decarbonizing our electricity.

Scope 3

We are engaging our value chain to reduce Scope 3 emissions, focusing on the approximately 80% of emissions concentrated in four key categories: investments and joint ventures (JVs), purchased clinker and cement, purchased fuels and electricity, and transportation. In 2025, absolute Scope 3 emissions increased by 6% from 35 Mt in 2024 to 37 Mt. The increase is primarily due to higher production volumes from our investments and JVs, and volumes from clinker and cement purchased from third parties.

With regard to investments and JVs, we are actively engaging our principal cement-producing JVs to have their 2030 reduction targets validated by the SBTi. In 2025, emission intensity from our investments and JVs decreased by 0.7%. All three of our largest JVs, Huaxin Building Materials Group Co. Ltd, Cement Australia Holdings Pty Ltd, and Lafarge Maroc S.A.S., reduced their carbon intensity per ton of cementitious materials produced.

For purchased clinker and cement, we require suppliers to provide CO_2 data, such as EPDs, to accelerate our procurement of low-carbon products. In 2025, emission intensity from our purchased clinker and cement increased by 2.8%. In 2025, Holcim purchased 28% more clinker than in the previous year. This caused the higher CO_2 intensity of the product mix in the reporting period.

With regard to transportation, we are optimizing routes with AI-driven tools via our global Transport Analytics Center (TAC), moving volumes to rail and waterways, and deploying low-emission fleets, such as the 100% electric trucks used for the Gotthard tunnel project in Switzerland. In collaboration with Silo Riedel, we launched Austria's first fully electric truck for cement transport to enhance sustainability. This initiative is part of Holcim's strategy to electrify 80% of its cement transport in Austria by 2030, significantly reducing CO_2 emissions. The electric truck operates emissions-free using certified green electricity. In Poland, we invested in the future of raw material transportation by launching trials of an innovative electric quarry dumper. At our Małogoszcz quarry, two electric haul trucks manufactured by Sany are in operation, while at the Dolomite Quarry in Radkowice, our gravel pit in Sępólno, and the Kraków plant, we deployed electric wheel loaders from Liugong. In a double first in Algeria, the country's first female truck driver, trained through our Women on Wheels program, is now driving the country's first electric truck.

In partnership with Nova Marine, we are pioneering the construction of the world's largest cement carrier ship powered by green methanol. This 38 000-ton pneumatic cement carrier is scheduled for delivery in 2027 and will operate under a long-term charter, supplying Holcim's operations. By utilizing green methanol and significantly increasing cargo intake, this single vessel will reduce CO_2 emissions on these shipments by more than 60% per year compared to current freight flows. This translates to an impactful reduction of 180 000 tons of CO_2 over a 10-year period.

See pages 31–33 of this report for further details of our strategy for decarbonizing our value chain.

E1-4 – Targets related to climate change mitigation and adaptation

With climate action at the core of Holcim's strategy, we have set 2030 and 2050 net-zero targets in line with the 1.5°C framework validated by the Science Based Targets initiative (SBTi) for all three scopes. Following the spin-off of the North American business, we updated our targets, confirming our commitment to decarbonize building following the most advanced science.

Further details about our near-term and long-term SBTi-validated targets can be found on page 18 of this report.

NextGen Growth 2030 targets

In addition to our SBTi-validated targets, Holcim has committed to several other ambitious climate-related targets as part of our NextGen Growth 2030 strategy. We have committed to reducing our specific net Scope 1 emissions from cement production to below 400 kg CO_2 per ton of cementitious materials produced by 2030. Holcim also aims to increase its net sales of ECOPact and ECOPlanet to 50% of total ready-mix concrete and cement sales, respectively, by 2030.

CLIMATE TARGETS

	Unit	2020 restated baseline*	2024 restated performance	**2025 performance**	2025 vs 2024	2030 target	2025 vs 2020 baseline
Specific CO_2 emissions – net (Scope 1) – cement only	$kgCO_2/t$	564	515	**502**	-3 %	<400	-11 %
Specific CO_2 emissions – gross (Scope 1) – cement only	$kgCO_2/t$	603	563	**551**	-2 %	-22%	-9 %
CO_2 emissions – electricity (Scope 2) – cement only	$kgCO_2/t$	40	31	**30**	-4 %	-65%	-26 %
CO_2 indirect emissions from purchased clinker and cement (Scope 3)	$kgCO_2/t$ purchased	710	702	**722**	3 %	-25.1%	2 %
CO_2 indirect emissions from investments (Scope 3)	$kgCO_2/t$	687	666	**661**	-1 %	-25.1%	-4 %
CO_2 indirect emissions from downstream transportation (Scope 3)	$kgCO_2/t$ transported	11	9	**9**	3 %	-25%	-17 %
Net sales of ECOPact	% net sales of ready-mix	0	26	**31**	18 %	50	31 %
Net sales of ECOPlanet	% net sales of cement	0	34	**36**	6 %	50	35 %

CLIMATE TARGET FOR CERTAIN BONDS AND PRIVATE PLACEMENTS

	Unit	2018 restated baseline*	**2025 performance**	2025 target	2025 vs 2018 baseline
Specific CO_2 emissions – net (Scope 1) – cement only	$kgCO_2/t$	578	**502**	-9.7%	-13%

* In line with the GHG Protocol Corporate Standard, 2018 and 2020 baselines have been restated for material changes in scope.

E1-5 – Energy consumption and mix

Our approach focuses on a two-pronged strategy: substituting fossil fuels with lower-carbon alternatives and increasing our use of renewable electricity.

In 2025, our total energy consumption was 85 million megawatt hours (M MWh), a 0.4% increase compared to 2024. Total energy consumption from renewable sources increased to 16% (compared to 14% in 2024) and energy consumption from fossil fuels fell to 55% (compared to 58% in 2024).

The "Energy" table below summarizes the key performance indicators related to energy consumption for 2025.

Methodology

We utilize three types of contractual instruments for the purchase of renewable electrical energy.

Power purchase agreements (PPAs): PPAs are particularly valuable for Holcim's operations in Europe, where regulatory frameworks and market conditions support the development of renewable energy projects.

Virtual power purchase agreements (VPPAs): VPPAs offer flexibility and are particularly useful for Holcim's global operations, enabling the company to support renewable projects in strategic locations even if its facilities do not directly consume the generated electricity.

Renewable energy certificates (RECs) and guarantees of origin (GOs): By purchasing and retiring RECs or GOs, we can reduce Scope 2 CO_2 emissions associated with the use of electricity from the grid.

ENERGY

	Unit	2023 restated	2024 restated	**2025**
Energy consumption total	M MWh	86	85	**85**
Total energy consumption from fossil sources	M MWh	51	49	**47**
Percentage of fossil sources in total energy consumption	%	60	58	**55**
Total energy consumption from renewable sources	M MWh	12	12	**13**
Percentage of renewable sources in total energy consumption	%	14	14	**16**
Thermal energy consumption	M MWh	76	75	**75**
Thermal energy consumption fossil fuels – coal	M MWh	10	9	**8**
Thermal energy consumption fossil fuels – petcoke	M MWh	17	17	**16**
Thermal energy consumption fossil fuels – oil	M MWh	2	2	**1**
Thermal energy consumption fossil fuels – gas	M MWh	13	13	**13**
Thermal energy consumption fossil fuels – other traditional fossil fuels	M MWh	2	1	**2**
Thermal energy mix of clinker production – alternative fuels (ex biomass)	M MWh	23	24	**25**
Thermal energy mix of clinker production – biomass	M MWh	9	10	**11**
Electrical energy consumption	M MWh	10	10	**10**
Electrical energy consumption – renewable	M MWh	2.4	2.5	**2.8**
Electrical energy consumption – own generation – renewable	M MWh	0.2	0.1	**0.1**
Electrical energy consumption – renewable PPAs	M MWh	0.7	0.8	**0.9**
Electrical energy consumption – renewable EAC (grid)	M MWh	0.4	0.7	**0.6**
Electrical energy consumption – other renewable (grid)	M MWh	1.1	0.9	**1.1**
Electrical energy consumption – non-renewable	M MWh	7.3	7.1	**6.8**
Electrical energy consumption – own generation – non-renewable	M MWh	0.4	0.3	**0.3**
Electrical energy consumption – grid – non-renewable	M MWh	6.9	6.8	**6.6**
Renewable energy production	M MWh	0.2	0.1	**0.1**
Non-renewable energy production	M MWh	0.4	0.3	**0.3**
Total energy consumption from nuclear sources	M MWh	1.0	0.9	**0.9**
Percentage of energy consumption from nuclear sources in total energy consumption	%	1	1	**1**
Total energy consumption from cement	M MWh	75	72	**72**

E1-6 – Gross Scopes 1, 2, 3 and Total GHG Emissions

Our absolute GHG emissions in 2025 were as follows:

- Gross Scope 1 emissions: 52 million tons of CO_2.
- Scope 2 emissions (market-based): 3 million tons of CO_2.
- Total Scope 3 emissions: 37 million tons of CO_2e.
- Total GHG emissions (Scopes 1, 2, and 3): 92 million tons of CO_2e.

See pages 82–83 of this report for analysis of the changes in GHG emissions year-over-year and the actions taken to reduce our emissions.

The data tables on pages 87–88 of this report summarize the key performance indicators related to GHG emissions for 2025.

Methodology

Scope 1 and Scope 2 CO_2 emissions

We follow the Global Cement and Concrete Association (GCCA) Cement CO_2 and Energy Protocol, version 3.1, for the monitoring and reporting of CO_2 emissions from cement manufacturing, to calculate CO_2 emissions of cement operations between the 1990 baseline and the reporting year. The Cement CO_2 and Energy Protocol is sector-specific guidance that builds on the GHG Protocol and was originally developed under the WBCSD as part of the Cement Sustainability Initiative (CSI), before transitioning to the GCCA. Wherever feasible, operations report site and/or material-specific Scope 1 CO_2 emission factors. For non-cement related operations, site-specific fuel consumption is used to calculate CO_2 emissions according to the GHG Protocol. For Scope 2 emissions, we follow the GHG Protocol Scope 2 Guidance. Work to determine the most accurate available market-based emission factors is continuously under way. The reporting coverage for the Scope 1 and 2 topic data is 98%.

Gross Scope 1 CO_2 emissions are the total emissions resulting from the calcination of limestone and the emissions resulting from the combustion of fossil-based fuels and pre-treated waste-derived fuels. Compared with gross CO_2 emissions, net CO_2 emissions do not include CO_2 from alternative fuels.

Scope 3 emissions

Holcim applies the GHG Protocol to estimate CO_2 emissions for all 15 categories. We select the GHG calculation methods that appropriately reflect the most material GHG emissions and support the decision-making process to achieve reduction targets. We apply the following criteria to select calculation methods: 1. relative size of the emissions, 2. data availability, 3. data quality, 4. cost and effort required to apply each method.

Calculation methods

Approximately 50% of the emissions are calculated using primary data gathered from our value chain partners.

Approximately 35% of the emissions are calculated using life cycle assessment (LCA) models combined with primary data and average emission factors from recognized environmental databases.

The remaining approximately 15% of the emissions, which are not material in terms of CO_2, are calculated using spend-based methods combined with an internationally recognized macroeconomic database (EXIOBASE).

Method per category

Categories 1 and 3: We use the “average-data” method for the most material purchased goods and for all fuels, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from the LCA database (GaBi).

Category 1 purchased clinker and cement: When EPDs are not available from clinker and cement purchased, we use the “average-data” method, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from the sector database GCCA-GNR, with national averages updated on an annual basis.

Category 2: We use the “spend-based” method, combining primary data from spend for each category of capital goods purchased in each country and the kg CO_2 per Swiss franc extracted from a macroeconomic database (EXIOBASE).

Category 3 electricity: We use the “average-data” method for electricity, combining primary data from our operating systems (e.g., volumes purchased in each country) with emission factors extracted from IEA for WTT and T&D linked to the country grid.

Category 4 and 9: We use the “distance-based method” for transportation, combining primary data from our operating systems (e.g., volumes transported, kilometers driven, vehicle types, payload) with HBEFA fuel models and emission factors extracted from the LCA database (GaBi).

Category 5: We use the “average-data” method, combining primary data (volumes of waste generated in our operations, classified by waste type) with emission factors extracted from the LCA database (GaBi) in relation to the waste treatment process (according to each waste type).

Category 6: We use the “spend-based” method, combining primary data from spend for each category of business travel in each country and the kg CO_2 per Swiss franc extracted from a macroeconomic database (EXIOBASE).

Category 7: We estimate CO_2 from employee commuting, modeling fuel consumption based on the number of employees per country and the average kilometers traveled per year (including a percentage of home working), assuming the use of an average car, with an emission factor extracted from the LCA database (GaBi).

Category 8: We use the “spend-based” method.

Category 10: We use the “site-specific” method, combining primary data (volumes sold) with Scopes 1 and 2.

Category 11: This category is not applicable for Holcim, as building materials are intermediate products and do not directly consume energy or generate GHG emissions during the use phase.

Category 12: We use the "average-data" method, combining primary data (volumes sold) with emission factors extracted from the LCA database (GaBi) in relation to end-of-life waste treatment processes (according to each waste type).

Category 13: We use the "spend-based" method.

Category 14: We estimate CO_2 emissions from our retail franchises, modeling energy consumption in commercial buildings per m^2, per country.

Category 15: We use "primary data", capturing Scope 1 and 2 emissions from our joint ventures and applying the percentage in relation to our equity ratio.

For Scopes 1, 2, and 3, we closely follow the ongoing consultations and developments in relation to the GHG Protocol and will continue to implement adaptations going forward.

ABSOLUTE GHG EMISSIONS

	Unit	2023 restated	2024 restated	**2025**
Absolute Scope 1 emissions – gross	Mt	55	53	**52**
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	37	36	**34**
Absolute Scope 2 emissions (location-based)	Mt	3	3	**3**
Absolute Scope 2 emissions (market-based)	Mt	3	3	**3**
Percentage of contractual instruments, Scope 2 GHG emissions	%	10	14	**15**
Percentage of electricity purchased with usage of bundled renewable energy attributes	%	6	6	**8**
Percentage of electricity purchased with usage of unbundled renewable energy attributes	%	4	7	**7**
Absolute Scope 3 emissions – total	Mt	38	35	**37**
Percentage of GHG Scope 3 calculated using primary data	%	61	58	**59**
Absolute S3 emissions – Cat 1 – Purchased goods and services	Mt	5.2	5.3	**5.8**
Absolute S3 emissions – Cat 2 – Capital goods	Mt	0.1	0.1	**0.1**
Absolute S3 emissions – Cat 3 – Fuel and energy-related activities	Mt	3.5	3.6	**3.3**
Absolute S3 emissions – Cat 4 – Upstream transportation and distribution	Mt	3.0	3.0	**3.1**
Absolute S3 emissions – Cat 5 – Waste generated in operations	Mt	0.1	0.0	**0.0**
Absolute S3 emissions – Cat 6 – Business travel	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 7 – Employee commuting	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 8 – Upstream leased assets	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 9 – Downstream transportation and distribution	Mt	1.4	1.3	**1.3**
Absolute S3 emissions – Cat 10 – Processing of sold products	Mt	1.0	0.9	**0.9**
Absolute S3 emissions – Cat 11 – Use of sold products	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 12 – End-of-life treatment of sold products	Mt	0.7	0.7	**0.7**
Absolute S3 emissions – Cat 13 – Downstream leased assets	Mt	0.0	0.0	**0.0**
Absolute S3 emissions – Cat 14 – Franchises	Mt	0.0	0.0	**0.1**
Absolute S3 emissions – Cat 15 – Investments	Mt	23.1	19.6	**21.3**
Absolute emissions (Scopes 1,2, & 3) (location-based)	Mt	96	91	**92**
Absolute emissions (Scopes 1, 2, & 3) (market-based)	Mt	97	91	**92**

ABSOLUTE SCOPE 1 EMISSIONS BY SOURCE

	Unit	2023 restated	2024 restated	**2025**
CO_2 emissions – gross (Scope 1)	Mt	55	53	**52**
CO_2 emissions from raw materials	Mt	35	33	**33**
CO_2 emissions from fossil fuels	Mt	13	13	**12**
CO_2 emissions from alternative fuels (non-biomass)	Mt	4	4	**4**
CO_2 emissions from alternative fuels (biomass)	Mt	3	3	**4**

ABSOLUTE SCOPE 1 EMISSIONS BY REGION

	Unit	2023 restated	2024 restated	**2025**
CO_2 emissions – gross (Scope 1) – Asia and Middle East & Africa	Mt	22	21	**22**
CO_2 emissions – gross (Scope 1) – Europe	Mt	23	22	**20**
CO_2 emissions – gross (Scope 1) – LATAM	Mt	11	10	**10**

SPECIFIC SCOPE 3 EMISSIONS

	Unit	2023 restated	2024 restated	2025
Indirect CO_2 emissions from purchased clinker and cement	$kgCO_2e$/t purchased	699	702	**722**
Indirect CO_2 emissions from investments	$kgCO_2$/t	666	666	**661**
Indirect CO_2 emissions from downstream transportation	$kgCO_2e$/t transported	9	9	**9**

GHG EMISSIONS INTENSITY

	Unit	2025
GHG emissions intensity, location-based (total GHG emissions per net sales)	kg CO_2e/mCHF	**5.9**
GHG emissions intensity, market-based (total GHG emissions per net sales)	kg CO_2e/mCHF	**5.8**
Net sales	mCHF	**15 724**
Net sales used to calculate GHG intensity	mCHF	**15 724**
Net sales other than used to calculate GHG intensity	mCHF	**0**

ENERGY & GHG (GCCA KPIs) – CEMENT PLANTS ONLY

	Unit	2023 restated	2024 restated	2025
Absolute gross Scope 1	Mt	51	50	**48**
Absolute net Scope 1	Mt	47	45	**44**
Absolute Scope 2 – market-based	Mt	3	3	**3**
Absolute Scope 2 – location-based	Mt	3	3	**3**
Specific CO_2 emissions – net (Scope 1)	$kgCO_2$/t	525	515	**502**
Specific CO_2 emissions – net (Scope 1) – as reported	$kgCO_2$/t	545	538	**502**
Specific CO_2 emissions – gross (Scope 1)	$kgCO_2$/t	572	563	**551**
Specific CO_2 emissions – gross (Scope 1) – as reported	$kgCO_2$/t	587	582	**551**
Specific CO_2 emissions – electricity (Scope 2) – market-based	$kgCO_2$/t	36	31	**30**
Specific CO_2 emissions – electricity (Scope 2) – market-based – as reported	$kgCO_2$/t	36	32	**30**
Specific heat consumption of clinker production	MJ/t	3 698	3 623	**3 641**
Thermal substitution rate (TSR): alternative fuels plus biomass	%	35	38	**39**
Thermal substitution rate (TSR): biomass	%	14	15	**17**

PRODUCTS AND SOLUTIONS

	Unit	2023 restated	2024 restated	2025
Clinker produced	Mt	66	65	**62**
Clinker consumed	Mt	62	61	**60**
Cement fillers consumed (limestone, gypsum, MIC, etc.)	Mt	25	26	**26**
Cement produced	Mt	87	86	**85**
Cementitious materials produced	Mt	92	90	**88**
Aggregates produced	Mt	142	141	**145**
Asphalt produced	Mt	5	9	**4**
RMX produced	Mm^3	32	31	**32**
Clinker factor (average % of clinker in cements)	%	71	70	**70**
Net sales of sustainable solutions	%	NR	NR	**34**

E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

Our decarbonization roadmap to achieving our net-zero targets does not rely on carbon credits.

Our decarbonization philosophy is clear: We are committed to reducing emissions within our own value chain. As such, Holcim has not financed climate change mitigation projects outside the value chain through the purchase of carbon credits to achieve GHG emission reductions or removals. Holcim is committed to becoming a net-zero company by 2050, in line with the SBTi guidelines.

E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Physical risks

Aligned with the CSRD, TCFD, and TNFD frameworks, Holcim's Climate and Nature Resilience and Adaptation Program assesses both current and future climate and nature physical risks at each site classified as eligible in accordance with the EU Taxonomy. This assessment, which incorporates potential future climate scenarios based on the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), measures site resilience and preparedness, helping to safeguard our people, assets, and operations while ensuring compliance with the EU Taxonomy's climate change adaptation (CCA) objective. The program also documents future CapEx needs and supports the economic rationale for investments that address climate and nature physical risks and reduce our environmental impact and resource dependence.

The purpose of this section is to provide an overview of the physical impacts of climate change on the Group and its assets. Our 2025 assessment covers all of our major locations, including cement plants and associated quarries, as well as construction and demolition materials sites, and selected insulation sites. The assessment is also available upon request to other sites such as aggregate quarries and ready-mix concrete facilities. Impact levels are determined for both asset impact and the wider impact on the Group.

As a result of this program, we have strengthened our understanding of our exposure to physical risks and the actions required to adapt to climate change and nature dependencies. Each site has tailored action plans for implementing the most effective adaptation actions to enhance business resilience. These plans are fully aligned with the Group's business resilience governance model, which defines a comprehensive framework for preparing, responding, and recovering from physical risks and includes detailed emergency response, crisis management, business continuity, and evacuation plans. At the Group level, we also collaborate closely with insurers to evaluate how evolving climate and nature physical impacts may influence risk exposure and insurance premiums, ensuring that we remain proactive and resilient in a changing environment.

The table below details Holcim's direct operational exposure. However, we also identify physical risk impacts across the entire value chain. Upstream, acute and chronic physical risks can damage critical infrastructures such as ports and shipping routes, potentially leading to logistics delays and higher transport costs. Downstream, they can disrupt customer operations and threaten the integrity of building sites. These disruptions are driving the demand for resilient solutions. Holcim capitalizes on this shift by providing high-performance materials. For instance, our Hydromedia permeable concrete rapidly drains rainwater, reducing local flood impacts and protecting customer assets.

PHYSICAL RISKS SUMMARY TABLE (SSP5-8.5)

PHYSICAL RISK	IMPACT LEVEL	CURRENT EXPOSURE[1]	FUTURE EXPOSURE [2]
Floods	Low	15%	Stable
Storm/precipitation	Low	22%	Increase
Wildfire	Low	6%	Increase
Landslide	Low	5%	Stable
Drought	Low	34%	Increase
Extreme temperatures	Low	44%	Increase
Water security	Low	16%	Increase

[1] Share of sites currently exposed to the physical risk, based on an assessment of 377 sites.
[2] Evolution of the physical risk exposure of selected assets up to 2050 based on climate change scenario SSP5-8.5.

Acute Chronic Nature

ACUTE PHYSICAL RISKS

Definition	Potential impacts	Our response
Floods Includes fluvial and pluvial floods and storm surges. The risk score is based on changes in precipitation patterns as well as other components such as topography, catchment area, and runoff.	As a construction and building materials company, we are exposed to both high and low water levels as well as flooding events. These conditions can directly impede planned transportation schedules because transportation routes may be blocked or submerged, causing delays. Critical equipment or infrastructure may also be damaged.	At Holcim, our primary response is to support our employees and, as necessary, the affected communities. Vulnerable sites have in place appropriate mechanisms to prepare for, manage, and recover from floods, such as maintenance programs and physical equipment, including, but not limited to, barriers, sandbags, and roof drains, alongside emergency reserves such as backup power, fuel, and water.
Storm/precipitation Maximum daily precipitation (in mm) for a predefined event. Also includes windstorms and lightning storms.	Storms associated with strong winds can cause harm to people, disrupt operations, damage assets, and impact supply chains. Additionally, storms may also lead to flooding events, while runoff may carry pollutants into waterways, contaminating water sources.	We prioritize the safety of people during heavy storms by adjusting or halting production and proactively monitoring cyclone alerts and river levels. Sites at risk have stormwater management and spill containment teams to prevent contamination. Sites have arresters and grounding systems to reduce the impact of lightning strikes.
Wildfire Likelihood of wildfire based on current land susceptibility to fire and projected hot and dry weather.	Wildfires present a significant threat to quarries and cement facilities, particularly those situated near forested areas. Wildfires release smoke and particulate matter into the air, which may cause respiratory problems and other health issues. They may also lead to temporary shutdowns, damage to essential infrastructure, and disruption to transportation networks, which may result in delays and increased costs.	Each site has fire emergency response plans, including evacuation plans and fire drills, along with preventive measures, such as vegetation clearing. We also maintain and regularly inspect firefighting infrastructure and equipment such as water cisterns, firewalls, alarms, hydrants, and extinguishers. We additionally provide personnel training.
Landslide Mass movement processes, including rockfalls, debris flows and mudslides.	Extreme precipitation increases the risk of landslides. In addition to harming people, a landslide may also damage assets, disrupt local supply chains, and cause contamination of underground water systems.	We have implemented comprehensive preventive and mitigating plans such as geological and landslide risk studies, slope stability monitoring, containment systems on quarry access roads, and backup generators to reduce business interruption risks.

CHRONIC PHYSICAL RISKS

Definition	Potential impacts	Our response
Drought Water stress locations based on the Standardized Precipitation Index (SPI) in combination with the number of heatwave days.	Acute drought periods may lead to operational disruptions and water-driven supply chain challenges due to water scarcity. In addition, the potential implementation of water usage quotas for human consumption and industrial purposes due to water shortages may further limit production capacity.	By leveraging World Resources Institute (WRI) Aqueduct data on water stress and scarcity and the Science Based Targets Network (SBTN) framework, we are continuously developing tailored strategies to enhance resilience at each of our sites. We focus on optimizing water consumption by improving rainwater capture, water recycling, and retention basins. The goal is for all our sites to have water recycling systems. In water-stressed areas, we enhance resilience through initiatives such as alternative water sources. We have also worked to set basin-specific reduction targets by applying the SBTN framework in priority basins.
Extreme temperatures Sustained increases in average temperatures over time, leading to long-term warming trends and contributing to more frequent and prolonged heat events.	Extreme heat may have adverse impacts on the workforce, for example, by harming people's health (e.g., dehydration, heatstroke, etc.), ultimately leading to operational disruptions or slowdown such as delayed transportation. Over time, prolonged heat events may affect the structural integrity of our assets, causing further operational disruptions and increased costs.	We have implemented adaptation actions at Holcim sites affected by extreme temperatures, including reorganized work shifts to reduce heat stress, maintaining sufficient water supplies, and training employees on coping strategies for extreme heat. Although heat wave risks are expected to rise, we equip buildings and assets with cooling systems to help mitigate the impact.

NATURE PHYSICAL RISKS

Definition	Potential impacts	Our response
Water security Water availability is used as the indicator. It is based on the baseline water stress defined by WRI, which measures the ratio of water withdrawals to available renewable surface water and groundwater at the catchment scale. **ESRS reporting**: E3 Water and marine resources	The ENCORE database identifies water security as a critical risk for the material construction industry due to its dependence on sufficient freshwater. Droughts may increase water scarcity, leading to business interruptions and financial losses. Changing regulations could increase water prices or restrict access, limiting production and raising costs. Water use in water-stressed locations may also strain relationships with local communities, potentially harming our reputation.	We regularly assess water security risks at each site using WRI Aqueduct and Swiss RE's RDS platform to identify high-risk locations and prioritize data-driven solutions. Furthermore, sites with above medium-high water risk have implemented water management plans to reduce freshwater withdrawal, engage stakeholders, and prepare for changing regulations. Our company is aiming for a reduction of 33% in freshwater withdrawal by our cement segment, more than 50% by aggregates, and 15% by concrete. We also have four validated SBTN basin-wide targets. To achieve these goals, we are investing in projects and stewardship to reduce water intensity throughout our business operations. Our operations are becoming more water-efficient as a result of process optimization, reduced leakage, and equipping sites with water recycling systems.

Scenario Analysis

Holcim has developed two distinct and plausible climate change scenarios, including one aligned with the Paris Agreement, to test the resilience of the organization's strategy in light of different climate change futures. In line with the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), Holcim has continued to develop distinct and plausible climate change scenarios to test the resilience of the organization's strategy in light of different climate change futures. Two scenarios were considered to present Holcim's assessment of climate-related transitional and physical risks: one scenario aligned with the Paris Agreement (1.5 °C) and one scenario that assumes limited collective action against climate change (3 to 5 °C).

The scenario aligned with the Paris Agreement is favorable for Holcim, its shareholders, and the global community. New market conditions will support growing demand for low-carbon building materials and building solutions, increasing our market share in low-carbon cement and concrete as well as solutions to reduce the emissions of the built environment. Holcim's sustainability leadership brings strategic resilience to the Group, and Holcim is well positioned to build on its net-zero journey and help create a net-zero future that works for people and the planet.

A slower pace of transformation will lead to a scenario of ineffective collective action against climate change, as the construction value chain remains fragmented and stimuli are not yet in place to decarbonize at the pace and scale required. While this is not Holcim's strategic direction, the Group will adapt to cover market needs while continuing to drive circular and low-carbon construction and invest in less carbon-intensive production technologies.

In all cases, Holcim is well positioned for the future, with its high-value Building Materials and Building Solutions portfolio. Building materials are the foundation of our business and comprise decarbonized cement and circular aggregates. We have leading market positions and continue to invest in innovation, while circular solutions are enabled by our ECOCycle circular technology. In addition, we offer a broad range of high-value building solutions. These consist of high-performance ready-mix concrete and surfacing – from foundation to flooring – and energy-efficient building systems – from walling to roofing. Overall, our sustainable building solutions meet the needs of the most demanding building projects – from infrastructure and industry to buildings. These will be crucial in the coming decades, regardless of the climate change scenario.

This chapter aims to summarize the outcome of Holcim's climate-related scenario analysis. Holcim will continue to develop this analysis in order to understand emerging opportunities and mitigate potential risks associated with climate change.

Holcim considers the impact of each climate change scenario on its ambition to become a net-zero company by 2050 as well as its vision to become the leading partner for sustainable construction. Depending on the particular risk or opportunity, our analysis is based on both quantitative and qualitative assessments. These scenarios do not constitute definitive outcomes for Holcim. The scenario analysis relies on assumptions that may or may not materialize, and scenarios may be impacted by other factors in addition to the assumptions disclosed.

SCENARIO ALIGNED WITH THE PARIS AGREEMENT

In the scenario aligned with the Paris Agreement, governments and industries are collaborating to make net zero possible. The cement industry is making significant efforts toward net-zero development and innovation, while climate change mitigation and adaptation are growing in importance. Carbon capture, utilization, and storage technologies are developing at a pace consistent with the industry's transition to net zero. There is growing demand for low-carbon and material-efficient solutions, solutions that reduce the emissions of the built environment, and solutions that mitigate the impacts of climate change. The physical impacts of climate change are manageable without significant business or societal disruption. Holcim's sustainability leadership brings strategic resilience to the company. Holcim is well positioned to progress on its net-zero journey and build a net-zero future that works for people and the planet.

SCENARIO OF LIMITED COLLECTIVE ACTION ON CLIMATE CHANGE

Limited collective action on climate change has the potential to hamper Holcim's aim to become a net-zero company by 2050. Such action could competitively disadvantage Holcim in relation to our peers and other sectors by restricting our ability to develop commercially-viable circular, low-carbon, and climate resilient solutions, as well as energy-efficient and smart building materials and solutions. The physical impacts of climate change could be severe. To be prepared, Holcim has a strategy to protect its assets and to meet increased customer demand for resilient and durable solutions that are able to withstand extreme weather and mitigate environmental impacts.

	PARIS AGREEMENT	LIMITED COLLECTIVE ACTION ON CLIMATE CHANGE
Temperature range by 2100	1.5 °C	3 °C – 5 °C
Reference scenarios	IEA Net Zero Emissions Scenario (NZE) Source: IEA World Energy Outlook 2024	IEA Stated Policies Scenario (STEPS) Source: IEA World Energy Outlook 2024 IEA Reference Technology Scenario (RTS) Source: IEA Technology Roadmap – Low-Carbon Transition in the Cement Industry (2019)
Carbon emissions pathway, IPCC 6th Assessment Report Used for physical risk assessment	Carbon emissions pathway: SSP1-2.6	Carbon emissions pathway: SSP5-8.5
Cement demand	Trend following NZE: Growth in emerging markets until 2030; from 2030–2050, demand decreases due to smart design	Trend following RTS until 2030: Growth in emerging markets until 2030; marginal growth after 2030
CO_2 price (USD/T CO_2)	NZE: Advanced economies with net-zero pledges: 2030: 140; 2050: 250 Selected emerging markets with net-zero pledges: 2030: 90; 2050: 200 Selected emerging markets: 2030: 25; 2050: 180 Other emerging markets: 2030: 15; 2050: 55	STEPS: EU: 2030: 140; 2050: 158 Canada: 2030: 126; 2050: 126 Other selected markets: 2030: 21–56; 2050: 28–89

SCENARIO IMPACTS

Risk to be continuously monitored by Holcim and risk governance adjusted accordingly to limit negative business impact.

Opportunity improving the conditions for delivery of our strategy and with a positive business impact.

Low impact
Medium impact
High impact

		PARIS AGREEMENT		LIMITED COLLECTIVE ACTION ON CLIMATE CHANGE	
		RISKS	OPPORTUNITIES	RISKS	OPPORTUNITIES
1. POLICY AND LEGAL					
1.1 CO_2 prices and other climate policies	2030				
	2050				
2. MARKET					
2.1 Access to mineral components	2030				
	2050				
2.2 Cost of fossil fuels and energy	2030				
	2050				
2.3 Circular construction (recycling materials, smart design, and driving repair and renovation)	2030				
	2050				
2.4 Demand for low-carbon building materials	2030				
	2050				
3. TECHNOLOGY					
3.1 Decarbonization of supply chain (energy and transportation)	2030				
	2050				
3.2 Deployment of breakthrough technologies (CCUS) on a large scale	2030				
	2050				
4. REPUTATION					
4.1 Impact on the Group's stakeholders	2030				
	2050				
5. PHYSICAL					
5.1 Chronic physical risks	2030				
	2050				
5.2 Acute physical risks	2030				
	2050				

	PARIS AGREEMENT	LIMITED COLLECTIVE ACTION ON CLIMATE CHANGE
1. POLICY AND LEGAL	Consistent with our net-zero strategy, reliable and stable carbon prices in all regions facilitate long-term investment decisions in low-carbon technologies and encourage significant change across the building materials and construction value chain. They also support the collective effort to create a large-scale CO_2 transportation and storage network in line with the needs of other industries.	The limited number of CO_2 pricing schemes hampers deployment of breakthrough technologies at the pace needed, making it more challenging for Holcim to deliver on its net-zero target. Moreover, the fragmented decarbonization efforts in the construction value chain make it more difficult to benefit from the competitive advantage offered by a low carbon footprint.
2. MARKET	As the decarbonization of the construction value chain progresses, the focus is on reducing operational emissions in the built environment. Circular construction is endorsed progressively by global standards and regulations. This results in higher demand for circular and low-carbon building materials and building solutions. At the same time, as the steel and energy industries decarbonize, the availability of supplementary materials such as fly ash or slag is decreasing. Holcim mitigates this risk by securing sources of limestone, construction demolition materials, or byproducts from other industries, but also by investing in calcined clay facilities and developing novel cements with new binders. With the progressive transition to decarbonized energy sources, Holcim's dependency on fossil fuel decreases.	As there are few regulatory incentives to use low-carbon products and to recycle, there is a limited increase in sales of our low-carbon cement and concrete. Demand for our circular and low-carbon building materials and building solutions will be driven by urbanization, the need to protect natural resources, and increased fossil fuel prices. By 2030, while the average clinker factor reduces moderately, the availability and cost of mineral components will remain virtually unchanged compared to today's levels. By 2050, the price of these materials will increase modestly as some decarbonization of industries is underway, leading to a limited negative impact. However, with the slower transition to decarbonized energy sources, demand for fossil fuels remains strong.
3. TECHNOLOGY	Holcim expects to benefit from the overall decarbonization efforts in society thanks to: (1) earlier readiness and affordability of breakthrough technologies, such as kiln electrification, hydrogen, and – most importantly – CCUS; (2) efforts in our own value chain/ with suppliers, which will reduce our Scope 3 emissions. Additionally, we expect the production of supplementary cementitious materials such as calcined clay to mature.	Holcim will need to make significant additional efforts to achieve its Scope 1 targets, as governments are slow to implement the necessary policies to scale up breakthrough technologies, such as kiln electrification, hydrogen, and CCUS, as well as the associated networks and infrastructure. Scope 3 targets are challenged, as suppliers do not decarbonize at the necessary pace.
4. REPUTATION	In the short term, Holcim's cement production segment remains in the spotlight as a CO_2-intensive business, bringing reputational risks. However, as the net-zero roadmap is delivered and Holcim is seen as a keen contributor to climate change mitigation, its reputation, trust, and credibility grow, and the strategy is aligned with stakeholders' expectations.	The slow pace of the necessary regulatory incentives will pose additional challenges for Holcim's decarbonization journey, progressively increasing the associated reputational risks.
5. PHYSICAL	Extreme precipitation and flooding impacting sites and supply chains in affected areas will require further protective actions and mitigation plans. Today, 30% of our sites are located in areas with medium to extremely high water risk, which explains why appropriate governance and management in water consumption, recycling, and treatment are already necessary.	Extreme weather events such as torrential precipitation, flooding, drought, and excessive heat days will increase significantly in frequency and intensity. In the long term, these may be considerably more intense, meaning that protective actions at existing locations are insufficient. This could have severe financial impacts on sites and supply chains and potentially jeopardize the economic viability of some of our operations. Further risks, such as wildfires and windstorms, will increase and become significant threats. An opportunity is presented by the development of our building solutions segment, which offers integrated solutions and systems specifically designed to tackle climate change challenges – by increasing energy efficiency, providing cooling effects, extending the longevity of building materials, and enhancing options to generate renewable energy.

ESRS E2 – POLLUTION

At Holcim, our commitment to building progress for people and the planet is realized by coupling production excellence with rigorous environmental management. Our Zero Environmental Impact Program is now a consolidated reality, supported by continuous investments across our sites.

E2-1 – Policies related to pollution

Holcim manages its environmental impact through a robust and comprehensive policy framework that defines standards and procedures for emissions (air, noise, vibrations, and odors), water consumption and discharge quality, waste handling and disposal, electrical energy efficiency and sourcing.

This framework requires all sites to comply with applicable environmental laws and, in many cases, to exceed them by following Holcim's internal standards and limits, which are often more stringent than local regulatory requirements. The standards form an integral part of the Group Health, Safety, and Environment (HSE) Management System, which is validated by Lloyd's Register as fully compliant with ISO 14001 and ISO 45001.

Health, Safety, and Environment (HSE) Policy

Holcim's management of pollution (including air, water, and soil) is primarily governed by the Health, Safety, and Environment (HSE) Policy. This policy establishes a global framework for identifying, managing, and mitigating environmental impacts and risks from all operations. It commits Holcim to continuous improvement in environmental performance and compliance with all applicable laws and regulations.

Environmental Emissions Standard

Holcim's Environmental Emissions Standard (HSE-301) sets the minimum requirements for all Group businesses and personnel to manage risks associated with environmental emissions, including point and fugitive emissions, noise, vibration, and odors. The standard requires each operating unit to set annual emissions targets, conduct annual risk assessments, and manage impacts through specific controls, such as abatement systems. A core requirement of this program is the establishment of a documented plan to reach the thresholds set by the EU's best available techniques and ensure operations meet Holcim's internal environmental emissions limits in addition to all local regulations. The standard also requires all relevant personnel to be competent and trained.

Water Directive

Holcim's Water Directive establishes the company's commitment to water stewardship, which includes the prevention of pollution by requiring all operations to comply with local laws and internal standards for water quality. It mandates the management of water discharges to ensure that all wastewater is treated to meet or exceed regulatory requirements before being released into the environment. It also requires all sites to have plans in place to prevent and respond to spills or accidental discharges that could cause pollution.

Water Management Standard

The Holcim Water Management Standard (HSE-302) operationalizes the Water Directive by defining water pollution discharge as a critical risk. It mandates the implementation of specific critical controls, including secondary containment systems designed to prevent the release of polluted water into environmental media, the operation of treatment systems to meet water quality parameters, and rigorous discharge monitoring to analyze water quality and ensure compliance. The standard also requires sites to develop emergency response plans specifically for polluted water discharge scenarios.

Environmental audits

Holcim's HSE Audit Program Guide provides a systematic audit process to measure and verify unit-level compliance with the established HSE Management System, which is aligned with the ISO 14001 standard. Annual audits directly assess how well a site is managing its pollution risks. Auditors use an evidence-based approach to verify that systems for controlling air quality, emissions, groundwater, noise, and waste are working and comply with company and legal limits.

All of our cement sites and most of our aggregates and ready-mix sites operate under ISO 14001 certification or an equivalent management system.

The "EMS and compliance" table below summarizes the key performance indicators related to air emissions for 2025.

ENVIRONMENTAL MANAGEMENT SYSTEMS (EMS) AND COMPLIANCE

	Unit	2023 restated	2024 restated	**2025**
Cement sites with ISO 14001 certification	%	98	97	**98**
Cement sites with an EMS equivalent to ISO 14001	%	100	98	**99**
Aggregates sites with ISO 14001 certification	%	30	29	**27**
Aggregates sites with an EMS equivalent to ISO 14001	%	59	58	**57**
RMX sites with ISO 14001 certification	%	29	29	**31**
RMX sites with an EMS equivalent to ISO 14001	%	57	55	**62**
Number of countries reporting severe non-compliance cases	#	3	4	**1**
Fines and penalties paid	CHFm	0	0	**0**

E2-2 – Actions and resources related to pollution

Critical controls management

Launched in 2024 covering the risk of pollution to water, the program was expanded in 2025 to include the risk of incidents of emissions and soil contamination. The program is based on the analysis of all incidents occurring in the last five years, the identification of critical controls to avoid incidents and to mitigate impacts, and quarterly verifications at each operating site, with site personnel checking and reporting on the implementation of any such critical controls and their compliance with the Group's requirements. In 2025, we completed 99.7% of required verifications and 858 improvement actions.

Reducing air emissions

In 2025, our pollution prevention strategy focused on two main pillars:

- Process optimization to reduce nitrogen oxide (NOx) emissions and maintain dust abatement systems at peak performance.
- Workforce engagement through the "Treasure Hunt" program, encouraging employees to identify opportunities to improve performance in daily operations.

A new real-time emissions dashboard now alerts teams to act before limits are exceeded. Our NOx reduction program delivered a 3% Group-wide emission reduction compared to last year through more than 160 process improvements, plus an additional CHF 1.9 million in savings on reagents. Key achievements include a 21% NOx emission reduction at Morocco's Agadir plant and a substantial 75% drop in calciner emissions at the Surma Plant in Bangladesh. At the plants in Iraq and Serbia, improvements extended beyond kiln stability, fostering greater teamwork and collaboration across functions.

Our Dedusting Systems Program standardized maintenance practices across all aggregates sites. Launched in June 2025, this program identified over 170 improvement opportunities focused on preventative maintenance and enhancing operational efficiency. Upgrades to abatement systems also helped to reduce our groupwide SO_2 emissions (-7%).

In 2025, we invested CHF 17.9 million in pollution control technologies, including:

- Upgraded dust abatement systems at seven plants.
- Installation of selective non-catalytic reduction (SNCR) systems at four plants.
- Enhancement of water treatment and recycling systems at 130 sites (cement, concrete, and aggregates).

By integrating these initiatives, Holcim is setting robust standards that simultaneously reduce its environmental footprint and strengthen its operations.

E2-3 – Targets related to pollution

Holcim's material air emissions risk is linked exclusively to cement production.

In 2020, the Group's Executive Committee set the 2030 targets (published in the 2021 Annual Report) and endorsed the new Holcim Air Emissions Strategy. Since then, progress has been strong, with several objectives reached well ahead of schedule.

Building on these results, and considering the evolution of our operational footprint, we are now making new, more ambitious commitments, as outlined below:

Emissions	2020 restated baseline	2030 target	2025
Dust (g/t clinker)	114	30	**34**
NOx (g/t clinker)	1224	1080	**1 121**
SO_2 (g/t clinker)	293	180	**201**

For water pollution, our target is for 100% of our discharged water to meet Holcim water quality standards and in-country regulations to protect ecosystems and biodiversity by 2026.

	2026 target	2025
Regulatory compliant water discharge (%)	100	**99**

E2-4 – Pollution of air, water and soil

Water pollution

As part of our water stewardship, water from our operations is filtered and treated to meet minimum threshold values in accordance with the Group water standard. Discharged water is analyzed quarterly, with any exceedances promptly reported and investigated. Control measures are in place at each site which are monitored at corporate level to ensure full compliance with regulatory requirements.

Since 2022, Holcim has established internal limits for the quality of discharged water, requiring all cement plants to comply with the more stringent of regulatory or Group standards. These internal limits are based on the potential pollution risks associated with cement production, including parameters such as pH, total suspended solids (TSS), mercury, and total petroleum hydrocarbons (TPH).

To help ensure that our discharged water can support aquatic life (e.g., fish, algae, and fungi) we have also set limits for total nitrogen, total phosphorus, and biochemical oxygen demand (BOD). Discharged water is sampled on a quarterly basis.

The "Water pollution" table below summarizes the key performance indicators related to water pollution for 2025.

WATER POLLUTION

	Unit	2023 restated	2024 restated	2025
Regulatory compliant water discharge	%	99	100	**99**

Air emissions

Our pollution metrics include comprehensive emission monitoring of production, measuring total emissions and specific emissions of dust, NO_x, SO_2, and VOC, mercury, dioxins/furans, and heavy metals per ton of clinker produced.

Methodology

Our Group monitors and reports on emissions from cement manufacturing in strict accordance with the GCCA Sustainability Guidelines, the global industry standard, which supersedes the 2012 WBCSD CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry.

Our data governance follows a robust, multi-level verification process. Data is first collected locally at our plants using continuous measuring sensors and periodic spot measurements. This information then undergoes a two-step consolidation and approval process at country level. Following this, Group experts scrutinize and validate the data, which receives final approval at both the individual kiln and country levels, ensuring accuracy before consolidation into our Group's overall results.

To maintain measurement integrity, all sensor calibrations and spot measurements are performed by independent, external laboratories. In some cases, the use of external laboratories in a country may not be possible because of access restrictions due to security reasons, visa requirements, or material import constraints.

In such cases, if a specific emission component was not measured, the 2024 measurement was used to estimate kiln-level performance. Where no 2024 data was available, the 2025 Group average was applied to consolidate the kiln's contribution to the Group's overall results.

The full production from a kiln is included in the coverage only when the emission of the respective pollutant(s) is monitored, otherwise the percentage of production from the kiln covered by measurement is considered zero. For the proportion of production with comprehensive emission monitoring, the full production from a kiln is included only when emissions of all pollutants (dust, NOx, SO_2, VOC/THC, heavy metals (Hg, Cd, Tl, Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), and PCDD/F) are monitored.

Regular monitoring and third-party controls verify that environmental controls are effective and aligned with Holcim's long-term vision of zero environmental impact.

Holcim continuously monitors air emissions and water quality to ensure that all operations remain within internal and legal limits. The reporting coverage for pollution data is 100% of kilns in production.

The "Air emissions" table below summarizes the key performance indicators related to air emissions for 2025.

AIR EMISSIONS

	Unit	2023 restated	2024 restated	**2025**
Clinker produced with continuous monitoring of dust, NO_x, and SO_2 emissions	%	98	98	**99**
Clinker produced with monitoring of dust, NO_x, and SO_2 emissions	%	100	100	**100**
Coverage				
Overall: production with comprehensive emission monitoring	%	91	91	**99**
Dust: production with dust measurement	%	100	100	**100**
NO_x: production with NO_x measurement	%	100	100	**100**
SO_2: production with SO_2 measurement	%	100	100	**100**
VOC: production with VOC measurement	%	98	97	**100**
Mercury: production with mercury measurement	%	100	100	**100**
Dioxins/furans: production with dioxins/furans measurement	%	93	100	**100**
HM1: production with HM1 measurement	%	94	93	**98**
HM2: production with HM2 measurement	%	94	95	**100**
Emissions				
Total dust emissions	ton	1 838	1 959	**2 087**
Total NO_x emissions	ton	76 950	72 278	**69 483**
Total SO_2 emissions	ton	12 397	13 562	**12 459**
Total VOC emissions	ton	2 719	2 156	**3 199**
Total mercury emissions	ton	1.3	1.1	**0.6**
Total dioxins/furans emissions	g	2.0	1.4	**1.9**
Total HM1 emissions	ton	0.9	1.1	**0.6**
Total HM2 emissions	ton	22.7	17.8	**17.6**
Specific emissions (clinker)				
Specific dust emissions	g/t	29	31	**34**
Specific NO_x emissions	g/t	1 196	1 152	**1 121**
Specific SO_2 emissions	g/t	193	216	**201**
Specific VOC emissions	g/t	42	34	**52**
Specific mercury emissions	mg/t	21	17	**10**
Specific dioxins/furans emissions	ng/t	30	22	**30**
Specific HM1 emissions	mg/t	14	17	**9**
Specific HM2 emissions	mg/t	353	284	**285**

ESRS E3 – WATER AND MARINE RESOURCES

We recognize that water is a critical and finite resource. Water stewardship is a core component of our commitment to building a nature-positive future, which we address through a science-driven approach to conservation, efficiency, and restoration in the local ecosystems where we operate.

E3-1 – Policies related to water and marine resources

Our approach is governed by our Nature Policy and specific Water Directive. These policies formalize our commitment to reducing water intensity, returning water at equal or better quality across our operations, and implementing nature-based solutions outside of our site boundaries to restore freshwater ecosystems through partnerships and collaborations.

Nature Policy

Holcim's approach to water stewardship is governed by its Nature Policy. This policy applies to all of Holcim's operations, including Holcim Ltd and its affiliates in all managed and consolidated countries. The policy extends beyond Holcim's direct operations to include both upstream and downstream stakeholders.

The Nature Policy outlines Holcim's commitment to the efficient use of natural resources and our path toward a nature-positive future.

The policy is built on a commitment to a comprehensive approach that incorporates watershed management, collective action, community engagement, and transparency. As a signatory to the UN Global Compact CEO Water Mandate, Holcim's policy is aligned with international best practices. It provides the framework for actions to reduce freshwater withdrawal, increase water recycling, and engage with local stakeholders to protect shared water resources.

The Chief People and Sustainability Officer (CPSO) and the Head of Sustainable Construction and Nature have overall responsibility for the policy. The strategy is overseen at Board level by the Health, Safety, and Sustainability Committee.

Water Directive

Holcim's Water Directive applies to all of its managed businesses and product segments, from cement to roofing. It commits Holcim to reducing its water impacts and managing risks by ensuring all operations comply with local laws and adhere to Holcim's Water Management Standard, as a minimum. The directive also requires proactive engagement with relevant stakeholders to promote more responsible water stewardship in the wider watershed/basin. Under the directive, all sites must assess their water impacts, prioritizing high water risk areas, and implement key stewardship actions within our own operations and beyond our boundaries. This encompasses freshwater use reduction, ensuring high-quality water discharge, and actively restoring freshwater through the implementation of nature-based solutions outside of our site boundaries. Ultimate accountability for implementation rests with each country CEO, with oversight from the Group Chief People and Sustainability Officer.

E3-2 – Actions and resources related to water and marine resources

Our water policies come to life through on-the-ground actions.

In 2025, we reduced our freshwater withdrawal, measured in liters per ton of cementitious materials, by 6.3% from 191 liters in the previous year to 179 liters. Compared to the 2020 baseline year, freshwater withdrawal decreased by 25%, as we added rainwater harvesting systems and increased our usage of recycled water. Our total water consumption remained stable compared to the previous year despite an increase in ready-mix production. Of our sites, 30% are in water risk areas, and we have equipped 76% of those sites with water recycling systems.

Freshwater reduction

Our operations are becoming more water-efficient through process optimization, reduced leakages, and equipping sites with water recycling systems. When possible, we shift our water use from freshwater to non-freshwater. In some countries, during heavy rains, we use harvested rainwater, while in others we use sea or treated municipal wastewater.

See page 35 of this report for two examples of freshwater reduction projects in Mexico and Morocco.

Freshwater ecosystem restoration

We implement nature-based solutions outside our site boundaries to restore ecosystems through partnerships and collaborations.

"Nature-based solutions are actions to protect, sustainably manage, and restore natural or modified ecosystems that address societal challenges (e.g. climate change, food and water security, or natural disasters) effectively and adaptively, simultaneously providing human well-being and biodiversity benefits." WCC 2016, Resolution 069.

Implementing these solutions requires stakeholders to come together to discuss the challenges. Together, they are able to identify the best nature-based interventions and work collaboratively to put them into action.

E3-3 – Targets related to water and marine resources

Since freshwater is a finite resource, we aim to reduce water intensity throughout our operations. Holcim is committed to lowering freshwater withdrawal intensity across our most material business lines by 2030, with a 33% reduction in cement, more than 50% in aggregates, and 15% in ready-mix concrete compared to a 2020 baseline.

Although our target to lower freshwater withdrawal in aggregates by 50% was achieved in 2025, the target will remain, since part of our improvement relies on rainwater substitution, which may be affected by variable weather.

We are prioritizing our actions in high water risk areas, tailoring our solutions to local conditions. We identify high water-stress areas using the World Resources Institute (WRI) Aqueduct tool. Holcim's granular water data enabled us to set an ambitious target of a 39% reduction in freshwater withdrawal by 2030 in our direct operations in the Moctezuma basin in Mexico, compared to an average 2022–2023 baseline. We had this target validated by the Science Based Targets Network (SBTN) in 2024, making us one of the first three companies in the world to adopt science-based targets for nature. This science-based target-setting, starting with freshwater, is a significant milestone in advancing ambitious and measurable corporate action for nature.

In 2025, Holcim set three new targets for freshwater withdrawal reduction, developed using the Science Based Targets Network (SBTN) methodology and validated through the Accountability Accelerator, as the company extends its industry-leading nature-positive approach and advances NextGen Growth 2030.

In Greece, Holcim will reduce its freshwater withdrawal in its direct operations in the Cyclades Basin, to 53,082 m^3 by 2030 – a 23% reduction compared to a 2020–2024 average.

In Spain, Holcim will reduce its freshwater withdrawal in its direct operations in the Onyar basin, to 174 128 m^3 by 2030 – a 16% reduction compared to a 2020–2024 average.

In Belgium, Holcim will reduce its freshwater withdrawal in its direct operations in the Haine Basin to 2 534 150 m^3 by 2035 – a 38% reduction compared to a 2020–2024 average.

WATER TARGETS

	Unit	2020 restated baseline*	2024 restated performance	**2025 performance**	2025 vs 2024	2030 target vs baseline	2025 vs 2020 baseline
Cement specific freshwater withdrawal	L/t	239	191	**179**	-6%	-33%	-25%
Aggregates specific freshwater withdrawal	L/t	205	112	**102**	-9%	-50%	-50%
Ready-mix specific freshwater withdrawal	L/m^3	212	188	**190**	1%	-15%	-10%

WATER TARGET FOR CERTAIN BONDS AND PRIVATE PLACEMENTS

	Unit	2018 restated baseline*	**2025 performance**	2025 target	2025 vs 2018 baseline
Cement specific freshwater withdrawal	L/t	245	**179**	-25%	-27%

*2018 and 2020 baselines have been restated for material changes in scope.

E3-4 – Water consumption

Our water metrics include freshwater withdrawal, water discharged, water consumption, water recycled and reused.

The data tables below summarize the key performance indicators related to water for 2025.

Methodology

Holcim followed the GCCA Sustainability Guidelines for the monitoring and reporting of water in cement manufacturing (previously the CSI Protocol for Water Reporting) as a reference to measure the Group's water performance.

Holcim measures water withdrawal, consumption, and discharge using one of the following three methods:

- The actual measurement of water, which involves directly measuring the water flow or volume at a specific point in time using instruments such as flow meters or gauges.
- The quantification of water volume based on flow at a specific point (e.g., channel or pipe cross-section), which measures the water flow rate as it passes through a cross-section of a channel, pipe, or other water conduit, with the flow gauged instantaneously. It uses flow measurement devices to assess the volume of water moving through the system at that moment.
- Water volume estimation based on system capacity or empirical formulas, which involves calculating the water volume based on estimated or rated capacities of systems (e.g., pumps) or by using empirical formulas. Examples include multiplying the rated capacity of a pump by operational hours or estimating evaporation and infiltration rates to assess water volume indirectly.

We measure and report on the percentage of sites located in medium-high to extremely high water risk areas according to the WRI Aqueduct tool. The concept of water risk includes not only water stress but also water quality, regulatory, and reputational risks.

The reporting coverage for water data is 94% of entities with production.

ALL SEGMENTS (INCLUDING CAPTIVE POWER PLANTS)

	Unit	2023 restated	2024 restated	2025
Total water consumption	Mm³	36	35	**35**
Total water consumption in areas at water risk, including areas of high-water stress	Mm³	16	17	**17**
Total water recycled and reused	Mm³	92	85	**76**
Sites in water risk areas	%	27	25	**30**
Sites in water risk areas with a recycling system in place	%	77	80	**76**

SPECIFIC FRESHWATER WITHDRAWAL

	Unit	2023 restated	2024 restated	2025
Cement specific freshwater withdrawal	L/t	210	191	**179**
Aggregates specific freshwater withdrawal	L/t	126	112	**102**
Ready-mix specific freshwater withdrawal	L/m³	198	188	**190**

ALL SEGMENTS (EXCLUDING CAPTIVE POWER PLANTS)

	Unit	2023 restated	2024 restated	2025
Specific freshwater consumption (L/t of product)	L/t	81	74	**71**
Percentage of water withdrawal obtained from direct measurement	%	NR	NR	**75**
Total water withdrawal	Mm³	56	53	**52**
Total freshwater withdrawal	Mm³	44	39	**38**
Total freshwater withdrawal from groundwater	Mm³	19	18	**18**
Total freshwater withdrawal from surface water	Mm³	13	11	**10**
Total freshwater withdrawal from municipal water supplies or third parties	Mm³	7	6	**7**
Total freshwater withdrawal from quarries	Mm³	5	4	**3**
Non-freshwater withdrawal	Mm³	7	8	**8**
Rainwater harvested	Mm³	5	6	**6**
Total water discharge	Mm³	20	18	**17**
Water discharge to ground or soil infiltration	Mm³	4	4	**4**
Water discharge to surface water	Mm³	14	13	**11**
Water discharge to offsite treatment or third parties	Mm³	1	0	**1**
Water discharge to seawater	Mm³	2	1	**1**
Total water consumption	Mm³	36	35	**35**
Total water consumption in areas at water risk, including areas of high-water stress	Mm³	16	17	**17**
Total water recycled and reused	Mm³	82	75	**66**
Sites equipped with a water recycling system	#	1 055	1 118	**1 094**

ESRS E4 – BIODIVERSITY AND ECOSYSTEMS

We recognize that our operations are intrinsically linked to nature. We are committed to contributing to a nature-positive future by taking a measurable, science-driven approach to harness natural processes, endemic species, and local adaptation, while taking into account the landscape and conservation context. As part of Holcim's efforts to enhance biodiversity, we work with nature to accelerate restoration.

E4-1 – Transition plan and consideration of biodiversity and ecosystems

Our commitment to a nature-positive future is fully integrated into our NextGen Growth 2030 strategy. We are taking a "progressive transformative" approach, underpinned by our partnership with the IUCN and our status as one of the first companies to adopt science-based targets for nature (SBTN). This is reflected in our business model, which increasingly focuses on bringing nature into cities through advanced green roofing and permeable concrete solutions. Holcim's commitment to biodiversity is detailed on pages 34–36 of this report.

E4-2 – Policies related to biodiversity and ecosystems

Our approach is guided by our Nature Policy and Quarry Rehabilitation and Biodiversity Directive. These policies operationalize our commitment to achieving a measurable positive impact on biodiversity by 2030, mandating adherence to the mitigation hierarchy and requiring all quarries to have rehabilitation plans in place. All sites with high biodiversity importance must implement a specific Biodiversity Management Plan.

Nature Policy

Holcim's approach to biodiversity is outlined in the Nature Policy. Holcim is committed to making a measurable positive impact on biodiversity by 2030. Backed by science-based indicators for our active and non-active quarries, we aim to help protect natural ecosystems and the livelihoods of those in neighboring communities. We will achieve this by partnering with local stakeholders who understand the local ecosystem, ensuring a positive contribution to biodiversity and the well-being of our societies.

We measure our biodiversity baseline applying a scientific methodology known as the Biodiversity Indicator and Reporting System (BIRS). Additionally, we use the Integrated Biodiversity Assessment Tool (IBAT) to prioritize actions in high biodiversity areas. Holcim has committed not to open new sites or explorations within highly protected areas, specifically World Heritage sites and IUCN categories I and III.

Holcim's biodiversity commitments toward achieving a nature-positive future focus on rehabilitating quarries, rigorously measuring its impacts to demonstrate positive results, increasing circularity to use fewer virgin materials, investing in nature-based solutions outside its site boundaries, and collaborating with local communities and suppliers to ensure collective actions are in place to protect and restore nature.

Quarry Rehabilitation and Biodiversity Directive

Holcim's Quarry Rehabilitation and Biodiversity Directive operationalizes the Nature Policy by setting specific rules for all extraction sites worldwide, including active, closed, and newly acquired sites. It mandates that all sites must have a quarry rehabilitation plan, and sites in areas of high biodiversity importance must develop a specific biodiversity management plan (BMP). To ensure implementation, the directive requires sites to make financial provisions for all rehabilitation costs, conduct formal environmental and social impact studies (ESIA) before developing new sites, and formally review their plans at least every five years. Furthermore, it requires the use of the Biodiversity Indicator and Reporting System (BIRS) to monitor changes in habitat conditions, with data updates required annually, every three years, or every five to ten years, depending on the metric in question.

E4-3 – Actions and resources related to biodiversity and ecosystems

As part of Holcim's efforts to enhance biodiversity, we work with nature to accelerate restoration. Our rigorous, scientific approach harnesses natural processes, endemic species, and local adaptation, taking into account the landscape and conservation context.

In 2025, 252 quarries were identified as having biodiversity importance, and 98% of these have a biodiversity management plan (BMP) in place. The four remaining sites had partially implemented plans and will fully implement their BMPs in 2026. Rehabilitation plans were in place at 100% of our quarries, and we had rehabilitated a total area of 7 658 hectares as of the 2025 year end. We also assess key biodiversity actions per quarry. In 2025, we planted more than 200 000 native plants. Green corridors are being implemented by 73 quarries, 121 quarries are restoring wetlands, and 197 quarries are forming local strategic partnerships to increase their impact.

Progressive transformative rehabilitation

Our commitment to contributing to a nature-positive future goes beyond traditional rehabilitation. Some of our key actions include buffer zone optimization and, where relevant, the creation of habitats not previously found on the site, such as green corridors, for wildlife connectivity, and wetlands.

When possible, our sites are rehabilitated in a progressive manner. In other words, rehabilitation takes place simultaneously with extraction work — areas where extraction is finished are rehabilitated while work continues in other areas of the quarry.

See page 36 of this report for an example of transformative rehabilitation at the Newbold Quarry in the United Kingdom.

Measuring positive biodiversity impact

We apply the mitigation hierarchy to prioritize and guide actions to enhance our positive biodiversity impact. We worked in partnership with the International Union for the Conservation of Nature (IUCN) to develop a methodology to measure our biodiversity level. This tool is called the Biodiversity Indicator Reporting System (BIRS). We used BIRS to define our biodiversity baseline, enabling us to measure our biodiversity improvement over the years in our active and non-active quarries. BIRS assessment will allow us to better understand our challenges and opportunities with regard to protecting biodiversity and improving ecosystem conditions at each site. We will identify key actions, develop action plans, and implement them to increase our biodiversity index.

Holcim's Bli Bli Quarry in Australia played a crucial role in saving the critically endangered Scrub Turpentine tree. When a small population was found on site, Holcim contributed to a research program run by the Queensland Government to assess the tree's tolerance to the devastating myrtle rust fungus. Genomic sequencing revealed enough genetic variation and disease tolerance to support a new breeding program. This demonstrates how industry and scientific support can protect vulnerable species and leave a positive mark on biodiversity.

In 2025, we also worked toward standardizing corporate biodiversity measurement and reporting by participating in the Nature Positive Initiative's State of Nature Metrics Pilot Program. During the six-month pilot program, Holcim tested seven metrics in two quarries, one in Macuspana, Mexico and one in Cartago, Costa Rica. We provided feedback on the metrics' robustness, practicality, and affordability, as well as on their suitability for use in related guidance for relevant corporate standards and frameworks, including the TNFD, GRI, and SBTN. In particular, with the support of IUCN, we tested the suitability of the Biodiversity Indicator and Reporting System (BIRS) and the Species Threat Abatement Risk (STAR).

Supporting nature with our products and solutions

We are committed to developing solutions that support and restore nature. Our innovative bioactive concrete solutions, for example, help rehabilitate damaged coastal ecosystems. Green roofs play an essential role in bringing nature into cities and improving urban biodiversity. In addition to providing natural habitats for wildlife, ZinCo's green roof systems also help to cool and humidify the surrounding air, as well as improve building energy performance and sound insulation. At the same time, their vegetation helps to filter out dust and smog, and reduce water run-off. At the "Pieschen Children's Island" daycare center in Dresden, Germany, ZinCo's "SolarVert" system integrated a biodiverse green roof with an efficient solar energy system. This project was awarded the Bundesverband GebäudeGrün e.V. (BuGG)'s "Overall Greening of the Year 2025".

In another example of Holcim's solutions supporting nature, the Humes Bebo Precast Concrete Arch has been installed on a sensitive site in far north Queensland, Australia, as a wildlife overpass. This installation encourages fauna, such as cassowaries, to move safely and freely through their habitat. Because the arch is precast off-site, the system's rapid, modular installation significantly reduces site disturbance, which is crucial for protecting environmentally sensitive areas.

Holcim created and donated an artificial reef to the underwater area of Friedrichsort pier in Kiel, Germany. The reef is revitalizing the local marine ecosystem by using several of Holcim's innovative marine solutions: CO_2-reduced Xstones, bioactive concrete elements, and a 3D-printed "fish hotel". Bioactive concrete has a surface texture and mineral composition that is designed to stimulate natural colonization by a great diversity of local marine animals and plants. Xstone is a coastal armor block that strengthens coastal defense systems. Biologists at the Holcim Innovation Center are developing advanced methods to improve the ecological value of the bioactive concrete used in Xstone blocks, transforming hard infrastructure into a living, natural reef that supports algae and other basic organisms in the food chain.

Protecting nature beyond our boundaries

Our quarries and sites are an integral part of wider landscapes. They play an essential role in providing ecosystem services to people, including indigenous communities and vulnerable groups, as well as being the habitat of wildlife and flora. The landscapes cover important habitat types, from forests to grasslands and from deserts to wetlands.

We aim to become a leading voice in landscape protection beyond our own sites, participating in or leading multi-stakeholder collaboration. We work with all relevant stakeholders — from industrial sites to our suppliers (which are generally located in the same landscape) to agricultural producers and local communities.

See page 36 of this report for an example of protecting nature beyond our boundaries in Puerto Hondo, Guayaquil.

E4-4 – Targets related to biodiversity and ecosystems

Our primary target is to achieve a measurable positive impact on biodiversity by 2030. We track this using the Biodiversity Indicator and Reporting System (BIRS), developed with the IUCN. In 2024 we achieved our goal of assessing 100% of our biodiversity baseline in all our active and non-active quarries. We will measure our biodiversity level again by 2030 and aim to reach a higher biodiversity index compared to the 2024 baseline.

We are committed to implementing nature-based solutions outside our site boundaries, such as reforestation projects and wetland restoration in collaboration with communities and other local stakeholders.

E4-5 – Impact metrics related to biodiversity and ecosystems change

Holcim uses key indicators to measure progress on its biodiversity commitments.

Methodology

Quarries that have been assessed using Biodiversity Indicator Reporting System (BIRS) and those with rehabilitation plans in place are aligned with the Holcim Directive on Quarry Rehabilitation and Biodiversity. The key requirements go far beyond legal compliance and include measures respecting the mitigation hierarchy (avoid, minimize, restore, and offset) and a biodiversity management plan for sites assessed as of high biodiversity value.

Quarries with biodiversity importance are defined according to categorizations introduced in 2018 following Fauna & Flora International (FFI) recommendations, which we have been incrementally implementing.

The “Biodiversity” table below summarizes the key performance indicators related to biodiversity for 2025.

BIODIVERSITY

	Unit	2023 restated	2024 restated	**2025**
Quarries assessed using BIRS methodology – Active only	%	77	100	**100**
Quarries assessed using BIRS methodology – Active and non-active	%	71	100	**100**
Quarries with rehabilitation plan in place	%	100	100	**100**
Quarries with biodiversity importance	#	242	248	**252**
Area of quarries with biodiversity importance	ha	71 566	74 243	**72 122**
Quarries with biodiversity importance with biodiversity management plans in place	%	100	100	**98**
Total rehabilitated area (active quarries)	ha	5 829	5 823	**6 324**
Total rehabilitated area (all areas)	ha	7 298	7 376	**7 658**
Financing effects (direct and indirect costs) of biodiversity offsets	CHFm	NR	2	**1**

ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

Circularity is at the core of our business strategy and a key driver of profitable growth. We are committed to building new from old, reducing waste, increasing recycling, and decoupling growth from the use of primary materials.

E5-1 – Policies related to resource use and circular economy

Holcim's resource use and circular economy are governed by our Circular Economy Policy. This policy outlines our strategy to reduce the consumption of primary materials, minimize waste, increase recycling, and generate new revenue streams, supporting the development of advanced solutions with recycled content that is central to our market differentiation.

Circular Economy Policy

Holcim's Circular Economy Policy outlines Holcim's objective to drive circular construction that is nature positive, climate friendly, and socially inclusive, shifting from a linear "take, make, waste" economy to a circular "reduce, reuse, recycle" model. This strategy is built on three key levers: recycling waste such as construction and demolition materials (CDM); reducing material use through smart design and technology, and repairing or renovating buildings to extend their lifespan. Operationally, all units are required to implement a waste management program based on the waste hierarchy, measure recycled material volumes, and avoid landfilling. The policy applies worldwide to Holcim Ltd and all its affiliates in managed and consolidated countries.

E5-2 – Actions and resources related to resource use and circular economy

To accelerate the growth of our circular construction business, we are prioritizing the following actions:

Waste recycling

As a global leader in recycling, Holcim is committed to driving circularity. We are increasing internal waste recycling and diversion from landfills in all the countries in which we operate. In 2025, we made strides toward zero environmental impact through 148 projects in 114 sites that diverted 117 thousand tons of waste from landfill, saved 0.9 million m^3 of water, and avoided 117 thousand tons of Scope 2 CO_2 emissions.

Securing material sourcing

Our network of 109 circular construction hubs, strategically located close to urban centers, and our partnerships with municipalities and construction companies give us access to premium quality CDM sources.

We are making strategic investments to expand our recycling capacity. Our build-and-buy approach includes establishing new circular construction hubs. We are leading the shift to circular construction across all our regions, both organically and through M&A. In 2025, we made three value-accretive acquisitions in this space, in the UK, Germany, and France, to scale up ECOCycle & CDM recycling. In 2025, Holcim grew its recycling of CDM by 23% to 8 million tons.

Scaling our ECOCycle circular technology

By deploying our ECOCycle circular technology across a range of building solutions, we produce products guaranteed to contain a minimum of 10% and up to 100% recycled construction demolition materials (CDM), without compromising on quality or performance. Solutions include raw materials for use in low-carbon cement formulations and recycled aggregates for use in concrete or as fillers for road construction.

Solutions with ECOCycle are now available in 12 countries, with further launches planned. As we grow our network of advanced processing sites, we are expanding the markets in which we can provide circular solutions.

Innovation

Innovation in circular construction is driven by the adoption of next generation processing technologies and the integration of digitalization and AI across our operations, enabling more efficient, sustainable, and resource-conscious building solutions.

In Cologne, Germany, the Brügelmannstrasse Gymnasium is setting new standards in circularity by using 21,000 m^3 of ECOPact with ECOCycle inside during construction. See page 13 of this report for more details.

Our leadership in circular construction achieved significant recognition this year, most notably winning the 'Green Building/Infrastructure Project of the Year' at the 2025 Edie Awards. The award was presented for the Innovation Lab "Grüze", a collaborative initiative between Holcim, the City of Winterthur, and the Zurich University of Applied Sciences (ZHAW). The facility, serving as both a meeting place and experimental workshop for sustainable and circular construction, was built using a proprietary process and resource-efficient, carbon prestressed concrete (CPC). This design allows for significant reductions in material use and CO_2 emissions.

Advocacy

Our advocacy efforts are focused on creating a policy environment that favors circularity. We actively engage with policymakers to evolve building norms and standards, promoting recycled content in infrastructure and building projects. We are also a leading voice advocating for stricter landfill regulations and supporting accounting frameworks such as the Global Circularity Protocol (GCP).

Global Circularity Protocol

Holcim is proud to be a Front Runner Coalition member for the Global Circularity Protocol for business (GCP), launched at COP30 by the WBCSD and the One Planet Network. Shaped by over 150 experts, the GCP is the world's first global voluntary framework to provide a standardized approach for organizations to measure, manage, and communicate their circularity impacts to stakeholders. As a member, our organization is demonstrating leadership by committing to test and implement the GCP across our business and value chain, actively contributing to a framework that can unlock significant material savings, avoid CO_2 emissions, and promote economic growth by accelerating the transition to circular business models.

E5-3 – Targets related to resource use and circular economy

Our ambitious targets drive our circular economy performance. Holcim's target is to recycle 20 million tons of CDM per year by 2030, and to have more than 150 circular construction hubs globally. Alongside these two targets, our ambition is for net sales of products containing CDM to reach CHF 800 million by 2030.

E5-4 – Resource inflows

Holcim is actively increasing its use of non-virgin materials in its production processes. In 2025, the total materials consumed (excluding fuels) amounted to 285 million tons, and the percentage of materials sourced from reused or recycled sources was 10% (30 million tons). The use of alternative raw materials in cement production increased to 14% in 2025, compared to 12% in 2024.

We recycled 8 million tons of CDM in 2025, a 23.5% increase compared to 2024, building on exceptional growth momentum and confirming our strong position to significantly accelerate our pace toward the 2030 target. Further evidence that circularity is a key driver of profitable growth.

Methodology

Construction demolition materials

Construction demolition materials (CDM) are generated from the construction industry, construction material production, renovation, repair, maintenance, and demolition of houses, large building structures, roads, bridges, piers, dams, and similar structures. CDM comprises alternative raw materials, recycled aggregates, recycled asphalt, and return concrete reused in cement, aggregates, ready-mix concrete, asphalt, and concrete products.

The essential value-creating step for Holcim is the actual processing of waste or a secondary resource into a usable construction material (CDW to CDM) through changes in their physical and/or chemical properties. For example: crushing and screening concrete, brick, and asphalt to produce aggregate; shredding timber or green waste for mulch or biomass fuel; sorting mixed waste into uniform types (e.g., metals – including by magnetic separation – or plastics and plasterboard); washing materials to remove impurities; densifying lightweight materials for transport or storage.

Waste-derived resources

Materials sourced from byproducts or waste streams primarily include, but are not limited to: alternative raw materials (AR) in clinker, which includes all types of raw materials consumed up to and including clinker production, including decarbonated sources such as "fines" from construction and demolition materials; alternative fuels (AF), encompassing all types of AF consumed in all process steps in clinker (CLC) production; industrial mineral components (iMIC) used in cement, which is the sum of all mineral components sourced from industrial sources, for example, blast furnace slags, industrial ashes (fly ash, beneficiated fly ash, bottom ash), silica fumes, burnt oil shale, mixed rubble, artificial gypsum and dust (cement kiln dust, bypass dust); and, lastly, construction demolition materials (CDM) such as reclaimed rail ballast, concrete slurries, bricks, pavements, walls, roofing, structures, and concrete sludge.

Holcim broadened its internal definition of waste-derived resources (WDR) in 2025 to enhance its circular economy contribution. The expanded scope covers both internally generated waste – specifically hazardous and non-hazardous waste generated by plants and sent off-site for recycling, downcycling, or recovery – and waste management companies' processed waste. The waste management companies involved will separate all waste types and then sell the resulting recycled materials externally.

The "Recycling waste" table below summarizes the key performance indicators related to resource inflows for 2025.

RESOURCE INFLOWS

	Unit	2023 restated	2024 restated	2025
Total materials consumed – excl. fuels	Mt	302	305	**285**
Raw material consumed – excl. fuels and recycled material	Mt	276.6	277.4	**255.8**
Reused or recycled material consumed – excl. fuels	Mt	25.2	27.6	**29.6**
Percentage of materials used that are reused or recycled	%	8.4	9.1	**10.4**
Waste-derived resources	Mt	25.6	28.2	**30.2**
Alternative raw materials contained in cement	%	11.4	12.3	**14.2**
Alternative raw materials contained in concrete	%	3.6	5.7	**4.3**
Alternative raw materials contained in asphalt	%	19.1	9.2	**20.7**
Recycling ratio – cement (waste used/production volumes)	%	22.1	23.6	**24.2**
Recycling ratio – all segments (waste used/sales volumes)	%	7.8	8.8	**9.3**
Construction demolition materials (CDM)	Mt	4.9	6.5	**8.0**

E5-5 – Resource outflows

Our management of resource outflows focuses on minimizing waste. In 2025, we generated 1.58 million tons of total waste, of which 1.14 million tons was recycled or recovered, leaving 28% as non-recycled waste, a significant decrease compared to 2024 (35%).

Over 45 projects were recorded across all countries to reduce waste at the source, increase recycling, and divert materials from landfill. These initiatives had a broad focus, including reusing waste as secondary material, concentrating on biowaste and composting, and improving overall management and segregation. For example, the Pascuales site in Ecuador successfully transformed returned concrete from a waste product into usable, Lego-style concrete blocks. These blocks now serve as durable safety barriers and delimitations within the plant. In the UK, food recycling facilities were successfully rolled out across all sites to compost organic waste.

Methodology

Waste and recycling data

Waste comprises all forms of solid or liquid waste (excluding wastewater) and is defined as hazardous or non-hazardous based on the legislation of the country in which the site operates. Overburden from quarry activity is not classified as waste. Waste streams generated by Holcim's operations are mainly dust from dedusting equipment, sludges from wastewater treatment, parts and disposable materials used during plant maintenance and unsellable material such as unused cement and concrete. Data on internal waste at country level is collected in accordance with internal standards. It is then consolidated and validated centrally on an annual basis for internal reviews and external disclosures.

The "Internal waste managed" table below summarizes the key performance indicators related to resource outflows for 2025.

RESOURCE OUTFLOWS (INCLUDING CAPTIVE POWER PLANTS)

	Unit	2023 restated	2024 restated	**2025**
Total waste generated	Mt	1.47	1.51	**1.58**
Total amount of hazardous waste	Mt	0.05	0.03	**0.05**
Internal hazardous waste recycled or recovered	Mt	0.02	0.03	**0.04**
Internal hazardous waste disposed	Mt	0.03	0.01	**0.01**
Total amount of non-hazardous waste	Mt	1.42	1.48	**1.53**
Internal non-hazardous waste recycled or recovered	Mt	0.94	0.96	**1.10**
Internal non-hazardous waste disposed	Mt	0.48	0.52	**0.43**
Non-recycled waste	Mt	0.51	0.52	**0.43**
Percentage of non-recycled waste	%	34	35	**28**

EU TAXONOMY

Background

Regulation (EU) 2020/852 (EU Taxonomy) is a cornerstone of the European Green Deal's sustainable finance strategy. It introduces a classification framework to identify economic activities deemed environmentally sustainable, with the objective of channeling capital flows toward activities and technologies that support the green transition. Holcim has adopted the simplifications set out in Commission Delegated Regulation (EU) 2026/73 (revised EU Taxonomy Delegated Act) when preparing its disclosures.

The EU Taxonomy defines the conditions and criteria for assessing the environmental sustainability of economic activities.

An activity is classified as "eligible" if it is defined in the EU Taxonomy Delegated Acts issued by the European Commission.

For an eligible activity to be deemed environmentally sustainable (i.e., "eligible and aligned"), it must meet the following criteria:

1) **Substantial contribution: The activity must contribute significantly to at least one of the six environmental objectives.**
2) **Do No Significant Harm (DNSH): The activity must not adversely impact any of the other environmental objectives.**
3) **Minimum safeguards: The activity must comply with fundamental social and governance safeguards.**

SIX ENVIRONMENTAL OBJECTIVES	
1	Climate change mitigation (CCM)
2	Climate change adaptation (CCA)
3	Sustainable use and protection of water and marine resources (WTR)
4	Transition to a circular economy (CE)
5	Pollution prevention and control (PPC)
6	Protection and restoration of biodiversity and ecosystems (BIO)

Holcim, as a Swiss-based company, is not currently required to report under the EU Taxonomy Regulation. Recognizing the EU Taxonomy's pivotal role in advancing sustainable financing across Europe, the Group has proactively opted to voluntarily disclose in accordance with the framework. Following Holcim's 2024 standardization of EU Taxonomy assessment templates and tools for cement and insulation, the 2025 assessment was further strengthened to cover all six environmental objectives, with specific enhancements related to insulation and circular construction activities.

Holcim has underpinned its commitment to sustainability with industry-shaping targets in line with NextGen Growth 2030. The EU Taxonomy is an essential tool in executing our Strategy 2030. The activity-based criteria set by the EU Taxonomy provide a framework that integrates the construction industry's entire value chain, with which Holcim is actively engaged.

Assessment of eligibility

EU Taxonomy-eligible activities correspond to those listed and described in the EU Taxonomy Delegated Acts. Holcim has identified the following eligible activities:

- Manufacture of energy efficiency equipment for buildings (CCM 3.5): The eligible activity mainly pertains to insulation boards manufactured in Europe, as well as other insulation products such as Airium from France, Algeria, and Belgium, external thermal insulation composite systems (ETICS) from France and Belgium, polystyrene products and mineral wool insulation solutions from Poland, and green roofing systems from ZinCo in Europe.
- Manufacture of cement (CCM 3.7): This activity pertains to Holcim's cement operations, encompassing Geocycle operations, which foster the use of alternative fuels and alternative raw materials in cement production as well as activities related to the processing of mineral components, which constitute raw materials for the cement manufacturing process. Ready-mix concrete products, as activities downstream of cement, are not considered eligible under the current Delegated Acts.

- Material recovery from non-hazardous waste (CCM5.9): The EU Taxonomy defines this activity as the "construction and operation of facilities for the sorting and processing of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes." At Holcim, this primarily encompasses operations processing construction demolition materials, which supply secondary raw materials for cement, aggregates, and ready-mix concrete production. It also includes certain Geocycle preprocessing platforms that manage non-hazardous waste. The same operations are also assessed and reported under the Circular Economy objective with reference to the activity "sorting and material recovery of non-hazardous waste (CE2.7)."
- Freight transport services by road (CCM6.6): Holcim employs road vehicles for the transportation of its raw materials and products. While the majority of freight services are provided by third parties, a portion involves Holcim's ownership or leasing of vehicles.

To avoid double counting, when an activity qualifies under multiple environmental objectives, the KPIs associated with Climate Change Mitigation (CCM) are reported in the primary disclosure table. KPIs related to other environmental objectives are presented separately in the annex tables (pages 114 and 116 of this report).

Activities with all of their eligible KPIs (turnover, CapEx, and OpEx) below 0.5% are deemed non-material and, as such, are not disclosed.

Non-eligible activities

Economic activities that are not listed in the EU Taxonomy Delegated Acts are not necessarily harmful or unsustainable.

As the EU Taxonomy Regulation continues to evolve, additional activities may be considered for inclusion in the future. Nonetheless, Holcim's sustainability strategy spans all business areas, driving low-carbon solutions, energy efficiency, and circular practices that extend beyond the current scope of the EU Taxonomy. Specifically, activities involved in the manufacture of aggregates, ready-mix concrete, and asphalt are currently not classified as eligible.

EU TAXONOMY-ELIGIBLE ACTIVITIES

TURNOVER[1]



	Million CHF	Percent
Manufacture of cement	7 471	47.5%
Manufacture of energy efficiency equipment for buildings, other eligible activities	98	0.7%
Material recovery from non-hazardous waste	34	0.2%
Non-eligible activities	8 121	51.6%
Total	**15 724**	**100%**

[1] Turnover corresponds to net sales to external customers.

Assessment of alignment

To ensure an appropriate interpretation of the EU Taxonomy Regulation and its technical screening criteria, Holcim has established working groups comprising internal and external industry and environmental experts. A prudent approach to the assessment of Taxonomy alignment has been adopted.

Climate change adaptation: To meet EU Taxonomy requirements on "Do No Significant Harm" (DNSH) criteria on climate change adaptation, the Group has implemented a climate resilience and adaptation program to identify and mitigate the risks and impacts of the current and future physical climate risks on economic activities, or on people, nature, and assets, alongside a timeline up to 2050. The assessment is based on the 2050 Intergovernmental Panel on Climate Change (IPCC) RCP 8.5 pathway projection. This risk and vulnerability assessment has been completed for eligible activities, including currently active operations and future assets (CapEx projects), by site location. Appropriate adaptation action plans have been defined with implementation expected within five years to reduce the material physical climate risks. It is essential to ensure alignment with local, regional, and community adaptation plans. The Group encourages the adoption of sustainable adaptation solutions, such as nature-based, green, or blue infrastructure. Holcim uses a centralized reporting system that enables all countries to report, update, and continuously monitor their adaptation action plans.

Pollution prevention and control: The EU Taxonomy DNSH criteria require that the activity does not lead to the manufacture, placing on the market, or use of the substances of concern defined in a list of EU Directives and Regulations, subject to certain exceptions. Screening of the substances used in the manufacturing process is performed to ensure application of the EU Directives and Regulations required in the EU Taxonomy Regulation.

Protection of water and marine resources: Holcim evaluates the Taxonomy criteria relating to water on the basis of the Holcim Nature Policy, Water Directive, and Water Management Standard. Alignment with the DNSH criteria is assessed based on the following conditions: a) A water risk assessment is conducted in accordance with the Group Water Directive based on the World Resources Institute (WRI) Aqueduct tool; b) for sites located in areas with medium, high, or very high water risk, a water management program has been implemented; c) all water discharged is fully compliant with local regulations and Holcim's water quality standards. The compliance of discharged water is additionally validated through quarterly verifications, critical controls, and audits conducted by the Health, Safety, and Environment (HSE) function.

Protection and restoration of biodiversity and ecosystems: Alignment with the DNSH criteria is assessed based on the following conditions: The biodiversity level of each manufacturing site is assessed using the the Flora and Fauna categorization and a Biodiversity Importance Category (BIC) is determined. Sites located in or near globally or nationally recognized sensitive and protected areas are classified as BIC 1 or BIC 2 and have implemented a Biodiversity Management Plan, which includes mitigation and compensation measures.

Minimum safeguards: Holcim ensures compliance with minimum safeguards on human rights, anti-corruption, fair competition, and taxation through due diligence processes in place. Holcim's commitment to respecting and promoting human and labor rights is aligned with the principles and values contained in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, as well as with the internationally recognized rights contained in the International Bill of Human Rights. For further information on Holcim's human rights due diligence process, please see "Upholding Human Rights" (page 49) and "Statement on Due Diligences" (page 56) of this report.

Compliance with internal and external laws and regulations, including anti-corruption, fair competition, and taxation rules, are among the principles of the Holcim Code of Business Conduct (replaced as of 1 January 2026 by the Code of Ethics) and are binding across the entire Group. Please refer to the section "Compliance Program" (page 26) in the 2025 Governance & Risk Report. Tax governance, tax risk management, and compliance are integral to the Group's Tax Directives, and are embedded within Holcim's risk management and internal control systems. Please refer to the sections "Key financial risks" (page 35) and "Internal control" (page 28) in the 2025 Governance & Risk Report.

Specific considerations are included in our methodology to assess the Taxonomy alignment of different eligible economic activities:

For CCM 3.5. Manufacture of energy efficiency equipment for buildings:

- **Climate change adaptation:** A climate risk and vulnerability assessment has been implemented for insulating and roofing products manufacturing sites and construction demolition materials processing sites by location, integrated in the 2025 annual Natural Catastrophe program.
- **Pollution prevention and control:** Screening has been performed for the full list of components for materials used at our insulation manufacturing sites to ensure compliance with Appendix C to Annex I of the Climate Delegated Act.
- **Circular Economy:** Regarding product-specific features and the manufacturing process, Holcim has assessed the techniques available and adopted to support the EU Taxonomy criteria, including the use of secondary raw materials, durability, recyclability, ease of disassembly, adaptability, and the waste management program.

For CCM 3.7. Manufacture of cement:

- **Manufacturing footprint:** Each clinker or cement product involves an activity with a specific manufacturing footprint, including quarrying, clinker production, cement grinding, and cement blending. For the purpose of determining a substantial contribution to the climate change mitigation objective, each phase is individually assessed against all applicable Taxonomy criteria throughout the end-to-end manufacturing process.

- **Substantial contribution to climate change mitigation:** Holcim uses the Global Cement and Concrete Association (GCCA) Sustainability Guidelines for the reporting of CO_2 emissions from cement manufacturing (previously WBCSD CSI Cement CO_2 and Energy Protocol version 3.1). CO_2 emissions from own production of mineral components used as a clinker substitute (such as calcined clay) are included in this calculation.
- **Pollution prevention and control:** Holcim's Emission Monitoring and Reporting standards apply to the emissions of SO_2, NO_x, and dust from kiln stacks. A kiln is considered "Taxonomy-aligned for emissions" when it emits pollutants below the limits defined in the EU Best Available Techniques reference document, as follows: 1) Continuously monitored emissions: With regard to the emissions of SO_2, NO_x, and dust from kiln stacks, Holcim's Emission Monitoring and Reporting standards apply. Daily average results are calculated and are validated against the ranges defined by the Best Available Techniques (BAT) Reference Document for the Production of Cement, Lime and Magnesium Oxide of the Industrial Emissions Directive 2010/75/EU. Data is automatically collected via an integrated plant production system (TiS) and consolidated globally in real time. Alignment assessment is performed by the Group HSE department on a monthly basis. As regards measurement uncertainty, variability is calculated and corrected according to each country's required methodology (e.g., EN 14181, linear regression or fixed reduction percentages), with corrections limited by Industrial Emissions Directive (IED 2.0) thresholds. 2) Non-continuously monitored emissions: Spot measurements are used to assess the kiln's Taxonomy alignment. The dataset used is taken from the Annual Report campaign; please refer to "E2-4 – Pollution of air and water" (page 97 of this report).

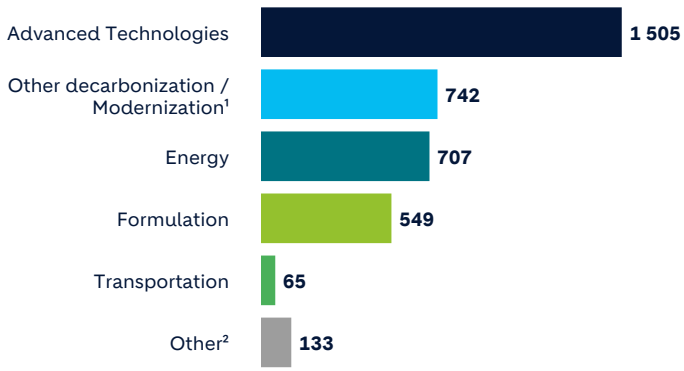
EU Taxonomy CapEx plan

In accordance with its sustainability strategy, Holcim has established an EU Taxonomy CapEx plan in accordance with the requirements of the EU Taxonomy Regulation as an integral part of its annual strategy planning process since 2023. Holcim's EU Taxonomy CapEx plan is established in particular for the purpose of aligning its cement activity to the EU Taxonomy based on the climate change mitigation objective and includes:

- 2023–2032 plan based on individual cement plant development plans.
- Group-level prioritization of major CapEx projects, including carbon capture[1], large plant modernization and global assumptions for capacity optimization and target area setting.

Holcim has established a 10-year EU Taxonomy CapEx plan, the maximum duration permitted under the EU Taxonomy Regulation. This timeframe reflects the transitional nature of cement as an activity, recognizing that the decarbonization of cement production and the alignment of all plants with EU Taxonomy criteria require a long-term approach.

EU TAXONOMY CAPEX PLAN
2023–2032 (CHF M)



[1] Large modernization and all the other projects aimed at CO2 reduction in cement
[2] Climate change adaptation, air emissions, water, biodiversity, and other.

The transition of the construction market and the adoption of low-carbon construction materials are expected to be gradual. Furthermore, the widespread installation of carbon capture technologies across cement plants is a complex process that cannot be achieved in the short term.

As first disclosed in 2023, Holcim established a comprehensive EU Taxonomy CapEx plan totaling CHF 4.4 billion for the period from 2023 to 2032, aimed at driving the transition toward Taxonomy-aligned cement activities.

The 2025 Taxonomy CapEx plan was updated to reflect changes in the Group's structure. Following the spin-off of the North American business and the divestment of specific entities, the Taxonomy CapEx plan was decreased by CHF 1.3 billion, consistent with our focus on core growth markets.

During the 2025 annual mid-term-plan process, the countries reviewed their Taxonomy-aligned CapEx action plans to optimize investments that are primarily driven by increased decarbonization requirements. As a result, the Group's Taxonomy CapEx plan for 2023–2032 has been revised to CHF 3.7 billion.

During 2025, the Group invested CHF 347 million in Taxonomy-aligned CapEx, of which CHF 259 million was spent on property, plant and equipment (PPE) for the cement activity, representing 27% of total net PPE (Note 19, page 80 in the 2025 Financial Report). This follows spending in PPE of CHF 174 million in 2023[2] and CHF 265 million in 2024[2]. Cumulative spending under the plan now stands at CHF 698 million, with a continued focus on decarbonizing the cement manufacturing process.

Consequently, as of 31 December 2025, the remaining Taxonomy CapEx plan for the period 2026–2032 stands at CHF 3 billion, with CHF 2.7 billion planned for deployment through 2030.

[1] Carbon capture for cement plants is considered to be a key measure impacting the gross CO_2 emissions per ton criteria, provided carbon capture, transport, and storage activities comply with EU Taxonomy criteria.
[2] Comparative information restated for discontinued operations (unaudited).

Explanation of key performance indicators

The consolidated EU Taxonomy KPIs comprise those of Holcim Ltd and its consolidated subsidiaries. Furthermore, the 2024 figures presented in this Taxonomy report have been restated for discontinued operations and remain unaudited, ensuring comparability in light of the spin-off's impact. Based on the definition in Annex I to the Delegated Act under Article 8 of the EU Taxonomy Regulation, the EU Taxonomy KPIs are defined as follows:

Turnover

Turnover denominator: Net sales shown in the consolidated income statement pursuant to IFRS 15 Revenue recognition, referring to Note 4.2 of the 2025 Financial Report (page 28).

Turnover numerator: Taxonomy-aligned sales correspond to the revenues from the activities that have met all Taxonomy alignment criteria.

In 2025, Holcim achieved CHF 914 million in Taxonomy-aligned sales[1] (5.8% of total net sales), representing an increase of 4.6% compared to CHF 874 million in 2024[2], driven by higher low-carbon cement sales and improved alignment with DNSH criteria for air pollution and climate change adaptation.

Within Holcim Group's intercompany sales, the main Taxonomy-eligible stream consists of CHF 890 million in cement produced and sold to other Group entities for ready-mix concrete production, of which CHF 158 million is Taxonomy-aligned. These intercompany sales are excluded from the turnover KPIs.

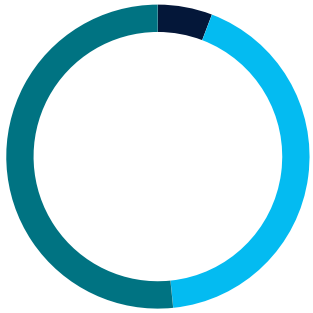
Capital expenditure (CapEx)

CapEx denominator: The total of additions to property, plant and equipment and intangible assets, including the addition of right-of-use assets for leases recognized under IFRS 16, and the addition of property, plant and equipment and intangible assets resulting from business combinations following purchase price allocation. Please refer to Note 11 of the 2025 Financial Report (page 43). Grants, including government funding such as EU innovation funds, are deducted from the disclosed CapEx amounts in accordance with Holcim's accounting policy, which aligns with IAS 20. CapEx numerator: Eligible and aligned CapEx is composed of three parts:

- CapEx to expand aligned activities as part of the Taxonomy CapEx plan. For cement as a transitional activity, this covers CapEx to increase already Taxonomy-aligned activities and CapEx that allows Taxonomy-eligible activities to become aligned
- CapEx to enable low-carbon operations mainly based on energy efficiency equipment for buildings
- CapEx on already aligned activities. Specifically for cement activities, this is determined by the allocation of the remaining CapEx between aligned and eligible but not aligned, based on the percentage of aligned sales volume by country

[1] Taxonomy-aligned cement sales, as defined by the EU Taxonomy criteria, differ from the sales of sustainable products (e.g., ECOPlanet), which are assessed using a separate set of criteria defined by Holcim.
[2] Comparative information restated for discontinued operations (unaudited).

TURNOVER[1]



	CHF M	Percent
Eligible and aligned	914	5.8%
Eligible but not aligned	6 689	42.6%
Not eligible	8 121	51.6%
Total	**15 724**	**100%**

[1] Turnover corresponds to net sales to external customers.

CAPITAL EXPENDITURE (CAPEX)[1]



	CHF M	Percent
Eligible and aligned	347	19.2%
Eligible but not aligned	691	38.2%
Not eligible	771	42.6%
Total	**1 809**	**100%**

[1] Capital expenditure based on EU Taxonomy definition.

Business combination: In 2025, the CapEx denominator includes CHF 299 million related to additions to property, plant and equipment, and intangible assets resulting from business combinations following purchase price allocation. Please refer to Note 11 of the 2025 Financial Report (page 43). For newly acquired companies that are Taxonomy-eligible but for which Holcim is still in the process of collecting data to assess EU Taxonomy alignment, their status is reported as "Eligible but not aligned."

In 2025, Holcim's total eligible CapEx amounted to CHF 1 038 million, following CHF 1 394 million in 2024[2]. This decline was largely driven by divestments' impacts, notably in Nigeria, which was deconsolidated in 2025.

Holcim achieved a Taxonomy-aligned CapEx of CHF 347 million (2024[2]: CHF 336 million). This growth was driven by an acceleration in investments in decarbonization and circularity initiatives, aimed at increasing the use of alternative raw materials, alternative fuels, calcined clay, and plant modernization, notably the significant plant upgrade in Belgium, and carbon capture projects in Poland, Germany, and Greece.

Operating expenditure (OpEx)

OpEx denominator: The EU Taxonomy defines OpEx as direct non-capitalized costs that relate to research and development (R&D), building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets. In Holcim, the denominator mainly consists of maintenance and direct R&D expenses.

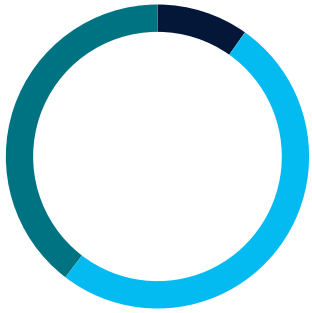
OpEx numerator: Eligible and aligned OpEx is composed of three parts:

- OpEx related to Taxonomy-aligned economic activities
- OpEx to expand aligned activities as part of the Taxonomy CapEx plan
- OpEx to enable low-carbon operations mainly based on energy efficiency equipment for buildings

Eligible and aligned maintenance OpEx for cement is calculated by applying the percentage of aligned sales volumes per country to total eligible maintenance costs. Eligible and aligned R&D OpEx is identified through a project-level review of initiatives that scale or enable Taxonomy-aligned activities. In 2025, eligible and aligned OpEx reached CHF 93 million (CHF 65 million in 2024[1]). This growth reflects a more refined assessment methodology implemented in 2025, which improved the identification of qualifying R&D expenditures.

In accordance with FAQ 13 of the December 2022 Commission Notice, activities lacking sufficient data to confirm alignment should be reported as not Taxonomy-aligned without any further assessment. This provision has been adopted for short-term and low-value leases.

OPERATING EXPENDITURE (OPEX)[1]



	CHF M	Percent
Eligible and aligned	93	9.8%
Eligible but not aligned	480	50.6%
Not eligible	376	39.6%
Total	**949**	**100%**

[1] Operating expenditure based on EU Taxonomy definition.

STEADY EXPANSION OF TAXONOMY-ALIGNED ACTIVITIES IN 2025 VS 2024[1]

TURNOVER[2]

+4.6%

CAPEX[3]

+3.3%

OPEX[4]

+43.7%

[1] Comparative information restated for discontinued operations (unaudited).
[2] Turnover corresponds to net sales to external customers.
[3] Capital expenditure based on EU Taxonomy definition.
[4] Operating expenditure based on EU Taxonomy definition.

Monitoring and reporting processes

Implementation of the EU Taxonomy at Holcim includes putting in place robust processes and controls for defining and collecting data points, conducting assessments, reporting, and disclosures as well as impacting the business through strategy setting and performance tracking. A collaborative approach across all functions has been instrumental in success.

To ensure consistency and quality, Taxonomy-aligned cement sales are evaluated in the Group financial dashboard system, with full traceability of validation by product and site. This process uses data from existing Group reporting systems and internal controls. Air emissions measurements are collected from integrated cement plant information systems across all locations.

Since 2024, a dedicated IT platform has been used to streamline EU Taxonomy assessment processes across all countries. This platform ensures the use of standardized templates and adequate documentation for evaluating EU Taxonomy eligibility and alignment. It covers non-cement activities, Taxonomy-aligned CapEx projects, and lease contracts, requiring countries to upload supporting evidence to enhance transparency and consistency.

The KPI calculation process involves analyzing the Group's consolidated data while ensuring accuracy and avoiding double counting. This is achieved by processing accounting information from a single source and verifying the traceability and precision of the data.

Both financial and non-financial data submitted for Taxonomy assessments are reviewed and signed off by the respective country management as part of the annual financial certification process.

Specification of spin-off impact

The successful spin-off of the North American business, completed in June 2025, represents a significant structural change with a direct and material impact on our EU Taxonomy reporting metrics for the 2025 financial year. As the North American business is no longer part of the consolidated Holcim Group, its related economic activities, which were previously assessed for Taxonomy eligibility, are fully excluded from our reported consolidated Group turnover, CapEx, and OpEx KPIs for the two periods disclosed for 2024 and 2025, in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Proportion of turnover, CapEx, and OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering 2025 (summary KPIs)

Financial year 2025					Breakdown by environmental objectives of Taxonomy-aligned activities					
KPI	**Total**	**Proportion of Taxonomy-eligible activities**	**Taxonomy-aligned activities**	**Proportion of Taxonomy-aligned activities**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**
	Million CHF	%	Million CHF	%	%	%	%	%	%	%
Turnover	15 724	48.4%	914	5.8%	5.8%	0%	0%	0%	0%	0%
CapEx	1 809	57.4%	347	19.2%	19.2%	0%	0%	0%	0%	0%
OpEx	949	60.4%	93	9.8%	9.8%	0%	0%	0%	0%	0%

[1] Enabling activities: An economic activity shall qualify as contributing substantially to one or more of the environmental objectives by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.
[2] Transitional activities: Activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, for example, by phasing out greenhouse gas emissions.
[3] Not assessed activities considered non-material: aggregated activities not individually disclosed because their respective eligibility is below the internal materiality threshold of 0.5%.
[4] Comparative financial data restated for discontinued operations (unaudited).
[5] These aggregated, non-material CapEx activities comprise transport sector (CCM 6.5 and CCM 6.10), as their respective eligibility falls below the internal materiality threshold.

Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering 2025 (activity breakdown)

Turnover

Financial year 2025					Environmental objectives of Taxonomy-aligned activities					
Economic activities	**Code**	**Taxonomy-eligible KPI (proportion of Taxonomy-eligible turnover)**	**Taxonomy-aligned KPI (monetary value of turnover)**	**Taxonomy-aligned KPI (proportion of Taxonomy-aligned turnover)**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**
		%	Million CHF	%	%	%	%	%	%	%
Manufacture of energy efficiency equipment for buildings	CCM3.5	0.7%	9	0.1%	0.1%					
Manufacture of cement	CCM3.7	47.5%	900	5.7%	5.7%					
Material recovery from non-hazardous waste	CCM5.9, CE2.7	0.2%	5	0.0%	0.0%				0.0%	
Sum of alignment per objective					**5.8%**				**0.0%**	
Total turnover		48.4%	914	5.8%	5.8%				0.0%	

	Proportion of enabling activities[1]	Proportion of transitional activities[2]	Not assessed activities considered non-material[3]	Taxonomy-aligned activities in 2024[4]	Proportion of Taxonomy-aligned activities in 2024[4]
	%	%	%	Million CHF	%
	0.1%	5.7%	0.0%	874	5.4%
	0.1%	19.0%	0.8%[5]	336	16.8%
	0.1%	9.4%	0.0%	65	6.5%

	Enabling activity[1]	Transitional activity[2]	Proportion of Taxonomy-aligned in Taxonomy-eligible
	E	T	%
	E		8.9%
		T	12.1%
			15.0%
	0.1%	5.7%	12.0%

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering 2025 (activity breakdown)

CapEx

Financial year 2025

					Environmental objectives of Taxonomy-aligned activities					
Economic activities	**Code**	**Taxonomy-eligible KPI (proportion of Taxonomy-eligible CapEx)**	**Taxonomy-aligned KPI (monetary value of CapEx)**	**Taxonomy-aligned KPI (proportion of Taxonomy-aligned CapEx)**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**
		%	Million CHF	%	%	%	%	%	%	%
Manufacture of energy efficiency equipment for buildings	CCM3.5	5.6%	2	0.1%	0.1%					
Manufacture of cement	CCM3.7	48.2%	343	19.0%	19.0%					
Material recovery from non-hazardous waste	CCM5.9, CE2.7	2.8%	2	0.1%	0.1%				0.0%	
Freight transport services by road	CCM6.6	0.8%	0	0.0%	0.0%					
Sum of alignment per objective					**19.2%**				**0.0%**	
Total CapEx		**57.4%**	**347**	**19.2%**	**19.2%**				**0.0%**	

Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering 2025 (activity breakdown)

OpEx

Financial year 2025

					Environmental objectives of Taxonomy-aligned activities					
Economic activities	**Code**	**Taxonomy-eligible KPI (proportion of Taxonomy-eligible OpEx)**	**Taxonomy-aligned KPI (monetary value of OpEx)**	**Taxonomy-aligned KPI (proportion of Taxonomy-aligned OpEx)**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**
		%	Million CHF	%	%	%	%	%	%	%
Manufacture of energy efficiency equipment for buildings	CCM3.5	0.1%	1	0.1%	0.1%					
Manufacture of cement	CCM3.7	59.9%	89	9.4%	9.4%					
Material recovery from non-hazardous waste	CCM5.9, CE2.7	0.4%	3	0.3%	0.3%				0.0%	
Sum of alignment per objective					**9.8%**				**0.0%**	
Total OpEx		**60.4%**	**93**	**9.8%**	**9.8%**				**0.0%**	

[1] Enabling activities: An economic activity shall qualify as contributing substantially to one or more of the environmental objectives by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.

[2] Transitional activities: Activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, for example, by phasing out greenhouse gas emissions.

	Enabling activity[1]	Transitional activity[2]	Proportion of Taxonomy-aligned in Taxonomy-eligible
	E	T	%
	E		1.4%
		T	39.4%
			4.6%
		T	0.0%
	0.1%	19.0%	33.4%

	Enabling activity[1]	Transitional activity[2]	Proportion of Taxonomy-aligned in Taxonomy-eligible
	E	T	%
	E		96.2%
		T	15.7%
			73.6%
	0.1%	9.4%	16.3%

SOCIAL DISCLOSURES

Social IROs

See the IRO table on page 68 of this report.

ESRS S1 – OWN WORKFORCE

Our people are at the heart of our performance and our purpose to build progress for people and the planet. Guided by the "Holcim Spirit," we are committed to creating the best workplace where talent is nurtured, diversity is celebrated, and health and safety is our top priority. This commitment is embedded in our policies, actions, and governance, forming the foundation of our NextGen Growth 2030 strategy.

S1-1 – Policies related to own workforce

Our management of our workforce is guided by a comprehensive and globally applicable framework of policies and standards. These include the Holcim Code of Business Conduct, the Group Human Resources Policy, the Group Diversity and Inclusion Standard, the Human Rights and Social Policy, the Human Rights Directive, and our Health, Safety, and Environment (HSE) Policy. Together, these policies provide an integrated approach to managing our social and human capital impacts and form a key pillar of our broader sustainability and people governance frameworks.

These policies apply to all employees across our global operations and, where relevant, extend to non-employee workers and temporary workers. In cases where local regulations or subsidiary-specific requirements apply, our global standards serve as the minimum benchmark.

To ensure effective implementation, we have established a range of monitoring and compliance mechanisms, including regular internal audits, risk assessments, due diligence processes, employee engagement surveys, and grievance mechanisms accessible to all workers. Insights from these mechanisms, along with ongoing feedback from employees and social dialogue processes, help us identify gaps and drive continuous improvement.

All policies are reviewed and updated on a regular basis to reflect evolving legal requirements, stakeholder expectations, and best practices in responsible workforce management.

Code of Business Conduct

Holcim's Code of Business Conduct (replaced by Code of Ethics as of 1 January 2026) outlines the Company's commitments to its workforce, starting with health and safety as a core value, with the goal of ensuring zero harm to people. The Code also mandates a workplace built on diversity, fairness, and respect, prohibiting all forms of discrimination, harassment (including sexual harassment), and violence. It ensures that all employees are treated fairly in hiring, promotion, and compensation, and upholds the rights to dignity, privacy, and freedom of association.

Human Resources Policy

Holcim's Human Resources Policy establishes global principles for managing the Company's workforce based on fairness, respect, and human rights. The policy applies to all companies in which Holcim has a controlling interest.

Key commitments include: ensuring fair, equitable, and non-discriminatory staffing with a focus on gender diversity; providing development opportunities and fostering a performance-based culture through regular discussions; promoting an active social dialogue, respecting ILO principles such as freedom of association and collective bargaining, and prohibiting child or forced labor; and ensuring fair working conditions, including flexible arrangements where possible and limiting ordinary working hours to a maximum of 48 per week. The policy also mandates compliance with the Code of Business Conduct, which prohibits discrimination and harassment.

Diversity and Inclusion Standard

Holcim's Diversity and Inclusion Standard establishes Holcim as an equal opportunity employer, prohibiting distinctions based on ethnic background, culture, religion, age, disability, race, sexual identity, gender, or other protected characteristics. It requires all operating companies to create local diversity and inclusion plans that include, at a minimum, pay equity assessments, flexible working practices, and a global standard of 12 weeks of paid maternity leave, while also ensuring balanced opportunities for career development and training. The standard is explicitly aligned with Holcim's Code of Business Conduct and Human Resources Policy to foster an inclusive culture where employees feel safe to speak up.

Human Rights and Social Policy

Holcim's Human Rights and Social Policy outlines a clear commitment to respecting and promoting the labor rights of its own workforce, in alignment with the UN Guiding Principles on Business and Human Rights and the ILO's core principles. The policy, which applies to all consolidated and managed countries, identifies health and safety, working conditions, and discrimination and harassment as three of the seven salient human rights risks for its business. It commits Holcim to ongoing due diligence, including human rights assessments on a three-year cycle, to identify and mitigate these risks, and provides access to remedy through the global Integrity Line. Overall responsibility for the policy rests with the CEO and Chief People and Sustainability Officer, with oversight from the Board's Health, Safety, and Sustainability committee.

Human Rights Directive

Holcim's Human Rights Directive operationalizes the Human Rights and Social Policy for all consolidated and managed countries by mandating a specific human rights approach to identify and mitigate risks to its workforce. This includes conducting mandatory human rights assessments (either impact or self-assessments, depending on country-level risk) at least every three years to identify risks related to salient issues such as working conditions and discrimination. The Directive requires each country CEO, who is ultimately responsible for implementation, to ensure these findings are translated into a formal, site-level action plan with defined responsibilities and timelines, which must be reviewed at least annually. Furthermore, it mandates specific training for different employee levels, including sessions for country CEOs and their teams, the Global Sustainability Network, and local site-level teams, to ensure that the approach is fully embedded.

Health, Safety, and Environment Policy

Health, Safety, and Environment is our core value, and this value-centered purpose is embedded in everything we do. The Health, Safety, and Environment Policy commits Holcim to conduct its business with the goal of causing zero harm to people and nature, to plan, design, operate, and maintain its operations to exceed best-in-class standards, and to comply with all applicable legal regulatory, industry, and corporate requirements. Holcim will accomplish this by providing the necessary leadership and resources, empowering all employees and contractors to stop unsafe work, and actively engaging in a culture of continuous improvement.

S1-2 – Processes for engaging with own workforce

Workforce engagement occurs across multiple stages of the employee life cycle and business decision-making processes, including policy development, organizational and operational changes, incident response (including health and safety events, grievances, and compliance-related concerns), and ongoing monitoring through periodic surveys, recurring engagement forums, and regular meetings with employee representatives. The frequency of engagement varies by mechanism and follows local legislation. Representative bodies, including works councils, meet on a regular and scheduled basis; surveys and structured feedback tools are conducted periodically; and grievance, whistleblowing, and reporting channels are available on a continuous basis.

The cornerstone of this approach is our Global Holcim Spirit Engagement Survey. In the most recent edition, we achieved a remarkable 94% global response rate and an outstanding overall engagement score of 82%. For the first time, the survey explicitly measured alignment with the "Holcim Spirit" (Purpose, People, Performance), creating a direct link between Holcim's culture and the NextGen Growth 2030 strategy. The results demonstrate that our workforce is deeply connected to our purpose.

While the results highlight a strong foundation of safety, pride, and social connection, they also provide data-driven insights for improvement. To address opportunities in innovation culture and coaching, we are deploying targeted initiatives through Holcim University, including specialized functional and leadership academies. These survey-driven actions are complemented by ongoing direct engagement mechanisms, including local town hall meetings, onboarding and exit interviews, and our recurring Global People Forum, ensuring continuous dialogue on our strategic people priorities.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

Holcim provides accessible channels for our own workforce to raise concerns and has clear processes for remediation. Adverse impacts are regularly assessed through human rights impact assessments (HRIAs) and findings are addressed with specific action plans.

The primary mechanism for employees to raise concerns is the global Integrity Line, a confidential whistleblowing tool that serves as the primary grievance mechanism. We enforce a zero-tolerance policy against retaliation, ensuring employees can speak up without fear. For more details on the Integrity Line, see the 2025 Governance & Risk Report (page 27).

S1-4 – Taking action on material impacts on own workforce

Health and safety

Health and safety is our top priority at Holcim. In 2025, our Boots on the Ground program delivered more than 720 000 coaching sessions and 180 000 actions completed. We are also building the industry's most advanced HSE platform – combining ground-level observations from 16 500 users with AI models that detect high-risk behaviors, highlight weak controls, and predict where our next incident could occur. See pages 46–47 of this report for further details of our action taken to promote health and safety.

Celebrating diversity and fostering inclusion for innovation

Diversity, Equity, and Inclusion (DEI) is a fundamental pillar of our organizational culture and business success, serving as a business accelerator for Holcim's new NextGen Growth 2030 strategy. These are not only values, but business enablers that directly support us in becoming the leading partner for sustainable construction.

Diversity is a strategic advantage: unlocking new opportunities, fostering innovation and better decision making, enhancing market presence, as well as driving sustainable performance and a culture of value creation. It allows us to remain adaptive, innovative, and responsive to the evolving demands of the markets and communities we serve.

Recognizing diversity as a fundamental strength, the People Strategy aims to create an inclusive environment that fosters innovation and better decision making as Holcim navigates new markets and challenges. Key actions include:

- Actively working to attract diverse talent through targeted events and inclusive communication.
- Creating an inclusive environment through unconscious bias training, Employee Resource Groups (ERGs), mentoring platforms, and a zero-tolerance directive for discrimination, bullying, and harassment, which will be launched in 2026.

- Building a strong female talent pipeline through unbiased practices, role models, networking, and diverse recruitment.

Gender diversity is a key lever for making our organization more inclusive and providing substantially positive business impact. It is critical to ensure that we tap into the full talent pool. With a shift in demographics, particular skills are required, and there is a demand for flexibility. Research shows that improving gender balance within organizations has a positive effect on many other types of diversity and drives higher performance and innovation.

Our Women on Wheels (WoW) program and SHE LEADS are two excellent examples of Holcim's actions to promote DEI. These initiatives are described on page 45 of this report.

Nurturing talent for strategic growth

To fuel our NextGen Growth 2030 strategy, we have fundamentally transformed our approach to development. We are increasing our growth activities to create opportunities for everyone, viewing talent development not merely as training, but as a strategic engine to future-proof our people with knowledge and skills.

Building capability: Holcim University acts as our primary engine of growth, comprising learning academies, business schools, and online learning platforms. To ensure relevance, we will implement a Group-wide skills matrix that defines key competencies across leadership, business and financial acumen, and functional expertise. This will allow us to map career progression directly to skill mastery. We are democratizing access to critical future skills through Strategic Academies, including an M&A Academy to support acquisition-driven growth, a Sustainability Academy (featuring a new CCUS curriculum), and an AI & Digital Toolkit to upskill our entire workforce.

Democratizing opportunity: We are unlocking the full potential of our workforce through CareerHub, our AI-powered in-house talent marketplace. We are breaking down silos by matching employees with "gigs," short-term projects, and full-time roles based on skills and aspirations rather than just job titles. This approach allows talent to flow where it is needed most, turning "exposure" into our most valuable development product. In 2025, more than 4 600 employees were registered on the platform, 2 750 opportunities were created, and more than 25 000 hours of work was completed through project participation.

Fostering connection: Complementing our formal training is Collaborate Learning, an ecosystem that includes initiatives such as One Young World and Future Forum. A key pillar here is Career Catalyst, our global digital mentorship platform that connects employees across geographies and functions. It hosts targeted global initiatives such as Stronger Together (female mentorship) and the AI & ML Accelerator, ensuring inclusive knowledge transfer. Local programs also generated significant traction:

- UK Mentoring Scheme: Nearly 300 colleagues enrolled; 50 to 60 active mentoring matches sustained; mentorship quality rated 3.93/4; integrated into performance development framework and used by UK CEO to develop talent.
- European Data Center Mentoring Program: 94 sessions delivered; mentee feedback average 3.85/4; mentor feedback 3.79/4; 100% of participants reported positive mentor/mentee relationship.

S1-5 – Targets related to own workforce

Our strategic objectives drive our progress on key workforce topics.

We aim for women to hold 30% of management roles by 2030 and for 65% of middle managers to be trained through focused programs, ensuring a future-ready succession pipeline.

Our Health and Safety objective remains clear: to conduct our business with zero harm to people.

S1-6 – Characteristics of employees

S1-7 – Characteristics of non-employees in the workforce

As of year-end 2025, Holcim's workforce comprised 46 055 employees and 9 229 non-employees. Among employees, 98% were full-time and 2% were part-time. 93% of employees held permanent contracts, while 7% were on fixed-term contracts.

Methodology

In 2025, Holcim's own workforce data was primarily collected through the Success Factors (SF) HR software platform, complemented where necessary with additional indicators collected through the People questionnaire that is part of the annual sustainability reporting campaign.

The 2025 human resources data is derived from a survey covering 64 entities representing 95% of the total Group workforce.

Human resources reporting involves thorough validation of SF data. Group reporting units confirm and formally approve their data. Any discrepancies are individually addressed, requiring updates in SF or detailed explanations of mismatches.

Data is gathered at Group reporting unit level and covers all business segments and their industrial production sites, including corporate, country, regional, and service entities.

The total number of employees (FTEs) and total number of employees (headcount) were collected at year-end and include all entities. All other data (i.e., contract type, gender diversity, etc.) was collected through SF and excludes 2 180 employees from newly acquired entities (such as ZinCo and Alkern), which had not yet implemented SF as of year-end. All newly acquired sites and companies have until the second reporting year to meet and report performance in line with Holcim's standards.

The 2025 metrics related to the characteristics of our own workforce are presented in the "Employees by employment contract and age" and "Employees by contract type and region" tables on the following page.

EMPLOYEES BY EMPLOYMENT CONTRACT AND AGE

	Unit	2023 restated	2024 restated	2025
Total number of employees (FTE)	#	44 469	46 220	**45 536**
Total number of employees (headcount)	#	44 860	46 557	**46 055**
Full-time employees	%	98	98	**98**
Part-time employees	%	2	2	**2**
Permanent employees	%	92	93	**93**
Fixed-term contract employees	%	8	7	**7**
Non-guaranteed hours employees	%	NR	0	**0**
Number of employees at senior management level	#	302	301	**284**
Percentage of employees at senior management level	%	1	1	**1**
Employees under the age of 30	%	15	14	**14**
Employees between 30 and 50	%	56	56	**56**
Employees above 50	%	29	30	**30**
Non-employees				
Number of non-employees in own workforce	#	NR	15 834	**9 229**
Self-employed people	#	NR	7 952	**6 260**
Temporary workers	#	NR	7 882	**2 969**
Gender diversity (headcount)				
Women at senior management level	%	16	16	**19**
Women at all management levels	%	22	22	**23**
Women in management, team leader, and individual contributor positions	%	29	29	**29**
Women at non-management level	%	15	16	**15**
Women in total workforce	%	20	20	**20**
Turnover (headcount)				
Overall employee turnover rate	%	14	16	**19**
Number of employees who have left the undertaking	#	6 132	7 047	**8 202**
Voluntary employee turnover rate	%	7	7	**8**
Hirings	%	16	14	**14**
Development (headcount)				
Hours of training per employee (management level)	#	32	30	**27**
Hours of training per employee (non-management level)	#	24	24	**25**
Managers who had an annual performance review	%	84	89	**84**
Non-managers who had an annual performance review	%	47	47	**49**

EMPLOYEES BY CONTRACT TYPE AND REGION

	Unit	AMEA	Europe	LATAM	Total
Number of employees (headcount)	#	9 260	23 393	11 222	**43 875**
Number of permanent employees	#	8 620	22 005	9 965	**40 590**
Number of temporary employees	#	640	1 388	1 257	**3 285**
Number of non-guaranteed hours employees	#	73	67	0	**140**
Number of full-time employees	#	9 139	22 481	11 222	**42 842**
Number of part-time employees	#	121	912	0	**1 033**

EMPLOYEES BY GENDER

	Unit	Female	Male	Other	Not disclosed	Total
Number of employees (headcount)	#	8 690	35 185	0	0	**43 875**
Number of permanent employees	#	7 964	32 626	0	0	**40 590**
Number of temporary employees	#	726	2 559	0	0	**3 285**
Number of non-guaranteed hours employees	#	26	114	0	0	**140**
Number of full-time employees	#	8 078	34 764	0	0	**42 842**
Number of part-time employees	#	612	421	0	0	**1 033**

S1-8 – Collective bargaining coverage and social dialogue

We engage with our workforce both directly and through worker representatives, in accordance with local legal requirements and the specific needs of each region. In 2025, 63% of all Holcim employees were covered by collective bargaining agreements.

The “Social relations” and “Collective agreement coverage by region” tables below summarize the metrics for 2025.

S1-9 – Diversity metrics

We actively foster a diverse and inclusive workplace in all 43 countries where we operate. In 2025, women constituted 23% of management and 20% of our total workforce.

The “Employees by gender” table on the previous page presents the diversity metrics for 2025.

S1-10 – Adequate wages

To fulfill our commitment to providing an adequate wage that enables a decent standard of living, we are conducting a global analysis using data from the WageIndicator Foundation.

This rigorous methodology compares our current wages against WageIndicator’s locally adjusted cost-of-living estimates across all our markets. As we complete the analysis, we are simultaneously working with our local country teams to validate any potential observed gaps in real time. This validation phase is critical to ensuring that any necessary action can be implemented in 2026.

SOCIAL RELATIONS

	Unit	2023 restated	2024 restated	**2025**
Entities with strike action of more than one week’s duration	#	0	0	**3**
Entities where employees are covered by collective agreements	%	66	67	**63**
Employees covered by collective agreements	%	60	60	**63**

COLLECTIVE AGREEMENT COVERAGE BY REGION

	Unit	AMEA	Europe	LATAM	**Total**
Number of employees (headcount)	#	9 260	23 393	11 222	**43 875**
Employees covered by collective agreements	%	58	79	36	**63**

S1-11 – Social protection

Holcim offers comprehensive benefits packages in every country where it operates, adhering to local laws and regulations on social protection. These packages primarily include retirement, accident, and/or disability insurance, all designed to offer a substantial level of protection to our employees.

The “Family-related leave” and “Groups not covered by social protection” tables below summarize the social protection metrics for 2025.

S1-12 – Persons with disabilities

Holcim is committed to providing an inclusive and supportive workplace for all employees, including persons with disabilities. Due to strict data privacy regulations in many of the countries where we operate, the collection and reporting of specific metrics related to employees with disabilities are complex. For this reason, aggregated quantitative data on this topic is not disclosed at a global level.

S1-13 – Training and skills development metrics

The actions related to our training programs are described in section S1-4.

Beyond direct training hours, Holcim also places significant emphasis on performance management as a tool for development. In 2025, a substantial 84% of managers and 49% of non-managers underwent an annual performance review. This high percentage signifies a robust system of regular feedback, goal setting, and performance evaluation, which is integral to identifying areas for improvement, recognizing achievements, and aligning individual performance with organizational goals.

The “Training & annual performance review” table below summarizes the relevant metrics for 2025.

FAMILY-RELATED LEAVE

	Unit	Female	Male	Other	Not disclosed	**Total**
Employees entitled to take family-related leave	%	77	67	0	0	**69**
Employees that took family-related leave	%	16	12	0	0	**13**

GROUPS NOT COVERED BY SOCIAL PROTECTION

	Unit	**Employees not covered**
Sickness	%	**1.3**
Unemployment (starting from when own worker is working for the entity)	%	**5.9**
Employment injury and acquired disability	%	**0.0**
Parental leave	%	**4.9**
Retirement	%	**1.4**

TRAINING & ANNUAL PERFORMANCE REVIEW

	Female	Male	Other	Not disclosed	**Total**
Training hours (headcount)					
Total hours of training (management level)	113 151	285 694	0	0	**398 845**
Average training hours per employee (management level)	27	27	0	0	**27**
Total hours of training (non-management level)	100 472	632 838	0	0	**733 310**
Average training hours per employee (non-management level)	23	26	0	0	**25**
Total hours of training (total)	213 623	918 532	0	0	**1 132 155**
Average training hours per employee (total)	25	26	0	0	**26**
Annual performance review					
Managers who had an annual performance review %	84	85	0	0	**84**
Non-managers who had an annual performance review %	64	47	0	0	**49**

S1-14 – Health and safety metrics

In 2025, 99% of our sites and 60% of countries reported zero lost-time injuries. Zero work-related fatalities – both employees and contractors – were recorded this year. Our lost-time injury frequency rate (LTIFR) dropped to 0.36, a 27% decrease compared to 2024. Our operating model is delivering results, confirming that we are on the right path toward achieving zero harm.

Methodology

Health and safety (H&S) performance indicators follow the GCCA Sustainability Guidelines for monitoring and reporting safety in cement and concrete manufacturing, issued in March 2023.

H&S data is gathered at site level and further consolidated at country/Group reporting unit level, and covers all business segments and their industrial production sites, including corporate and above-country, regional, and service entities.

In 2025, H&S data was collected through Holcim's reporting system: iCare | HSE Incident management module. Data is divided into on-site and off-site incidents, and covers employees, contractors, and third parties, in accordance with the GCCA Guidelines definitions. The hours worked that are used to calculate incident rates for employees and contractors are calculated and/or estimated locally by the business units.

Incidents are classified as direct control or indirect control, with only direct control incidents – those where Holcim has direct responsibility or supervision – being publicly reported. To ensure clarity, Holcim applies a detailed framework to define non-work-related cases. Examples include events unrelated to work such as sporting events and certain medical conditions.

Holcim's top priority is to ensure a safe and healthy workplace.

The health and safety table below summarizes the relevant key performance indicators for 2025.

HEALTH AND SAFETY

	Unit	2023 restated	2024 restated	2025
Fatalities (activities under our direct control)				
By location				
On-site	#	1	2	**0**
Off-site	#	0	0	**0**
By personnel category				
Employees	#	1	2	**0**
Contractors	#	0	0	**0**
Lost time injury frequency rate (LTIFR)				
LTIFR employees (number of LTIs per million hours worked)	#	0.61	0.51	**0.39**
LTIFR contractors (number of LTIs per million hours worked)	#	0.26	0.46	**0.33**
LTIFR employees and contractors on-site (number of LTIs per million hours worked)	#	0.46	0.49	**0.36**
Total injury frequency rate (TIFR)				
Total recordable injuries – employees	#	379	368	**356**
Total recordable injuries – employees and contractors on-site	#	557	546	**525**
TIFR employees (number of injuries per million hours worked)	#	4.79	4.33	**4.20**
TIFR contractors (number of injuries per million hours worked)	#	3.06	2.91	**2.62**
TIFR employees and contractors on site (number of injuries per million hours worked)	#	4.06	3.73	**3.52**
Occupational illness frequency rate (OIFR)				
Total recordable occupational illnesses – employees	#	17	21	**25**
OIFR employees (number of occupational illness per million hours worked)	#	0.21	0.25	**0.30**
OIFR contractors (number of occupational illness per million hours worked)	#	0.09	0.13	**0.11**
OIFR employees and contractors on-site (number of occupational illness per million hours	#	0.16	0.20	**0.21**
Total recordable incidents (injuries & occupational illnesses) – employees	#	396	389	**381**
Rate of recordable incidents employees (number of injuries and occupational illness per million hours worked)	#	5.00	4.58	**4.50**
Other				
Percentage of employees and contractors on site covered by a health and safety management system that meets legal or recognized standards	%	NR	100	**93**
On-site third-party fatalities (cement sites)	#	0	0	**0**
Workforce represented on health and safety committees	%	91	83	**85**
Number of employee fatalities per 10 000 directly employed	#	0.23	0.44	**0.00**
Number of lost time injuries (LTIs) (directly employed)	#	45	43	**33**
Total number of LTIs – on-site and off-site	#	63	71	**54**
Cement sites with ISO 45001 certification	%	29	28	**29**
Cement sites with a management system equivalent to ISO 45001	%	52	51	**48**
Aggregates sites with ISO 45001 certification	%	28	24	**21**
Aggregates sites with a management system equivalent to ISO 45001	%	50	51	**50**
RMX sites with ISO 45001 certification	%	22	21	**21**
RMX sites with a management system equivalent to ISO 45001	%	44	49	**49**

S1-15 – Work-life balance metrics

Holcim recognizes that a healthy work-life balance is essential for the well-being and sustainable long-term performance of our employees. We are committed to enhancing transparency in this area and, in 2025, we began identifying and standardizing relevant key performance indicators (KPIs) across our global operations. We intend to disclose these metrics in future reporting cycles.

S1-16 – Remuneration metrics

Holcim is committed to fair and equitable pay. We conduct two annual pay equity assessments per year to reinforce equal pay for equal work across our global operations.

Methodology

In 2025, our global analysis of the gender pay gap, expressed as the percentage difference between the average pay of female and male employees, indicated a mean pay gap of 1.3% in favor of women. The data for this analysis has been gathered from SuccessFactors and supplemented with local payroll data in local currencies. The data has been consolidated at Group level and converted into Swiss francs to ensure homogeneity. Each country is responsible for disclosing all remuneration elements for all employees, including but not limited to base salary, bonuses, long-term incentives, and allowances.

The “Remuneration metrics” table below presents the key performance indicator for 2025.

In addition to the mean gender pay gap calculation, we performed a regression analysis for all our entities showing good progress toward our 2030 objective of achieving an equal pay gap under 1%. For example, the 2025 results for our Swiss operations again confirmed that the statistical wage difference remains “significantly below the 5% regulatory requirement,” demonstrating our long-standing focus in this area. We will continue to monitor these metrics and implement actions to further close any identified gaps.

S1-17 – Incidents, complaints and severe human rights impacts

Data is collected via the Integrity Line (Holcim’s global whistleblowing tool) on an ongoing basis using digital compliance tools, and extracted from those at the end of the reporting cycle for validation at Group level. Any complaints regarding discrimination that are not reported directly to the Integrity Line, but are received via other channels, e.g., reports to the People Function or line management, will also be recorded in the Integrity Line to ensure data completeness. In 2025, 134 reports were received relating to discrimination, including harassment. Of these 134 reports, 17 incidents were substantiated, resulting in eight dismissals and 10 other disciplinary measures.

In 2025, Holcim incurred no material fines, penalties, or compensation for damages as a result of violations regarding social and human rights factors.

For more details on the Integrity Line, see the 2025 Governance & Risk Report (page 27).

Human rights data collection is described in detail in the S3-5 section (page 129 of this report).

The “Incidents, complaints, and human rights impact” table below summarizes the related key performance indicators for 2025.

REMUNERATION METRICS

	Unit	2025
Gender pay gap	%	**-1.3**

INCIDENTS, COMPLAINTS, AND HUMAN RIGHTS IMPACT

	Unit	2025
Incidents of discrimination (including harassment)	#	**17**
Complaints (about discrimination and harassment) filed through channels for people in own workforce to raise concerns	#	**134**
Complaints filed to National Contact Points for OECD Multinational Enterprises (excluding discrimination)	#	**0**
Amount of material fines, penalties, and compensation for damages as a result of violations regarding social and human rights factors	CHF	**0**
Severe human rights issues and incidents connected to own workforce	#	**0**
Severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	#	**0**
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	CHF	**0**

ESRS S2 – WORKERS IN THE VALUE CHAIN

Our principles of respect for human rights, environmental protection, and business integrity are intrinsic to how we work with our suppliers.

S2-1 – Policies related to value chain workers

The standards and principles governing sustainable procurement at Holcim are based on the Ten Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO's Declaration on Fundamental Principles and Rights at Work.

The overarching policies that govern Holcim's approach to deploying responsible business practices in our supply chain are the Code of Conduct for Suppliers, Climate Policy, Nature Policy, Third Party Due Diligence Directive, Sustainable Procurement Directive, and Workers in the Value Chain Directive.

Code of Conduct for Suppliers

Holcim's Code of Conduct for Suppliers, which was replaced by the Supplier Code of Ethics as of 1 January 2026, mandates that all suppliers comply with local and national laws and adhere to international standards. The Code explicitly requires suppliers to provide a safe and healthy workplace, ensure fair and decent working conditions, and pay at least the legal minimum wage or local industry rate, whichever is higher. It strictly prohibits forced labor, modern slavery, and child labor. Furthermore, suppliers must respect their employees' freedom of association and right to collective bargaining, and must not engage in discrimination, harassment, or retaliation against employees who raise grievances.

Workers in the Value Chain Directive

Holcim's Workers in the Value Chain Directive operationalizes the Code of Conduct for Suppliers by defining specific management and verification requirements. It mandates outsourcing decisions that comply with local law and ILO standards, supplier qualification, access control to Holcim premises, and training on health and safety and human rights standards for both Holcim's site contractor coordinators and the contractors themselves. Crucially, it requires ongoing compliance verification through both continuous performance reviews and spot verifications such as HSE audits and human rights assessments, which must include engagement with workers and union representatives to discuss impacts and their awareness of grievance mechanisms.

Sustainable Procurement Directive

Holcim's Sustainable Procurement Directive establishes a mandatory, risk-based due diligence process for its supply chain, explicitly covering human rights, working conditions, health, welfare, safety, and the environment. Compliance with the Code of Conduct for Suppliers is verified using a three-step process: a self-assessment questionnaire, fact-finding to check potential breaches, and on-site audits for very high-risk categories. When a supplier does not meet the requirements, corrective action plans are established and guidance is provided. Holcim monitors the progress made and, where appropriate, supports suppliers in developing their capabilities to improve ESG performance. Holcim may terminate relationships with suppliers that breach zero-tolerance requirements and/or repeatedly and knowingly violate the Code of Conduct for Suppliers and refuse to implement improvement plans.

S2-2 – Processes for engaging with value chain workers about impacts

Holcim engages with its suppliers through a systematic, risk-based due diligence program to identify, prevent, and manage potential adverse impacts. This program includes site assessments to directly verify ESG standards in key suppliers' operations. A central aspect of these assessments involves direct, confidential consultation with our key suppliers' workers to better understand their working conditions, health and safety, and welfare.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Holcim provides channels for value chain workers to raise concerns and ensures that remediation processes are in place. The global Integrity Line is an independently operated, confidential whistleblowing tool available to suppliers and other third parties to report concerns about business practices, including labor rights violations (for more details on the Integrity Line, see page 27 of the 2025 Governance & Risk Report). When a supplier does not meet Holcim's requirements, corrective action plans are established, and Holcim provides guidance and monitors their progress. Holcim may terminate relationships with suppliers who repeatedly violate the Code of Conduct for Suppliers and refuse to implement these improvement plans.

S2-4 – Taking action on material impacts, and approaches to managing material risks and opportunities

Holcim takes concrete actions to manage its supply chain risks. We focus on high-risk procurement categories such as maintenance services, raw materials, and logistics. We drive supplier labor standards via three key pillars: site-based verification, sharing Holcim's best practices at our facilities, and scaling knowledge through training forums and webinars.

S2-5 – Targets related to managing material negative impacts

Holcim has set a clear target for its sustainable procurement program. Our goal is to have more than 95% of spend with high-ESG impact suppliers qualified in line with our due diligence and assessment process. As of 2025, 89% of spend with high-ESG impact suppliers has been qualified, demonstrating significant progress toward ensuring that the entire high-risk supply chain is assessed against Holcim's ESG standards. See page 131 of this report for our performance against this target.

ESRS S3 – AFFECTED COMMUNITIES

Holcim is committed to fostering a positive social impact in the communities where it operates, guided by its Human Rights and Social Policy. Holcim engages in regular dialogue through Community Advisory Panels and other mechanisms to build trust and understand local needs. In 2025, Holcim invested CHF 18.4 million in social initiatives focused on housing and infrastructure, education and skills, and health, benefiting 1.5 million people.

S3-1 – Policies related to affected communities

Holcim's engagement with local communities is governed by its Human Rights and Social Policy and Human Rights Directive. These policies formalize Holcim's commitment to respecting the rights and dignity of all people impacted by its business activities. They establish a framework for identifying and mitigating adverse impacts and for creating positive, lasting value.

Human Rights and Social Policy

The Human Rights and Social Policy outlines Holcim's commitment to respecting the human rights of its employees and the communities in which it operates and defines how employees should interact with them. The policy mandates ongoing due diligence and stakeholder engagement to identify and mitigate risks to people, specifically identifying "health and safety," "working conditions in our operations and particularly our supply chain," "discrimination and harassment," "security-related abuses and violations," "child labor in high-risk supply chains," "dust and other emissions," and "climate change and its impacts" as salient human rights risks. It ensures access to grievance mechanisms and remedy through both the global Integrity Line and dedicated site and community-level grievance mechanisms. Furthermore, the policy details Holcim's social commitment to being a trusted corporate citizen by assessing local needs and partnering with stakeholders, focusing on positive impact initiatives in three key areas: affordable housing and infrastructure, education and skills, and health.

Human Rights Directive

Holcim's Human Rights Directive mandates a formal, systematic approach for engaging with its stakeholders (all those who exercise, or could exercise, influence over the activity of a site and all those who are, or could be influenced/impacted by the activity of a site), requiring every site to maintain a Stakeholder Map and Engagement Plan and compelling all cement and grinding plants to establish Community Advisory Panels (CAPs). It operationalizes community due diligence by mandating human rights impact assessments for all new capital projects and for sites in high-risk areas, which must include direct consultation with local stakeholders. The directive explicitly addresses key community risks by committing to zero tolerance for land grabbing, applying the principles of free, prior, and informed consent (FPIC) for Indigenous peoples, and protecting human rights defenders. To ensure access to remedy, it requires that all countries provide a clear site-level mechanism for communities to raise grievances, in addition to the global Integrity Line.

Holcim's Chief Executive Officer and Chief People and Sustainability Officer have overall responsibility for the Human Rights and Social Policy; oversight and performance reviews are carried out by the Health, Safety, and Sustainability Committee (HSSC) of the Board of Directors. Executive Committees in countries in which we operate take responsibility and are accountable for assessing and addressing local human rights issues.

S3-2 – Processes for engaging with affected communities about impacts

Holcim has established formal processes to ensure regular and constructive engagement with the people who influence or could be impacted by its business activities. A cornerstone of this approach is the mandatory Community Advisory Panel (CAP) for all cement plants and grinding units, which ensures a structured and regular dialogue with community representatives. In 2025, this commitment to engagement resulted in 1 158 meetings with local stakeholders. See our "Stakeholder Engagement" table on page 60 of this report for additional ways we engage with communities.

Our commitment to upholding and promoting human rights and engaging with affected communities is discussed in detail on pages 48–49 of this report.

S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

Holcim provides accessible channels for communities to raise concerns and has clear processes for remediation. Adverse impacts are regularly assessed by human rights impact assessments (HRIAs) and findings are addressed with specific action plans. Our approach to remediation is exemplified by our response to a wall collapse and water damage in 10 homes near Holcim's Orizaba plant in Mexico that were caused by heavy rains and flooding. Holcim engaged with affected community members, agreed on compensation including full furniture replacement, and implemented long-term solutions by rebuilding the wall and improving drainage systems to prevent recurrence.

Complementary to the HRIAs, the global Integrity Line is an independently operated, confidential whistleblowing tool that serves as the primary grievance mechanism for all community members. For more details on the Integrity Line, see the 2025 Governance & Risk Report (page 27).

S3-4 – Taking action on material impacts on affected communities

Holcim takes direct action to create a positive social impact through its social initiatives program, which focuses on three main pillars: affordable housing and infrastructure, education and skills, and health. In 2025, Holcim invested CHF 18.4 million in these social initiatives, benefiting an estimated 1.5 million people. The cumulative total contribution to creating a positive social impact since 2021, including contributions from discontinued operations, is CHF 132.9 million.

Key actions undertaken in 2025 include:

- **Housing and infrastructure**: In 2025, Holcim launched a global partnership with Build Change to increase resilient housing, beginning with a project in Guatemala. See page 48 of this report for further details.
- **Education and skills**: Through the Center for Education for All in Chongón, Ecuador, we are fostering community resilience and economic autonomy. Over 750 people from 14 communities have participated in training programs. These efforts helped create more than 50 formal businesses between 2023 and 2025. In Bangladesh, the Digital Marketing for the Community program equips local participants with modern business skills, expanding access to employment and entrepreneurial opportunities in the digital economy.
- **Gender equality**: Holcim is committed to advancing equal opportunities across our operations and communities. In Mexico and Iraq, the LeanIn Girls program empowers young women with leadership skills and confidence to pursue careers in fields where women are underrepresented. In Argentina, our ConduActoras initiative supports women entering operational roles in logistics and construction, creating pathways to economic independence. In Ecuador and Mexico, the Women in Operations program opens technical and operational roles to women, challenging stereotypes and fostering more inclusive workplaces. Holcim Colombia's Ella Construye program promotes gender equality by training and certifying women in construction skills, improving community infrastructure, and expanding women's economic participation in a traditionally male-dominated sector. Together, these initiatives demonstrate how Holcim is breaking down barriers and driving gender equality in diverse contexts.
- **Youth empowerment**: Holcim fosters innovation and sustainability by engaging with young people in creative, hands-on initiatives. In Morocco, the Construction Hackathon brings together students and young professionals to co-create sustainable construction solutions, encouraging innovation and building future skills. In Nicaragua, the Greener Schools program promotes environmental awareness among children through interactive activities focused on recycling, waste separation, and reuse. Supported by families, teachers, and volunteers, these initiatives create lasting habits that strengthen sustainability in schools and communities.

S3-5 – Targets related to managing material negative impacts

Holcim has a target of conducting HRIAs at all relevant sites within an assessment cycle to ensure adverse impacts are identified. It also has a target of ensuring that all country operations have human rights action plans in place and signed off by the CEO on an annual basis to ensure the implementation of mitigating actions. As of year-end 2025, 98% of relevant sites had a human rights assessment and action plan status signed off by the country's Executive Committee during the reporting year. The remaining sites will be assessed in early 2026.

In addition to addressing adverse impacts through its human rights action plans, Holcim is committed to creating positive social impact in the communities in which it operates.

Methodology

In 2025, human rights and social initiatives data was collected through Holcim's reporting system and the respective protocol: the annual human rights and social impact questionnaire, covering 56 entities representing 90% of the total Group workforce and including the majority-owned entities and managed assets. We collect information on the entities' implementation of the human rights approach, human rights assessment and action plans, stakeholder engagement activities and community engagement structures, and specific impact indicators of social initiatives and volunteering activities. Although not reported below, data such as the number of community advisory panels, number of engagements with key stakeholders at site level, and complaints related to human rights, environmental impacts, and other potential risks are collected. We also capture information about any conflicts with stakeholders that sites may have or expect in the future, and how such conflicts are addressed.

A direct beneficiary is defined as a person who is directly involved in a project or benefits from its implementation. Whenever possible, we count the exact number of beneficiaries (number of community members trained). When precise measurement is not possible (e.g., beneficiaries of a new hospital or bridge built by Holcim), estimates are made on the basis of scientific methods such as social research, expert interviews, or similar.

Information about spending on social initiatives is reported using Holcim's financial reporting process on a quarterly basis at the Country/Group Reporting Unit level, and covers all business segments and their industrial production sites.

The total contribution to creating a positive social impact includes the total spend on social initiatives made by Holcim to implement social impact projects and donations. It also includes third-party contributions, which are the resources received from external partnerships to implement social initiatives led by Holcim in the countries.

Holcim differentiates four categories for social initiatives, which are:

- Housing and infrastructure: Initiatives that facilitate access to housing and infrastructure for the community, such as affordable housing solutions, building or improving community facilities (emergency relief shelters, sanitation, parks, rural roads, etc.).
- Health: Health awareness campaigns, vaccination programs, general healthcare services, and building or improving hospital infrastructure.
- Education and skills: Road safety, lectures in partnership with schools and universities, livelihood and income generation programs, professional training targeting the community, and building or improving school infrastructure.
- Other: Environmental management and awareness, cultural, recreational, or other initiatives that contribute to a positive social impact.

The "Human Rights" and "Social Initiatives" tables below summarize the key performance indicators related to affected communities for 2025.

HUMAN RIGHTS

	Unit	2023 restated	2024 restated	2025
Human rights assessments conducted in the three last years – Group Reporting Units (GRUs) – cumulative	%	100	98	**98**
Human rights assessments conducted in the three last years – sites	%	100	100	**100**
Human rights assessment and action plan status signed off by a country's Executive Committee during the reporting year	%	100	98	**98**
People receiving training on human rights topics	#	10 126	8 969	**7 326**
Stakeholder engagement plans available and reviewed in last three years – cement, grinding sites	%	94	92	**98**

SOCIAL INITIATIVES

	Unit	2023 restated	2024 restated	2025
Total contribution to create positive social impact	CHFm	18.9	17.8	**18.4**
Of which: contribution by partners to create positive social impact	%	11	9	**8**
Total contribution to:				
Housing and infrastructure	%	16	18	**18**
Community initiatives on health, education and skills, and other	%	62	57	**60**
Project management	%	22	25	**22**
Type of contribution:				
Social investment and inclusive business projects	%	77	76	**66**
Donations (cash and in kind)	%	23	24	**34**
Total number of beneficiaries	Million	1.7	2.0	**1.5**
Rural roads renovated or built as part of our social initiatives	km	388	250	**262**
Hospitals owned and managed by Holcim, open for dependents and community members	#	10	10	**10**
Schools owned and managed by Holcim, open for dependents and community members	#	18	17	**19**
Volunteering	Hours	29 281	37 470	**41 626**
Volunteering during paid working hours	%	87	83	**85**

GOVERNANCE DISCLOSURES

Governance IROs

See the IRO table on page 66 of this report.

ESRS G1 – BUSINESS CONDUCT

Holcim is committed to achieving high performance with strong integrity, which it views as essential for sustainable success. The company believes that acting with integrity creates trust, protects its reputation, lowers the cost of doing business, and enhances shareholder value. This commitment is embedded in a culture of transparency and accountability, supported by a comprehensive compliance program.

G1-1 – Business conduct policies and corporate culture

Holcim's ethical business conduct standards are outlined in its Code of Business Conduct (replaced by Code of Ethics as of 1 January 2026). This Code applies to all directors, officers, and employees, and defines Holcim's non-negotiable principles for conducting business with integrity. It provides the overarching framework for compliance with all applicable laws and regulations.

The Code is supported by specific, topic-level policies, such as the Anti-Bribery and Corruption Policy, which outlines a zero-tolerance approach to bribery and corruption and details requirements for due diligence, gifts and hospitality, and avoiding conflicts of interest.

Code of Business Conduct

Holcim's Code of Business Conduct, which was replaced by the Code of Ethics as of 1 January 2026, establishes the foundational principle of high performance with strong integrity that apply to all employees, directors, and officers. It mandates a zero-tolerance approach to bribery and corruption, prohibiting bribes, kickbacks, and facilitation payments in any form, whether to or from public officials or private persons. The Code governs additional business practices across all relevant risk areas, including but not limited to compliance with sanctions, competition, as well as record-keeping and accounting laws and regulations. To safeguard these standards, Holcim provides a confidential global whistleblowing tool, the Integrity Line, for reporting concerns, and explicitly prohibits retaliation against anyone who speaks up in good faith.

Anti-Bribery & Corruption Policy

Holcim's Anti-Bribery & Corruption Policy mandates a strict zero-tolerance approach to bribery and corruption worldwide that applies to all directors and employees. It explicitly prohibits offering, promising, or giving anything of value—including money, gifts, or preferential treatment to influence the objectivity of any person, whether a public official or a commercial party. The policy strictly forbids facilitation payments. It requires that any gifts or hospitality be modest, reasonable, and infrequent. Furthermore, it extends these anti-bribery standards to all third parties acting on Holcim's behalf vis-à-vis public officials, requiring mandatory due diligence, written contracts with anti-bribery clauses, and payments only for proven services. Employees are required to immediately report any violations to their local compliance officer or via the Integrity Line.

SpeakUp & Investigations Directive

Holcim's SpeakUp & Investigations Directive establishes a formal framework to foster a culture of speaking up by providing open and reliable reporting channels for known or suspected misconduct, including breaches of the Code of Business Conduct, policies, or laws. The directive applies to all employees and external stakeholders, such as suppliers and customers, and requires Holcim employees to report concerns. It details multiple channels, including reporting to a manager, the People function, or Legal and Compliance, and provides a confidential global whistleblowing tool, the Integrity Line, which is managed by an external provider and accessible 24/7 via a website, app, or phone, and allows for anonymous reporting. The directive ensures that investigations are handled objectively, fairly, and confidentially, with a strict zero-tolerance policy for substantiated misconduct. It guarantees protection from retaliation for any reports made in good faith.

Third Party Due Diligence Directive

The Holcim Third Party Due Diligence Directive establishes a mandatory, risk-based framework for identifying and mitigating legal, financial, and ESG risks associated with third-party transactions. This directive applies globally to every Holcim employee who is involved in the selection, engagement, management, or payment release process related to third parties, ensuring that all business partners adhere to the high behavioral standards set forth in the Code of Business Conduct.

G1-2 – Management of relationships with suppliers

Holcim extends its principles of business conduct to its entire supply chain, which is governed by the Supplier Code of Conduct. See section S2 on page 126 of this report for additional information. This Code is an integral aspect of all supplier contracts and outlines clear expectations regarding human rights, labor practices, environmental protection, and business ethics.

In 2025, 89% of spend with suppliers identified as having a high ESG impact was with suppliers qualified under Holcim's assessment program (vs 80% in 2024), which includes self-assessments, evidence collection, and on-site audits. This assessment covers around 17 000 suppliers worldwide. Of the suppliers assessed, 24% were found to be non-compliant with our Supplier Code of Conduct; of these, 92% have established corrective action plans and 80% have already improved their sustainability performance.

Methodology

Holcim's Sustainable Procurement Directive establishes a mandatory, risk-based due diligence process for its supply chain, explicitly covering human rights, working conditions and welfare, health, safety, and environment, and equality. This process, which applies to all Holcim businesses and is steered by the Procurement function, requires suppliers to comply with the Supplier Code of Conduct. Compliance is verified using a three-step process: a self-assessment questionnaire, fact-finding to check potential breaches, and on-site audits for very high-risk categories. The directive requires ongoing monitoring and gives Holcim the right to cease business with non-compliant suppliers, especially those who breach zero-tolerance requirements.

The 2025 key performance indicators relating to suppliers are presented in the "Supply chain due diligence" table below.

SUPPLY CHAIN DUE DILIGENCE

	Unit	2023 restated	2024 restated	**2025**
ESG risk identification				
Spend with "assessed" potential high ESG impact suppliers	%	89	80	**89**
Spend covered by GRUs with due diligence process in place	%	99	99	**99**
Suppliers from national markets	%	88	90	**89**
Suppliers identified as having potential high ESG impact	%	33	39	**36**
Spend covered by suppliers with potential high ESG impact	%	52	64	**66**
Suppliers non-compliant with Supplier Code of Conduct	%	1	22	**24**
ESG risk management				
Non-compliant suppliers with corrective action plans	%	87	83	**92**
Non-compliant suppliers that have improved sustainability performance	%	43	68	**80**
Non-compliant suppliers canceled due to non-compliance	%	2	16	**3**

G1-3 – Prevention and detection of corruption and bribery

Holcim maintains a zero-tolerance policy with respect to bribery and corruption, which is operationalized through our Anti-Bribery and Corruption Policy and the associated processes and procedures:

- Conducting risk-based third-party due diligence.
- Reviewing sponsorships and donation requests.
- Receiving or giving gifts, hospitality, travel, and entertainment.
- Disclosing and reviewing conflicts of interest.

Training is a key element of Holcim's preventive efforts. In 2025, Holcim employees completed 12 653 role-relevant, face-to-face business integrity trainings and 8 781 business integrity e-learning sessions. Data is collected on an ongoing basis in the digital compliance tools, and extracted from those at the end of the reporting cycle for validation at Group level.

E-learning data

Data collection and monitoring for e-learning assignments and completions are fully automated.

The information is transferred daily to our central Compliance Dashboard, ensuring timely and accurate reporting.

Face-to-face training data

Data for face-to-face training is collected and recorded manually to maintain auditable records.

Trainers are responsible for collecting attendance data. This is recorded in an auditable manner on a standardized data sheet. The data sheet is then used to enter the information into our Compliance Dashboard, which ensures continuous monitoring and comprehensive oversight of all training activities.

The "Prevention and detection of corruption and bribery" table summarizes the key performance indicators for 2025.

G1-4 – Incidents of corruption or bribery

In 2025, there were no fines or convictions relating to bribery or corruption. We received 21 reports concerning active and passive bribery, the majority of which related to passive bribery allegations in the private sector (kickbacks). Three cases were substantiated and resulted in dismissals. All business relationships with third parties involved in substantiated cases were terminated.

Methodology

Data is collected via the Integrity Line, Holcim's global whistleblowing tool. Any complaints regarding corruption and bribery that are not reported directly to the Integrity Line, but are received via other channels, e.g., reports to the People function or line management, will also be recorded in the Integrity Line to ensure the completeness of data. For more details on the Integrity Line, see the 2025 Governance & Risk Report (page 27).

G1-5 – Political influence and lobbying activities

Holcim's Responsible Lobbying and Advocacy Directive is a key component of the company's commitment to integrity, transparency, and responsible business conduct, as it guides how we engage with public authorities, policymakers, and industry associations globally. The directive outlines integrity and transparency rules, including the prohibition on any form of bribery or corruption, a commitment to political neutrality, and a ban on political donations unless expressly permitted by local law and fully documented. The directive also requires conduct in accordance with fair competition principles as well as due diligence on all third-party lobbyists.

Holcim aims to align all direct advocacy activities as well as its indirect advocacy through industry associations with our commitments to climate action and human rights. Holcim's advocacy positions, policies, and governance are described on pages 37–39 of this report.

The 2025 key performance indicators relating to political influence and lobbying are presented in the "Government and economic relations" table below.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (TRAINING PROGRAMS)

	Unit	2025
Anti-corruption and anti-bribery (business integrity) training programs completed		
face-to-face training	#	**12 653**
e-learning	#	**8 781**
Percentage of functions-at-risk covered by training programs	%	**100**

GOVERNMENT AND ECONOMIC RELATIONS

	Unit	2023 restated	2024 restated	2025
Government relations				
Political donations	CHF	60 000	21 500	**0**
Political contributions in kind	CHF	NR	0	**0**
Countries making political donations	#	1	1	**0**
Total subsidies	CHFm	35	34	**28**
Entities receiving subsidies	#	10	9	**9**
Economic relations				
Membership of trade associations and chambers of commerce	CHFm	11	8	**10**

ASSURANCE STATEMENT



Metro Tunnel, Melbourne, Australia
Built with ECOPact inside

ASSURANCE STATEMENT

Independent verifier's limited assurance report on a selection of non-financial information for the year ended 31 December 2025.

To the Board of Directors,

Further to your request and in our quality as an independent verifier, and a member of the network of the auditor of the financial statements of Holcim Ltd (hereafter, the "Holcim" or "the Group"), we present our report on a selection of non-financial information presented in the Sustainability Statement of Holcim for the year ended December 31, 2025 (hereafter, the "Report"). Our limited assurance engagement covers:

- The compliance of the process implemented by the Group to determine the information reported (hereafter, the "Double Materiality Assessment") with the requirements issued from the sustainability reporting standards adopted pursuant to Article 29 ter of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter "the ESRS" for European Sustainability Reporting Standards) as presented in the section entitled *Double materiality assessment* of the *Sustainability Disclosures* chapter of the Report;
- The compliance of a selection of consolidated environmental, health and safety, social and taxonomy indicators (hereafter, the "Sustainability Indicators", listed in Appendix 1) with the criteria described in each section entitled *Methodology* in the *Sustainability Disclosures* chapter (hereafter, the "Criteria");
- The compliance of the information related to the climate transition plan included in section entitled *Setting industry-leading targets* of the *Leader Partner for Sustainably Construction* chapter and the section entitled *Environment Disclosures* of the *Sustainability Disclosures* chapter of the Report (hereafter, the "Transition Plan Disclosures") with the ESRS E1 *Climate Change* requirements.

Our Limited Assurance conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" section and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

- the Double Materiality Assessment process implemented by the Group is not in compliance, in all material respects, with the ESRS requirements;
- the Sustainability Indicators, taken as a whole, are not prepared in compliance, in all material respects, with the Criteria;
- the Transition Plan Disclosures are not in compliance, in all material respects, with the ESRS E1 Climate Change requirements.

Understanding how Holcim has prepared the Sustainability Indicators

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw, to evaluate and measure sustainability information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Sustainability Indicators need to be read and understood together with the Criteria.

The Group's responsibility

Management of Holcim is responsible for:

- conducting a double materiality assessment in compliance with the ESRS requirements to select the information to be reported on;
- selecting or establishing suitable Criteria for preparing the Sustainability Indicators;
- preparing the Sustainability Indicators in accordance with the Criteria;
- preparing Transition Plan Disclosures in compliance with the ESRS E1 requirements;
- designing, implementing and maintaining internal control, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Indicators and Transition Plan Disclosures such that they are free from material misstatement, whether due to fraud or error.

Responsibility of the independent verifier

It is our role, in response to the Group's request, based on our work, to:

- carry out the procedures necessary to issue a conclusion, expressing a limited assurance, on:

- the compliance of the Double Materiality Assessment with the ESRS requirements;
- the compliance of the Sustainability Indicators with the Criteria;
- the compliance of the Transition Plan Disclosures with the ESRS E1 *Climate Change* requirements.

- form a limited assurance independent conclusion, based on the procedures we have performed and the evidence we have obtained;
- and report it to the Executive Committee of Holcim.

As we are engaged to form an independent conclusion on the Double Materiality Assessment, the Sustainability Indicators and the Transition Plan Disclosures, as prepared by management, we are not permitted to be involved in their preparation, as doing so may compromise our independence.

It is not our responsibility to report on the entire Report for the year ended December 31, 2025 or on the compliance with other applicable legal provisions.

Professional standard applied

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') as issued by the IAASB (*International Auditing and Assurance Standards Board*).

Independence and quality management

Our independence is defined by the French Code of Ethics (Code de déontologie) of our profession and by the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Nature and scope of procedures

We performed a limited assurance engagement in accordance with international standard ISAE 3000 (revised) (International Standard on Assurance Engagements).

We conducted interviews with the individuals responsible for preparing the Sustainability Indicators, the Double Materiality Assessment and the Transition Plan Disclosures, and who, within the sustainable development, health and safety, human resources and EU taxonomy project management teams, are also in charge of data collection and, where applicable, internal control and risk management processes. Our procedures mainly consisted in:

- Double Materiality Assessment:
  - assessing if the process defined and implemented by the Group has enabled it, in accordance with the ESRS requirements, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of information disclosed in the Report; and
  - assessing if the information provided on this process in the Report also complies with the ESRS requirements;
- Sustainability Indicators:
  - assessing the suitability of the Guidelines for reporting, in relation to their relevance, completeness, reliability, neutrality and understandability;
  - assessing the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the Sustainability Indicators, and identifying the procedures for internal control and risk management related to the preparation of the Sustainability Indicators;
  - determining the nature and extent of our tests and inspections based on the nature and importance of the Sustainability Indicators, in relation to the characteristics of the Group, its social and environmental issues and its strategy in relation to sustainable development;
  - consulting documentary sources and conducting interviews to corroborate the qualitative information (organization, policies, actions, etc.), implementing analytical procedures on the quantitative information and verifying, on a test basis, the calculations and the compilation of the information, and also assessing their coherence and consistency with the other information presented in the Report;

- assessing the alignment of the methodology used by the Group to calculate the restatements of the baselines of certain Sustainability Indicators (indicators restated for the years 2018 and 2020 identified with an * in Appendix 1, and indicators restated for the year 2020 only identified with an ** in Appendix 1) with the methodology described in the section entitled *Environmental Disclosures* of the *Sustainability Disclosures* chapter; and
- at the level of the representation selection of sites and entities that we made[1], based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, undertaking interviews to challenge the correct application of the procedures and undertaking detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sites and entities selected represented on average 11% of the hours worked used for the calculation of safety indicators, 14% of the total number of employees (headcount), and between 6% and 18% of the environmental information[2];

- Transition Plan Disclosures:
  - assessing whether the information published as part of the strategy for climate change mitigation gives an appropriate description of the strategy's underlying key assumptions, it being understood that we are not required to express a conclusion on the appropriateness or the level of ambition of the transition strategy's objectives;
  - assessing whether the information published as part of this strategy is in compliance with the Disclosure Requirements ESRS E1-1, E1-3 and E1-4 of the ESRS E1 *Climate Change*; and
  - assessing whether the transition strategy reflects the commitments made by Holcim as stated in the minutes of its governance bodies' meetings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Paris-La Défense
26 February 2026

The Independent Verifier
EY & Associés

Partner, Sustainable Development
Christophe Schmeitzky

[1] Four cement plants: Dujiangyan (China), Saint-Pierre-La-Cour (France), Villaluenga (Spain), Fujairah (United Arab Emirates) and four Group Reporting Units (GRU): China, France, Spain and United Arab Emirates
[2] On average 18% of production (cement produced (15%), aggregates produced (18%), RMX produced (20%)), 18% of absolute Scope 1 emissions – Gross, 6% of absolute Scope 2 emissions (market-based), 17% of waste derived resources, 12% of air emissions, and 13% of cement freshwater withdrawal.

APPENDIX 1: SELECTION OF NON-FINANCIAL INFORMATION

The Sustainability Indicators

Products and solutions

- Clinker produced
- Cement produced
- Cementitious materials produced
- Aggregates produced
- RMX produced
- Clinker factor (average % of clinker in cements)

Recycling waste and internal waste

- Total materials consumed – excl. fuels
- Waste-derived resources
- Construction and demolition materials (CDM)
- Internal hazardous waste recycled or recovered
- Internal hazardous waste disposed
- Internal non-hazardous waste recycled or recovered
- Internal non-hazardous waste disposed

Energy and GHG emissions

- Energy consumption total
- Thermal energy consumption
- Electrical energy consumption
- Absolute Scope 1 emissions – gross
- Absolute Scope 2 emissions (market-based)
- Absolute Scope 3 emissions – total
- Absolute Scope 3 emissions per category of emissions (as defined by the GHG Protocol)
  - Category 1 – Purchased goods and services
  - Category 2 – Capital goods
  - Category 3 – Fuel and energy-related activities
  - Category 4 – Upstream transportation and distribution
  - Category 5 – Waste generated in operations
  - Category 6 – Business travel
  - Category 7 – Employee commuting
  - Category 8 – Upstream leased assets
  - Category 9 – Downstream transportation and distribution
  - Category 10 – Processing of sold products
  - Category 11 – Use of sold products
  - Category 12 – End-of-life treatment of sold products
  - Category 13 – Downstream leased assets
  - Category 14 – Franchises
  - Category 15 – Investments
  - Specific CO_2 emissions – net (Scope 1) – cement plants only*
  - Specific CO_2 emissions – gross (Scope 1) – cement plants only**
  - Specific CO_2 emissions – electricity (Scope 2) – market-based – cement plants only**
  - CO_2 indirect emissions from purchased clinker and cement**
  - CO_2 indirect emissions from investments**

Water

- Cement Specific freshwater withdrawal*
- Aggregates Specific freshwater withdrawal
- Ready-mix Specific freshwater withdrawal
- Total water withdrawal

Environmental management systems (EMS) and compliance

- Cement sites with ISO 14001 certification

Biodiversity

- Quarries assessed using BIRS methodology – active only
- Quarries with rehabilitation plan in place
- Quarries with biodiversity importance
- Quarries with biodiversity importance with biodiversity management plans in place

Air emissions

- Clinker produced with continuous monitoring of dust, NO_x and SO_2 emissions
- Clinker produced with monitoring of dust, NO_x and SO_2 emissions
- Total dust, NO_x, SO_2, VOC, mercury, dioxin/furans emissions
- Specific dust, NO_x, SO_2, VOC, mercury, dioxin/furans emissions

People: Social initiatives

- Total contribution to create positive social impact

Health and safety

- Fatalities – employees and contractors
- Lost time injury frequency rate (LTIFR) for employees on site
- Lost time injury frequency rate (LTIFR) for contractors on site
- Total injury frequency rate (TIFR) for employees and contractors on site

Social

- Number of employees (headcount) - total and split female/male
- Permanent employees (%)
- Temporary employees (%)
- Employees under the age of 30 (%)
- Employees between 30 and 50 (%)
- Employees above 50 (%)
- Women at senior management level (%)
- Women in total workforce (%)
- Overall employee turnover rate
- Number of employees who have left the undertaking
- Average training hours per employee - total and split female/male
- Managers who had an annual performance review (%) - total and split female/male
- Gender pay gap

EU Taxonomy

- EU Taxonomy-eligible activities (turnover, CapEx,OpEx)
- EU Taxonomy-aligned activities (turnover, CapEx, OpEx)

APPENDICES



The Louvre Abu Dhabi, UAE
Built with Artevia inside

HOLCIM POLICIES

KEY ENVIRONMENTAL POLICIES INCLUDE:

- Climate Policy
- Nature Policy
- Health, Safety and Environmental Policy
- Circular Construction Policy
- Water Directive
- Quarry Rehabilitation and Biodiversity Directive

KEY SOCIAL POLICIES INCLUDE:

- Group Human Resources Policy
- Human Rights and Social Policy
- Health, Safety and Environmental Policy
- Human Rights Directive
- Workers in the Value Chain Directive
- Just Transition
- Diversity and Inclusion Standard
- Foundations of Wellbeing
- Health, Safety and Environment Audit Program Guide
- Health, Safety and Environment Management System Standard

KEY GOVERNANCE POLICIES INCLUDE:

- Code of Ethics
- Code of Ethics for Suppliers
- Compliance Policy
- Anti-Bribery and Corruption Policy
- Security and Resilience Policy
- SpeakUp and Investigations Directive
- Security Services with Integrity Directive
- Sustainable Procurement Directive
- Responsible Lobbying and Advocacy Directive
- Minimum Control Standards 2026
- Climate Public Policy Positions

Find out more about our policies and key documents

CSRD CONTENT INDEX 2025

Holcim Ltd adopted the European Sustainability Reporting Standards (ESRS) on a voluntary basis for the period 1 January to 31 December 2025.

As a leader in sustainability reporting, Holcim is proud to have adopted the EU Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) on a voluntary basis, ahead of regulatory requirements coming into force. This year's report reflects our alignment with these new frameworks for the period from 1 January to 31 December 2025. Material topics are presented in the Double Materiality Matrix on page 63 of the 2025 Sustainability Statement.

The double materiality assessment identified the following topics as material:

- Climate change
- Pollution
- Water and marine resources
- Biodiversity and ecosystems
- Resource use and circular economy
- Own workforce
- Workers in the value chain
- Affected communities
- Business conduct

Where we have available data on ESRS topics and disclosures, we have included this data and the relevant links (where applicable) in the content index.

ES: 2025 Annual Report Executive Summary

SS: 2025 Sustainability Statement

GR: 2025 Governance & Risk Report

CR: 2025 Compensation Report

CSRD INDEX

CROSS-CUTTING STANDARDS

ESRS 2 – General disclosures

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
BP-1	General basis for preparation of sustainability statements	SS: page 52	GRI 2, 2-2; GRI 3, 3-1
BP-2	Disclosures in relation to specific circumstances	SS: pages 52–53	GRI 2, 2-4; GRI 2, 2-22; GRI 3, 3-2; GRI 3, 3-3
GOV-1	The role of the administrative, management and supervisory bodies	SS: page 54	GRI 2, 2-9; GRI 2, 2-12; GRI 2, 2-13; GRI 2, 2-14; GRI 2, 2-17; GRI 405, 405-1
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SS: page 55	GRI 2, 2-12; GRI 2, 2-13; GRI 2, 2-16; GRI 2, 2-24
GOV-3	Integration of sustainability-related performance in incentive schemes	CR: pages 7–18	GRI 2, 2-19; GRI 2, 2-20
GOV-4	Statement on due diligence	SS: pages 56–57	
GOV-5	Risk management and internal controls over sustainability reporting	SS: page 58 GR: pages 3–22	GRI 2, 2-14
SBM-1	Strategy, business model and value chain	ES: pages 36–41 SS: pages 5–50, 64–65	GRI 2, 2-6; GRI 2, 2-7; GRI 2, 2-22; GRI 3, 3-3; GRI 201, 201-1
SBM-2	Interests and views of stakeholders	SS: pages 59–60	GRI 2, 2-12; GRI 2, 2-29
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS: pages 66-70, 72-79 GR: pages 28-37	GRI 2, 2-27; GRI 3, 3-2; GRI 3, 3-3; GRI 201, 201-2; GRI 303, 303-1; GRI 306, 306-1; GRI 308, 308-2; GRI 413, 413-2; GRI 414, 414-2
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SS: pages 61–63	GRI 2, 2-14; GRI 3, 3-1;
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	SS: page 71	

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

CSRD INDEX

ENVIRONMENTAL STANDARDS

ESRS E1 – Climate change

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
E1-1	Transition plan for climate change mitigation	SS: pages 19–33, 80–81	
E1-2	Policies related to climate change mitigation and adaptation	SS: page 81	
E1-3	Actions and resources in relation to climate change policies	SS: pages 82-83	GRI 305, 305-5
E1-4	Targets related to climate change mitigation and adaptation	SS: page 84	GRI 3, 3-3; GRI 305, 305-1; GRI 305, 305-2; GRI 305, 305-3
E1-5	Energy consumption and mix	SS: page 85	GRI 302, 302-1; GRI 302, 302-3
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	SS: pages 86-88	GRI 305, 305-1; GRI 305, 305-2; GRI 305, 305-3; GRI 305, 305-4
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SS: page 88	GRI 305, 305-5
E1-8	Internal carbon pricing	Not disclosed in 2025	
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SS: pages 89-94	GRI 201, 201-2

ESRS E2 – Pollution

E2-1	Policies related to pollution	SS: page 95	
E2-2	Actions and resources related to pollution	SS: page 96	GRI 3, 3-3
E2-3	Targets related to pollution	SS: page 96	GRI 3, 3-3; GRI 303, 303-2
E2-4	Pollution of air, water and soil	SS: pages 96-97	GRI 2, 2-27; GRI 305, 305-7
E2-6	Anticipated financial effects from material pollution-related risks and opportunities	Not disclosed in 2025	

ESRS E3 – Water and marine resources

E3-1	Policies related to water and marine resources	SS: page 98	
E3-2	Actions and resources related to water and marine resources	SS: page 98	GRI 3, 3-3; GRI 303, 303-1
E3-3	Targets related to water and marine resources	SS: page 99	GRI 3, 3-3; GRI 303, 303-1
E3-4	Water consumption	SS: page 100	GRI 303, 303-3; GRI 303, 303-4; GRI 303, 303-5
E3-5	Anticipated financial effects from material water and marine resources-related risks and opportunities	Not disclosed in 2025	

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

CSRD INDEX

ENVIRONMENTAL STANDARDS

ESRS E4 – Biodiversity and ecosystems

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	SS: page 101	GRI 3, 3-3
E4-2	Policies related to biodiversity and ecosystems	SS: page 101	Several
E4-3	Actions and resources related to biodiversity and ecosystems	SS: pages 101-102	GRI 3, 3-3; GRI 304, 304-3
E4-4	Targets related to biodiversity and ecosystems	SS: page 103	GRI 3, 3-3; GRI 304, 304-3
E4-5	Impact metrics related to biodiversity and ecosystems change	SS: page 103	GRI 3, 3-3; GRI 304, 304-1; GRI 304, 304-2; GRI 304, 304-4
E4-6	Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities	Not disclosed in 2025	

ESRS E5 – Resource use and circular economy

E5-1	Policies related to resource use and circular economy	SS: page 104	GRI 3, 3-3
E5-2	Actions and resources related to resource use and circular economy	SS: page 104	GRI 3, 3-3; GRI 306, 306-2
E5-3	Targets related to resource use and circular economy	SS: page 105	GRI 3, 3-3
E5-4	Resource inflows	SS: page 105	GRI 301, 301-1; GRI 301, 301-2; GRI 306, 306-1
E5-5	Resource outflows	SS: page 106	GRI 306, 306-2; GRI 306, 306-3; GRI 306, 306-4; GRI 306, 306-5
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	Not disclosed in 2025	

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

CSRD INDEX

SOCIAL STANDARDS

ESRS S1 – Own workforce

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
S1-1	Policies related to own workforce	SS: pages 118–119	GRI 2, 2-23; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 403, 403-1; GRI 403, 403-3; GRI 404, 404-2; GRI 408, 408-1; GRI 409, 409-1
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	SS: page 119	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SS: page 119	GRI 2, 2-25; GRI 2, 2-26; GRI 403, 403-2
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS: pages 119-120	GRI 2, 2-24; GRI 3, 3-3; GRI 203, 203-2; GRI 403, 403-9; GRI 403, 403-10
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS: page 120	GRI 3, 3-3
S1-6	Characteristics of the undertaking's employees	SS: pages 120-121	GRI 2, 2-7; GRI 401, 401-1; GRI 405, 405-1
S1-7	Characteristics of non-employees in the undertaking's own workforce	SS: pages 120-121	GRI 2, 2-8
S1-8	Collective bargaining coverage and social dialogue	SS: page 122	GRI 2, 2-30
S1-9	Diversity metrics	SS: page 122	GRI 405, 405-1
S1-10	Adequate wages	Not disclosed in 2025	GRI 202, 202-1
S1-11	Social protection	SS: page 123	GRI 401, 401-2
S1-12	Persons with disabilities	Not disclosed in 2025	GRI 405, 405-1
S1-13	Training and skills development metrics	SS: page 123	GRI 404, 404-1; GRI 404, 404-3
S1-14	Health and safety metrics	SS: page 124	GRI 403, 403-8; GRI 403, 403-9; GRI 403, 403-10
S1-15	Work-life balance metrics	Not disclosed in 2025	GRI 401, 401-3
S1-16	Remuneration metrics (pay gap and total remuneration)	SS: page 125	GRI 2, 2-21; GRI 405, 405-2
S1-17	Incidents, complaints and severe human rights impacts	SS: page 125	GRI 2, 2-25; GRI 2, 2-27; GRI 3, 3-3; GRI 406, 406-1

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

CSRD INDEX

SOCIAL STANDARDS

ESRS S2 – Workers in the value chain

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
S2-1	Policies related to value chain workers	SS: page 126	GRI 2, 2-23; GRI 2, 2-24; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 408, 408-1; GRI 409, 409-1
S2-2	Processes for engaging with value chain workers about impacts	SS: page 126	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SS: page 126	GRI 2, 2-25; GRI 2, 2-26; GRI 2, 2-29; GRI 3, 3-3
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SS: page 126	GRI 2, 2-24; GRI 2, 2-25; GRI 203, 203-2; GRI 3, 3-3; GRI 203, 203-2; GRI 204, 1.1; GRI 403, 403-7
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS: page 126	GRI 3, 3-3

ESRS S3 – Affected communities

S3-1	Policies related to affected communities	SS: page 127	GRI 2, 2-23; GRI 2, 2-25; GRI 2, 2-29; GRI 3, 3-3; GRI 411, 411-1
S3-2	Processes for engaging with affected communities about impacts	SS: page 127	GRI 2, 2-12; GRI 2, 2-29; GRI 3, 3-3
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	SS: page 127	GRI 2, 2-25; GRI 2, 2-26; GRI 3, 3-3
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	SS: pages 128	GRI 2, 2-24; GRI 2, 2-25; GRI 3, 3-3; GRI 203, 203-2; GRI 413, 413-1; GRI 411, 411-1
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS: page 128-129	GRI 3, 3-3

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

CSRD INDEX

GOVERNANCE STANDARDS

ESRS G1 – Business conduct

Disclosure requirements and incorporation by reference		Report location/website/omissions	GRI reference
G1-1	Business conduct policies and corporate culture	SS: page 130	GRI 2, 2-16; GRI 2, 2-23; GRI 2, 2-24; GRI 2, 2-26
G1-2	Management of relationships with suppliers	SS: page 131	GRI 3, 3-3; GRI 204, 1.1; GRI 308, 308-1; GRI 414, 414-1
G1-3	Prevention and detection of corruption and bribery	SS: page 132	GRI 2, 2-13; GRI 2, 2-16; GRI 2, 2-26; GRI 3, 3-3; GRI 205, 205-2; GRI 205, 1.2
G1-4	Incidents of corruption or bribery	SS: page 132	GRI 2, 2-27; GRI 3, 3-3; GRI 205, 205-3
G1-5	Political influence and lobbying activities	SS: page 132	GRI 2, 2-9; GRI 415, 415-1
G1-6	Payment practices	Not disclosed in 2025	

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) CONTENT INDEX

Holcim Ltd has reported in accordance with SASB Construction Materials Sustainability Accounting Standard for the period 1 January to 31 December 2025.

As of August 2022, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to maintaining, enhancing, and evolving the Sustainability Accounting Standards Board (SASB) Standards and encourages preparers to continue applying the SASB Standards. The SASB Standards guide the disclosure of financially material sustainability information by companies to their investors. SASB Standards identify the subset of environmental, social, and governance (ESG) issues most relevant to financial performance in 77 industries. The SASB Standards focus on financially material issues because their mission is to help businesses around the world report on the sustainability topics that matter most to their investors. Although a great deal of ESG and sustainability information is publicly disclosed, it can often be difficult to identify and assess which information is most useful for making finance-related decisions. SASB identifies financially material issues, which are the issues that are reasonably likely to impact the financial condition or operating performance of a company and are hence most important to investors.

The material issues identified by SASB for the Construction Materials sector are:

- GHG emissions
- Air quality
- Energy management
- Water management
- Waste and hazardous materials management
- Biodiversity impacts
- Workforce health and safety
- Product innovation
- Pricing integrity and transparency

SASB INDEX

SASB reference	Description	Page, comment, performance
Greenhouse gas emissions		
EM-CM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	SS: page 87
EM-CM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	SS: pages 18–33 SS: page 84
Air quality		
EM-CM-120a.1	Air emissions of the following pollutants: • NO_x (excluding N_2O) • SO_x • Particulate matter (Dust-PM_{10}) • Dioxins/furans • Volatile organic compounds (VOCs) • Polycyclic aromatic hydrocarbons (PAHs) • Heavy metals	SS: page 97 We report annually on all emissions, with the exception of polycyclic aromatic hydrocarbons (PAHs), in our Sustainability Statement. We report not only absolute emissions of these substances but also specific emissions per cementitious materials produced. The only PAH we consider material and measure is benzene, and this is measured as required by the Global Cement and Concrete Association. Our measurements of benzene emissions in 2025 were: Total benzene emissions (tons): 188 Specific benzene emissions: • Milligrams/ton clinker: 3.0
Energy management		
EM-CM-130a.1	Total energy consumed	SS: page 85
EM-CM-130a.1	Percentage grid electricity	SS: page 85
EM-CM-130a.1	Percentage alternative energy	SS: page 85
EM-CM-130a.1	Percentage renewable	SS: page 85
Water management		
EM-CM-140a.1	Total water withdrawn	SS: page 100 We report total water withdrawn for all segments excluding captive power plants.
EM-CM-140a.1	Total water consumed	SS: page 100
EM-CM-140a.1	Percentage in regions with High or Extremely High Baseline Water Stress	SS: page 100 We measure and report on the number of sites located in Medium-High to Extremely High water risk areas according to the WRI Aqueduct tool. The concept of water risk includes not only water stress but also water quality, regulatory, and reputational risks.

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report
FR: 2025 Financial Report

SASB INDEX

SASB reference	Description	Page, comment, performance
Waste management		
EM-CM-150a.1	• Amount of waste generated • Percentage hazardous • Percentage of recycled	SS: page 106
Biodiversity impacts		
EM-CM-160a.1	Description of environmental management policies and practices for active sites	SS: page 101
EM-CM-160a.2	Terrestrial acreage disturbed, percentage of impacted area restored	SS: page 103 • Total rehabilitated area was 7 545 ha • Total of area disturbed in 2025 was 19 673 ha • We do not currently disclose percentage of impacted area restored.
Workforce health and safety		
EM-CM-320a.1	• Total recordable incident rate (TRIR) • Near-miss frequency rate (NMFR) for direct employees and contract employees	SS: page 124 In our Sustainability Performance Report, we report TIFR and OIFR, which are calculated with a denominator of one million hours. TRIR employees – 0.7 (per 200,000 hours worked) TRIR contractors on-site – 0.4 (per 200,000 hours worked) NMFR employees and contractors – 4.5 (per 200,000 hours worked)
EM-CM-320a.2	Number of reported cases of silicosis	In 2025, we had 0 reported cases of silicosis.
Product innovation		
EM-CM-410a.1	Percentage of products that qualify for credits in sustainable building design and construction certifications (% sales by revenue)	We do not currently collect this specific information. However, we collect data on our portfolio of sustainable solutions, which in 2025 amounted to 34% of net sales. The largest contributor was low-carbon cements and concrete.
EM-CM-410a.2	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	We do not currently have this information.
Pricing integrity and transparency		
EM-CM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and antitrust activities	FR: pages 76–80 A detailed description of ongoing legal proceedings (including anti-competition) is provided.
Activity metric		
EM-CM-000.A	Production by major product line	SS: page 88 See “Products and solutions” table for details of production per product line.

ES: 2025 Annual Report Executive Summary
SS: 2025 Sustainability Statement
GR: 2025 Governance & Risk Report
CR: 2025 Compensation Report
FR: 2025 Financial Report

DISCLOSURES FOR SWISS CODE OF OBLIGATIONS

THE SUSTAINABILITY STATEMENT COMPRISES THE REPORT ON NON-FINANCIAL MATTERS IN ACCORDANCE WITH ART. 964B OF THE SWISS CODE OF OBLIGATIONS.

Sustainability is at the core of Holcim's business and is deeply embedded in its corporate strategy. For the second year, Holcim reported on non-financial matters pursuant to Art. 964b of the Swiss Code of Obligations. This Sustainability Statement covers environmental matters, in particular the CO_2 goals, social issues, employee-related issues, respect for human rights, and combating corruption. This report contains all information required to understand our performance, results, the state of our undertaking, and the effects of our activities on these non-financial matters.

ART. 964b CONTENT INDEX

Art. 964b content requirement	Section	Page reference
Description of the business model	• Four focused areas to accelerate sustainability More about Holcim's business model is available in the 2025 Annual Report Executive Summary	pages 7–8
Environmental matters, in particular CO_2 goals	• Leading partner for sustainable construction • Environmental disclosures ESRS E1–E5	pages 17–39 pages 72–106
Employee-related issues	• People • ESRS S1 - Own workforce	pages 40–47 pages 118–125
Social issues and respect for human rights	• Fostering positive social impact in local communities • Statement on due diligence • ESRS S3 - Affected communities	pages 48–50 pages 56–57 pages 127–129
Supply chain	• Statement on due diligence • Holcim value chain • ESRS S2 - Workers in the value chain	pages 56–57 pages 64–65 page 126
Combating corruption	• Governance • ESRS G1 - Business conduct	pages 54–71 pages 130–132
Material risks	• Double materiality assessment • Material impacts, risks and opportunities • Climate and nature risks and opportunities • Physical risks and scenario analysis	pages 61–63 pages 66–70 pages 72–79 pages 89–94
Non-financial performance indicators	• Basis for preparation • ESRS E1 – E5, S1 – S3, G1 • Assurance statement	pages 52–53 pages 72–132 pages 134–137

THE SUSTAINABILITY STATEMENT COMPRISES THE REPORT ON DUE DILIGENCE AND TRANSPARENCY IN RELATION TO MINERALS AND METALS FROM CONFLICT-AFFECTED AREAS AND CHILD LABOR IN ACCORDANCE WITH ART. 964J-L OF THE SWISS CODE OF OBLIGATIONS.

ART. 964 j-l CONTENT INDEX

Art. 964j-l content requirement	Section	Page reference
Child Labour	• Statement on Due Diligence	pages 56–57
Conflict Minerals	• Statement on Due Diligence	pages 56–57

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) ALIGNMENT

GOVERNANCE	**Board's oversight:** • "GOV-1 - The role of the administrative, management and supervisory bodies," page 54 • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management" > "Organization and governance" > "Board of Directors and committees," page 28 **Management's role:** • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management" > "Organization and governance," page 28.
STRATEGY	**Identified risks and opportunities:** • See "Climate-related risks and opportunities overview," pages 73–76 • See "Holcim physical risks overview," pages 89–90 **Impacts of risks and opportunities:** • See "Climate-related risks and opportunities overview,' pages 73–76 • See "Holcim physical risks overview," pages 89–90 **Scenario planning:** • See "Scenario analysis," pages 91–94
RISK MANAGEMENT	**Identifying and assessing** • See "Climate- and nature-related risks and opportunities" > "Risk and opportunity management principles," page 72 • See "Holcim physical risks overview," pages 89–90 **Managing and responding:** • See "Climate risks and opportunities overview," pages 73–76 • See "Holcim physical risks overview," pages 89–90 **Integration and alignment:** • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management," pages 28–37 • See "Climate- and nature-related risks and opportunities" > "Risk and opportunity management principles," page 72
METRICS AND TARGETS	**CO_2 metrics:** • See data tables, pages 87–88 **Detailed Scope 1, 2 and 3 metrics:** • See data tables, pages 87–88 **CO_2 targets:** • See targets table, page 84

TASK FORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD) ALIGNMENT

GOVERNANCE	**Board's oversight:** • Refer to "GOV-1 - The role of the administrative, management and supervisory bodies," page 54 • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management" > "Organization and governance" > "Board of Directors and committees," page 28 **Management's role:** • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management" > "Organization and governance," pages 28-30 **Human rights and communities:** • See "Upholding human rights," page 49
STRATEGY	**Identified risks and opportunities:** • See "Nature-related risks and opportunities overview," pages 77–79 • See "Holcim physical risks overview," pages 89–90 **Effects of risks and opportunities:** • See "Nature-related risks and opportunities overview," pages 77–79 • See "Holcim physical risks overview," pages 89–90 **Scenario planning:** • See "Scenario analysis," pages 91-94 **Assets and activities in priority locations:** • See data tables, page 103
RISK AND IMPACT MANAGEMENT	**Identifying and assessing (own operations):** • See "Holcim value chain," pages 65-64 • See "Climate- and nature-related risks and opportunities" > "Risk and opportunity management principles," page 72 **Identifying and assessing (upstream and downstream):** • See "Holcim value chain," pages 65-64 • See "Climate and nature-related risks and opportunities" > "Risk and opportunity management principles," page 72 **Managing and responding:** • See "Holcim nature risks and opportunities overview," pages 77-79 • See "Holcim physical risks overview," pages 89-90 **Integration and alignment:** • See the 2025 Governance & Risk Report, "Holcim's enterprise risk management," pages 28-30 • See "Climate- and nature-related risks and opportunities" > "Risk and opportunity management principles," page 72
METRICS AND TARGETS	**Metrics for risks and opportunities:** • See "Climate- and nature-related risks and opportunities," pages 73-79 • See data tables, pages 100 and 103 **Metrics for dependencies and impacts on nature:** • See data tables, pages 100 and 103 **Targets and goals:** • See data tables, pages 99 and 103

SUSTAINABILITY GLOSSARY

Unit key		
NR – Not reported	Mt – million tons	Mm^3 – million cubic meters
kg CO_2/t – kilograms of carbon dioxide per ton	ton – metric ton	L/t – liters per ton
M GJ – million gigajoules	g – grams	L/m^3 – liters per cubic meter
MJ/t – million joules per ton	g/t – grams per ton	ha – hectares
CHF – Swiss francs	mg/t – milligrams per ton	km – kilometers
CHF m – million Swiss francs	# – number	% – percentage

GENERAL

Aggregates
Quarried materials (crushed stone, gravel and sand) are the main component by volume of concrete. Aggregates are mainly used in the following construction sectors: manufacture of ready-mix concrete, concrete goods and asphalt as well as for roadbeds and railway fundaments.

Alternative fuels
To reduce the carbon intensity of our cement, alternative fuels are used to replace fossil fuels. Alternative fuels include biomass and other sources of non-recyclable waste.

Alternative raw materials
Materials, usually from industrial sources such as wastes or by-products of other industries, to substitute quarried natural raw materials.

Calcined clay
Calcined clay is natural clay that has been heated to make it reactive with cement. The calcined clay production process is much less CO_2 intensive than clinker production.

CCUS (Carbon Capture Utilization and Storage)
Carbon capture, utilization and storage (CCUS), describes processes that capture CO_2 emissions from industrial sources and either reuses or stores it so it will not enter the atmosphere.

Cement
Cement is a hydraulic binder, i.e. a finely ground inorganic material that sets and hardens by chemical interaction with water. It acts as the binding agent when mixed with aggregates and water to make concrete.

Cementitious materials
A substance which when mixed with water forms a paste that subsequently sets and hardens at room temperature. Cementitious materials is calculated as the sum of clinker production volumes, mineral components consumed in cement production, and mineral components processed and sold externally.

Clinker
Clinker is a intermediate material produced by mixing raw materials, primarily limestone and clay, in a kiln at a temperature of approximately 1450 °C. It is the basic ingredient of cement, the one which confers hydraulic properties to cement.

Clinker factor
The percentage of clinker in cement.

Concrete
Concrete is a building material, the most man-made used substance after water. Concrete is made of cement, sand, aggregates, water and admixtures.

Fossil fuels
Non-renewable carbon-based fuels traditionally used by the cement industry.

Kiln
Large industrial oven for producing clinker used in the manufacture of cement.

Mineral components (MIC)
Cement constituents which are not derived from clinker production. They include construction demolition materials, calcined clay, blast furnace slag, fly ash, natural pozzolan and limestone.

Ordinary Portland cement (OPC)
Cement that consists of approximately 95% ground clinker and 5% gypsum.

Ready-mix concrete (RMX)
Concrete that is produced in a ready-mix concrete site and transported to the building site using ready-mix trucks.

Recycled aggregates
Recycled aggregates come from reprocessing materials that have previously been used in construction.

Sustainable procurement

A purchasing process that looks beyond the traditional economic parameters (price, quality, availability, functionality) and includes the life cycle of products, environmental aspects and social aspects, as an integral part of sourcing decisions.

Thermal substitution rate (TSR)

Thermal substitution rate (TSR) corresponds to the relation of thermal energy consumption of alternative fuels to the total amount of thermal energy consumption in the cement kiln system.

CLIMATE AND ENERGY

Gross Scope 1 CO_2 emissions

These are the CO_2 emissions from the raw material calcination process and the combustion of kiln and non-kiln fuels, excluding emissions from pure biomass and biogenic CO_2 content of mixed fuels.

Net Scope 1 CO_2 emissions

Net emissions equal gross emissions minus emissions from alternative fuels and non-biogenic CO_2 content of mixed fuels.

Energy attribute certificates

Energy Attribute Certificates (EACs) are instruments used to track and claim the environmental attributes of power generation. Each EAC represents 1 MWh of clean energy produced and added to the grid.

Power purchase agreements (PPAs)

PPAs are long-term electricity supply contracts between Holcim, as a corporate buyer, and renewable power suppliers. They typically specify pricing, electricity quantities, and renewable sources.

POLLUTION

NOx

A generic term for the nitrogen oxides that are most relevant for air pollution, namely nitric oxide (NO) and nitrogen dioxide (NO_2). NOx is formed in the combustion of nitrogen contained in the fuels as well as in conditions where nitrogen and oxygen are present at high temperatures as is the case in cement kilns.

SO_2

Sulfur dioxide. It is released naturally by volcanic activity and is also produced as a by-product of the burning of fossil fuels or natural raw materials containing sulfur compounds.

VOC

Volatile Organic Compounds. These are organic chemicals that have a high vapor pressure at ordinary room temperature. Their high vapor pressure results from a low boiling point, which causes large numbers of molecules to evaporate or sublimate from the liquid or solid form of the compound and enter the surrounding air, a trait known as volatility.

NATURE

Freshwater withdrawal

This is the total volume of Surface water, Groundwater, Municipal or third party freshwater and quarry freshwater withdrawn by the site.The constituent content of freshwater shall be defined by local regulations.

In the absence of local regulations, a limit of 1000 mg/l of Total Dissolved Solids (TDS) recommended by the World Health Organisation is the gauge for categorising fresh and non-fresh water.

Water risk areas

We measure and report on the percentage of sites located in medium-high to extremely high water risk areas according to the WRI Aqueduct tool. The concept of water risk includes not only water stress but also water quality, regulatory, and reputational risks.

Biodiversity indicator reporting system (BIRS)

Holcim worked in partnership with the International Union for the Conservation of Nature (IUCN) to develop a methodology to measure our biodiversity level. This tool is called the Biodiversity Indicator Reporting System (BIRS).

Biodiversity importance

Quarries with biodiversity importance are defined according to categorizations introduced in 2018 following Fauna & Flora recommendations.

RESOURCE USE AND CIRCULAR ECONOMY

Construction demolition materials (CDM)

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

Waste derived resources

Waste derived resources is the sum of all waste raw materials and fuels consumed in the production processes as well as recycled materials processed sold externally. This includes alternative raw materials, alternative fuels, industrial mineral components, returned concrete, recycled aggregates and asphalt. Construction demolition materials are included in waste derived resources.

Hazardous waste

Hazardous waste comprises all forms of solid or liquid waste (excluding wastewater) as defined by the legislation in the country in which a site operates.

Non-hazardous waste

Non-hazardous waste comprises all forms of solid or liquid waste (excluding wastewater) as defined by the legislation in the country in which a site operates.

SUSTAINABLE CONSTRUCTION

Sustainable construction

Sustainable construction refers to the practice of designing, constructing, operating, maintaining and demolishing buildings and infrastructure in a way that minimises negative environmental impact.

Sustainable construction also aims to create a positive impact by regenerating the environment, conserving natural resources and enhancing the well-being of people and communities.

Environmental product declaration (EPD)

EPDs are 3rd party verified sustainability report cards for products and materials providing life cycle information on environmental impact categories.

Green building label

A rating scheme which assesses a construction's performance against environmental, social and economic criteria. Typically, the holistic performance is aggregated in rating like 'Gold', 'Silver', 'Bronze'.

Leading Green Building Labels include LEED, Green Star, BREEA , IGBC, EDGE .

ECOPact

ECOPact is Holcim's low-carbon concrete product range that delivers equal or better performance than conventional concrete and has at least 30% lower CO_2 emissions compared to a local concrete using Ordinary Portland Cement (OPC, alternatively known as CEM I) in the same strength class.

ECOPlanet

ECOPlanet is Holcim's range of low-carbon cement that delivers equal or better performance than conventional cement and has at least at 30% lower CO_2 emissions compared to Ordinary Portland Cement (OPC, alternatively known as CEM I).

ECOCycle

ECOCycle is Holcim's proprietary circular technology. ECOCycle solutions guarantee a content of minimum 10% up to 100% recycled construction demolition materials – with no compromise on quality and performance, cutting across applications from filler for road construction to replacing virgin aggregates in concrete all the way to serving as a decarbonized formulation in cement.

HEALTH AND SAFETY

Lost time injury (LTI)

A work-related injury, after which the affected person cannot work for at least one full shift or full working day any time after the shift or day on which the incident causing the work-related injury occurred, regardless of whether such person is scheduled to work.

Lost time injury frequency rate (LTIFR)

The number of lost time injuries (LTI) per million hours worked.

Occupational illness

A condition or disorder not resulting from an injury, but caused by exposure to environmental factors associated with a person's job or employment.

Occupational illness frequency rate (OIFR)

The number of Occupational Illnesses (OI) per million hours worked.

Occupational injury

Injury resulting from a work-related accident/incident or from a single exposure occurring within, and attributable to the work environment.

Total injury frequency rate (TIFR)

The number of injuries per million hours worked.

It includes any injuries causing death, lost time, modified work duty and injuries resulting in medical treatment. TIFR doesn't include first aid.

HUMAN RIGHTS AND SOCIAL IMPACT

Contribution to create positive social impact

Any initiatives Holcim puts in place to address social issues and to contribute to society that are not primarily motivated by generating a direct financial return to the Group's business such as but not limited to housing & infrastructure, health, education & skills, environment, cultural and recreational.

Human rights impact assessment (HRIA)

A HRIA is conducted with a risk mapping workshop for the full local Exco team. This is followed by consultations at sites with a broad range of stakeholders, including employees, contractors, trades unions, community members, local authorities, and NGOs. The prioritized recommendations are presented to the country CEO and a detailed local action plan is developed.

Human rights self-assessment (HRSA)

An internal process undertaken by a Group company to identify social risks and opportunities. These risks are prioritized and action plans developed and monitored to address any issues arising.

Stakeholder engagement plan (SEP)

A SEP is a structured plan typically developed in collaboration with local stakeholders, which include representatives from local government, associations, schools, and local NGOs. It aims to build and maintain constructive relationships at operational sites.

These stakeholders normally also participate in our Community Advisory Panels (CAPs), local platforms for dialogue provided by Holcim where community representatives discuss project ideas, address conflicts, or voice concerns

OWN WORKFORCE

Employees (FTE)

Employees (FTE) is the number of full-time equivalent personnel employed by the company.

Employees (headcount)

Employees (headcount) refers to the number of individuals on Holcim's payroll with an active employment contract during the reference time period, irrespective of employment contract type (full-time, part-time, student contracts, trainees, apprentices, and interns), as well as employees on garden leave, maternity/parental leave and sick leave.

Employee turnover

The number of employees leaving the organization in the reporting period as a percentage of employees at year end.

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. 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*

PHOTO CREDITS

Page 5: Zaha Hadid Architects
Page 6: Hufton + Crow
Page 8: ZinCo
Page 9: Hufton + Crow
Page 28: Gravis Robotics, SaltX, Paebbl
Page 37 and 39: World Economic Forum
Page 132: Metro Tunnel Project Office
Page 138: Krzysztof

IMPRINT

Concept/design/realization:
Created with Workiva platform
Linkgroup AG (*linkgroup.ch)*

Holcim Ltd
Grafenauweg 10
6300 Zug
Switzerland

holcim.com

2025 GOVERNANCE & RISK REPORT



2025 Integrated Annual Reporting Suite

HOLCIM



Mohammed VI Tower in Rabat, Morocco
Built with ECOPlanet inside

CONTENTS

CORPORATE GOVERNANCE REPORT
03 Group structure and shareholders
04 Capital structure

BOARD OF DIRECTORS
05 Board of Directors and committees
06 Composition of Board of Directors and succession planning
07 Board expertise
08 Board of Directors committees
10 Board of Directors and committee attendance
10 Corporate governance framework
12 Board of Directors biographies

EXECUTIVE COMMITTEE
17 Composition of the Executive Committee
18 Executive Committee biographies

SHAREHOLDERS AND OTHER GOVERNANCE MATTERS
23 Shareholders' participation
24 Auditors
25 Other governance information

COMPLIANCE PROGRAM
26 Compliance program

RISK REPORT
28 Holcim's enterprise risk management
30 Overview of Holcim's risks

INTEGRATED ANNUAL REPORTING SUITE









HOLCIM 2025 INTEGRATED ANNUAL REPORT WEBSITE

Cover image:
European Patent Office
Built with ECOPact and ECOCycle inside

CORPORATE GOVERNANCE REPORT

Holcim applies the highest possible standards of corporate governance to create long-term value for its stakeholders, from customers and investors to suppliers and communities.

Preliminary remarks

The ultimate goal of effective corporate governance is long-term value creation and the strengthening Holcim's reputation. This includes continuous improvement of decision-making processes and management systems through legal, organizational, and ethical directives and terms of reference, as well as measures to enhance transparency.

Compliance with internal as well as external laws and regulations, early recognition of business risks, social responsibility for stakeholder groups, and open communication on all relevant issues are among Holcim's principles.

The Holcim Code of Ethics, which replaced the Code of Business Conduct as of 1 January 2026, is binding for the entire Group and forms part of our internal regulations. For further information in relation to Holcim's comprehensive risk-based compliance program, please refer to pages 26–27 in this report.

The information published in this chapter conforms to the Directive on Information relating to corporate governance of the SIX Swiss Exchange (SIX) and the disclosure rules of the Swiss Code of Obligations. In the interest of clarity, reference is made to other parts of the Annual Report or, for example, to the Group's website: *holcim.com*

Except where otherwise indicated, this Annual Report reflects the legal situation as of 31 December 2025.

Group structure and shareholders

The holding company Holcim Ltd was established under the laws of Switzerland for an indefinite period. Its registered office is in Zug (Canton of Zug, Switzerland). It has direct and indirect interests in all companies listed on pages 20-22 of Holcim's 2025 Financial Report, part of the 2025 Integrated Annual Reporting Suite.

The Group is organized by segments. The management structure as of 31 December 2025 is described in this chapter.

To Holcim's knowledge, Holcim Ltd has no mutual cross-holdings with any other company. To Holcim's knowledge, there are neither shareholders' agreements nor other agreements regarding voting or the holding of Holcim shares.

More detailed information on the business review, Group structure, and shareholders can be found on the following pages of the 2025 Integrated Annual Report.

FURTHER DETAILS:

- **Review of the Group performance pages 15–18 and regional performance pages 30–35 in 2025 Annual Report Executive Summary**
- **Principal companies pages 20-22 of the 2025 Financial Report**
- **Information about Holcim Ltd and listed Group companies page 22 of the 2025 Financial Report**
- **Information on significant shareholders page 95 of the 2025 Financial Report**

Capital structure

Holcim has one uniform type of registered share in order to comply with international capital market requirements in terms of an open, transparent, and modern capital structure and to enhance attractiveness, particularly for institutional investors.

Share capital

As of 31 December 2025, the nominal, fully paid-in share capital of Holcim amounted to CHF 1 133 751 026. The share capital is divided into 566 875 513 registered shares, each with a nominal value of CHF 2.00.

Conditional share capital

The share capital may be increased by a nominal amount of CHF 2 844 700 through the issuance of a maximum of 1 422 350 fully paid-in registered shares, each with a par value of CHF 2.00 (as of 31 December 2025). The conditional capital may be used for exercising conversion rights and/or warrants relating to bonds or similar debt instruments of the company or one of its Group companies. The subscription rights of the shareholders will be excluded. The current owners of conversion rights and/or warrants will be entitled to subscribe for the new shares. The acquisition of shares through the exercise of conversion rights and/or warrants and each subsequent transfer of the shares will be subject to the restrictions set out in the Articles of Incorporation. As of 31 December 2025, no bonds or similar debt instruments of the company or one of its Group companies were outstanding that would give rise to conversion rights or warrants related to the conditional capital. Therefore, in the year under review, no conversion rights or warrants were exercised.

Further information on conversion rights and/or warrants and applicable conditions can be found in Holcim's Articles of Incorporation at: *holcim.com/articles-incorporation*

Authorized share capital/Certificates of participation

As of 31 December 2025, neither authorized share capital nor certificates of participation were outstanding.

Changes in share capital /Articles of Incorporation

At Holcim's Annual General Meeting, which was held on 14 May 2025, the shareholders approved the cancellation of 12 249 093 registered shares which were bought back by Holcim under the share buyback program announced in March 2024 and completed in December 2024. Art. 3 of Holcim's Articles of Incorporation has been amended accordingly.

FURTHER DETAILS:

- **Articles of Incorporation of Holcim Ltd**
- **Code of Ethics (has replaced Code of Business Conduct since 1 January 2026)**
- **Changes in Holcim equity pages 6–7 of the 2025 Financial Report (information for the year 2023 is included in the 2024 Financial Report, pages 268–269)**
- **Detailed information on conditional capital. Articles of Incorporation: Art. 3bis**
- **Key data registered shares, page 58 of the 2025 Annual Report Executive Summary**
- **Rights pertaining to the shares. Articles of Incorporation: Art. 6, 9, 10**
- **Regulations on transferability of shares and nominee registration. Articles of Incorporation: Art. 4, 5**
- **Options, pages 66-73 in the 2025 Financial Report**

BOARD OF DIRECTORS AND COMMITTEES

The Board of Directors currently consists of 10 members, all of whom are independent.

Independence is defined in line with Swiss best corporate governance standards. A member of the Board of Directors shall be considered independent if the member is not and has not been employed as a member of the Executive Committee at the company or any of its principal subsidiaries for the past three years or as employee or affiliate of the auditors of Holcim for the past two years and does not, in the sole determination of the Board of Directors, maintain a material direct or indirect business relationship with the company or any of its subsidiaries. Members of the Board of Directors with immediate family members who would not qualify as independent shall not be considered independent, subject to a three-year cooling-off period.

Please see pages 12–16 of this report for the biographical information of the members of the Board of Directors as of 31 December 2025.

At Holcim's Annual General Meeting on 14 May 2025, Jan Jenisch, Hanne B. Sørensen, and Jürg Oleas did not stand for re-election. The shareholders elected Adolfo Orive and Sven Schneider as new members of the Board of Directors. The shareholders re-elected eight members of the Board of Directors and elected Kim Fausing as Chairman of the Board of Directors.

The shareholders confirmed the re-election of three members of the Nomination, Compensation & Governance Committee, and Leanne Geale was newly elected to the Nomination, Compensation & Governance Committee.

New members of the Board of Directors are required to participate in an induction program, which includes on-site visits to Holcim plants and customer construction sites, where they are introduced in detail to the company's areas of business and where they become familiar with the organizational structure, strategic plans, and other important matters relating to the governance of the company.

The Board of Directors meets as often as business requires, but at least four times a year.

In 2025, six ordinary meetings and three extraordinary meetings were held. One additional meeting focused on strategy topics. As a rule, the members of the Executive Committee attended those parts of the regular meetings of the Board of Directors which dealt with operational issues relating to their areas of responsibility. In addition, selected members of senior management were invited by the respective chairpersons to attend the meetings of the Board of Directors or its committees. The average duration of the ordinary meetings of the Board of Directors was five hours and 55 minutes.

Elections and terms of office

All members of the Board of Directors, the Chairman of the Board of Directors, and all members of the Nomination, Compensation & Governance Committee are elected annually and individually as a matter of law by the shareholders at the Annual General Meeting. They may be proposed for re-election by the Board of Directors upon motion by the Nomination, Compensation & Governance Committee. The Nomination, Compensation & Governance Committee bases its motion on a review of the overall performance of each candidate.

No member of the Board of Directors shall serve on the Board of Directors for more than 12 years. In addition, it is expected that members of the Board of Directors will offer their resignation at the ordinary General Meeting following their 72nd birthday. The Board of Directors may provide for exceptions to this rule in individual cases under special circumstances, and if this is in the best interest of Holcim.

Composition of Board of Directors and succession planning

Succession planning is a high priority for the Board of Directors. The Nomination, Compensation & Governance Committee regularly considers the composition of the Board of Directors as a whole as well as staffing for the Committees.

With regard to the composition of the Board of Directors, the Nomination, Compensation & Governance Committee considers diversity (including but not limited to origin, domicile, gender, age, and professional background), and such other factors necessary for the Board of Directors to fulfil its responsibilities. The Nomination, Compensation & Governance Committee also considers the other activities and commitments of proposed members of the Board of Directors to ensure that they will have sufficient time to dedicate to the role of member of the Board of Directors of Holcim.

Board refreshment process

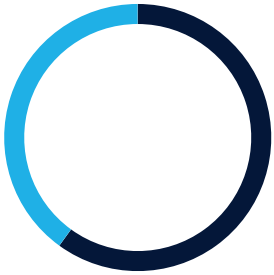
The Board of Directors begins the evaluation of potential new members in a timely manner. A search for new Board members is initiated – usually with the support of a professional executive search company – with precise selection criteria.

Candidates are interviewed by the Chairman of the Board of Directors, the Chairwoman and members of the Nomination, Compensation & Governance Committee, and other members of the Board of Directors. The Nomination, Compensation & Governance Committee makes a recommendation to the Board of Directors, which then decides on the proposal to the Annual General Meeting for election.

WELL-BALANCED BOARD OF DIRECTORS

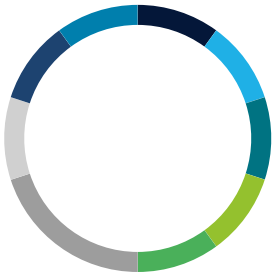
The current composition of the Board of Directors is well balanced in terms of diversity, nationality, cultural background, and tenure.

TENURE YEARS



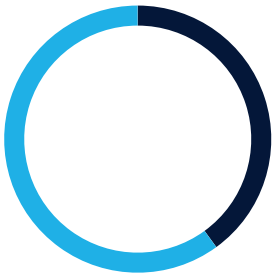
<5	60%
5 to 10	40%

NATIONALITY



American	10%
Belgian	10%
Brazilian	10%
Canadian	10%
Danish	10%
German	20%
Indian	10%
Mexican	10%
Swiss	10%

GENDER



Female	40%
Male	60%

BOARD REFRESHMENT PROCESS STEPS



BOARD EXPERTISE

The Board of Directors covers the following experience, skills, and knowledge, adding up to a well-balanced and diverse skill set on the company's Board of Directors in line with Holcim's strategic ambitions.

Environment, Social, and Governance, including Climate Change	90.0%
Risk Management	90.0%
CEO Experience	70.0%
M&A, Large Transactions/Transformation	70.0%
HR/Remuneration	70.0%
Technology	70.0%
Energy/Commodity	50.0%
Operations	50.0%
Finance (CFA charter or equivalent)	50.0%
Regulatory/Governance	50.0%
Marketing	40.0%
Construction/Building Materials	30.0%
Logistics	30.0%
AI and cyber security	10.0%

Board of Directors and committee performance and effectiveness evaluation

According to Paragraph 4 of the company's Organizational Rules (*holcim.com/organizational-rules)*, the Board of Directors conducts annual self-assessments to evaluate the performance and operational effectiveness of the Board of Directors and its committees. This includes confidential feedback based on anonymous questionnaires and individual interviews with each member of the Board of Directors, which are conducted by the Chairman of the Board of Directors and the Chairwoman of the Nomination, Compensation & Governance Committee. This assessment covers topics including size/composition of the Board of Directors, qualifications, meeting cycle, allocation of tasks between the Board of Directors and its committees, processes, governance, meetings, pre-reading materials, effectiveness, leadership, and culture. In addition, each committee reviews the adequacy of its composition, organization, and processes, as well as the scope of its responsibilities, and evaluates its own performance. The main issues identified are then presented and discussed to ensure the continued effectiveness of the Board of Directors and its committees.

Honorary Chairman

After Thomas Schmidheiny retired from the Board of Directors at the Annual General Meeting of 8 May 2018, the Board of Directors decided to name Thomas Schmidheiny Honorary Chairman of the Group in recognition of his many years of service to Holcim. The Honorary Chairman may participate in the meetings of the Board of Directors as a guest.

As of 31 December 2025, the members of Holcim's Board of Directors served on the following expert committees:

AUDIT COMMITTEE (AC)
Naina Lal Kidwai (Chairwoman)
Ilias Läber
Michael H. McGarry
Sven Schneider

NOMINATION, COMPENSATION & GOVERNANCE COMMITTEE (NCGC)
Claudia Sender Ramirez (Chairwoman)
Leanne Geale
Ilias Läber
Michael H. McGarry

The Audit Committee assists and advises the Board of Directors in conducting its supervisory duties with respect to the internal control systems. It examines the reporting prepared for the attention of the Board of Directors and evaluates the Group's external and internal audit procedures, reviews the risk management systems of the Group, and assesses financing issues.

All members are independent to ensure the necessary degree of objectivity required for an Audit Committee. The Audit Committee is chaired by a person who has the necessary experience in financial matters.

In 2025, four ordinary meetings of the Audit Committee were held. The average duration of the ordinary meetings was two hours and 38 minutes.

In 2025, the Audit Committee reviewed, in particular, the Group's financial reporting, quarterly results releases, the external auditors' findings, the Code of Ethics, and the progress on the full capital market separation of the North American business.

The Audit Committee took note of the status of the internal control system (ICS), discussed the findings of Group Internal Audit, dealt with compliance and internal guidelines, and evaluated financing topics. The Audit Committee evaluated the performance of the external auditors and their fees.

The charter of the Audit Committee is available at: *holcim.com/regulations-and-reporting*

The Nomination, Compensation & Governance Committee supports the Board of Directors in planning and preparing succession at the Board of Directors and senior management level. It monitors developments with regard to corporate governance and compensation for the Board of Directors and Executive Committee, and briefs the Board of Directors accordingly.

The Nomination, Compensation & Governance Committee advises the Board of Directors on the compensation policy for the Board of Directors and for the Executive Committee as well as on the proposal by the Board of Directors to the Annual General Meeting on the total compensation of the Board of Directors and the Executive Committee.

The Nomination, Compensation & Governance Committee proposes the objectives for the long-term incentive plans, which, alongside financial metrics, includes metrics related to the reduction of CO_2 emissions, increase in construction demolition materials, and reduction in freshwater withdrawal for cementitious materials. These objectives are then approved by the Board of Directors. In 2025, the Nomination, Compensation & Governance Committee also reviewed compensation policies and governance related to the spin-off of the North American business.

In 2025, the Nomination, Compensation & Governance Committee held four ordinary meetings. The average duration of the ordinary meetings was two hours and 11 minutes.

More details on the activities of the Nomination, Compensation & Governance Committee, in particular with regard to the process of determining compensation, can be found in the 2025 Compensation Report, starting on page 6.

The charter of the Nomination, Compensation & Governance Committee is available at: *holcim.com/regulations-and-reporting*

HEALTH, SAFETY & SUSTAINABILITY COMMITTEE (HSSC)
Philippe Block (Chairman)
Leanne Geale
Catrin Hinkel
Naina Lal Kidwai
Adolfo Orive

The Health, Safety & Sustainability Committee supports and advises the Board of Directors on the development and promotion of a healthy and safe environment for employees and contractors as well as on sustainability and social responsibility.

For information on the structure, role, and responsibilities of the Health, Safety & Sustainability Committee pertaining to the risks and opportunities around sustainability, including climate change, please see page 54 of the 2025 Sustainability Statement.

In 2025, the Health, Safety & Sustainability Committee held four ordinary meetings. The average duration of the meetings was one hour and 41 minutes.

In 2025, the topics discussed by the Health, Safety & Sustainability Committee included:

- Health, safety, and environment KPIs and focus areas, in particular root causes of fatalities and strategic initiatives to reduce air emissions.
- Sustainability focus areas and ESG strategy including:
  - The Group's fourth Climate Report, presented at the 2025 AGM, receiving 89.75% approval by shareholders.
  - Launch of one of the sector's most ambitious decarbonization roadmaps in Europe, including eight carbon capture, utilization, and storage (CCUS) projects that have received significant grants from the EU Innovation Fund.
  - Nature roadmaps for each country to reduce freshwater use and make a science-based, measurable positive impact on biodiversity.
  - Holcim named by the Science Based Targets Network (SBTN) as one of the first three companies globally to adopt science-based targets for nature.
  - People roadmaps for each country to meet social initiatives, targets, human rights assessments, and affordable housing programs.
- Holcim's response to adverse events – mainly geopolitical events, pandemic/epidemic outbreaks, natural disasters.
- Security & Resilience program, in particular the updated governance and key performance indicators.

The charter of the Health, Safety & Sustainability Committee is available at: *holcim.com/regulations-and-reporting*

Climate governance, read more on page 54 of the 2025 Sustainability Statement

BOARD OF DIRECTORS AND COMMITTEE ATTENDANCE AT SCHEDULED ORDINARY MEETINGS

Board member	Position	Number of Board of Directors meetings attended: Ordinary (incl. strategy meeting)	Number of Board of Directors meetings attended: Extraordinary	Number of Audit Committee meetings attended	Number of Nomination, Compensation & Governance Committee meetings attended	Number of Health, Safety & Sustainability Committee meetings attended
Kim Fausing[1]	Chairman	6/6	3/3	1/2	–	–
Jan Jenisch[2]	Chairman (former)	2/2	1/1	–	–	–
Hanne B. Sørensen[3]	Vice-Chairwoman and Lead Independent Director (former)	1/2	1/1	–	1/1	–
Philippe Block	Member	6/6	3/3	–	–	4/4
Leanne Geale[4]	Member	6/6	3/3	–	3/3	4/4
Catrin Hinkel	Member	6/6	2/3	–	–	3/4
Naina Lal Kidwai	Member	6/6	3/3	4/4	–	4/4
Ilias Läber	Member	6/6	3/3	4/4	4/4	–
Michael H. McGarry[5]	Member	6/6	3/3	2/2	4/4	–
Jürg Oleas[6]	Member (former)	2/2	1/1	2/2	1/1	–
Adolfo Orive[7]	Member	4/4	2/2	–	–	2/2
Sven Schneider[8]	Member	3/4	2/2	2/2	–	–
Claudia Sender Ramirez[9]	Member	6/6	3/3	–	4/4	2/2

[1] Chairman as of the 2025 Annual General Meeting and member of the Audit Committee until 14 May 2025. His attendance at the Audit Committee meeting is for the period until 14 May 2025. Although the Chairman is not formally a member of the committees, he regularly attends as a guest.
[2] Chairman until the 2025 Annual General Meeting.
[3] Member of the Board of Directors, Vice-Chairwoman, Lead Independent Director, and Chairwoman of the Nomination, Compensation & Governance Committee until the 2025 Annual General Meeting.
[4] Member of the Nomination, Compensation & Governance Committee as of the 2025 Annual General Meeting.
[5] Member of the Audit Committee as of 14 May 2025.
[6] Member of the Board of Directors and member of the Audit and Nomination, Compensation & Governance Committees until the 2025 Annual General Meeting.
[7] Member of the Board of Directors as of the 2025 Annual General Meeting and member of the Health, Safety & Sustainability Committee.
[8] Member of the Board of Directors as of the 2025 Annual General Meeting and member of the Audit Committee.
[9] Chairwoman of the Nomination, Compensation & Governance Committee as of 14 May 2025 and member of the Health, Safety & Sustainability Committee until 14 May 2025.

Corporate Governance Framework

Organizational Rules/areas of responsibility

The division of responsibilities between the Board of Directors, the Chief Executive Officer (CEO), and the Executive Committee is set out in detail in the company's Organizational Rules.

The Organizational Rules, which entered into force on 24 May 2002, are reviewed at least every two years and amended as required. The latest version can be found at: *holcim.com/regulations-and-reporting*

The Organizational Rules are issued by the Board of Directors in accordance with the terms of Art. 716b of the Swiss Code of Obligations and Art. 18 of the company's Articles of Incorporation. They stipulate the organizational structure of the Board of Directors and the Executive Committee, and govern the tasks and powers conferred on the company's executive bodies. The rules regulate the convocation, execution, and number of meetings to be held by the Board of Directors and the Executive Committee. If the chairperson of the Board of Directors is not independent, the Organizational Rules provide for the election of a Lead Independent Director.

The Board of Directors also has the power to establish expert committees and, if required, ad-hoc committees for special tasks. The Board of Directors may delegate special tasks or tasks related to specific functions to a vice-chairperson on a temporary or permanent basis.

As part of its non-transferable statutory responsibilities, the Board of Directors defines the corporate strategy and approves the Group consolidated mid-term plan, including the budget, and the Integrated Annual Report for submission at the Annual General Meeting. In 2025, the Board of Directors also reviewed the spin-off of the North American business.

The CEO is responsible for operational management, preparing a large part of the business of the Board of Directors – including corporate strategy proposals – and executing the latter's resolutions.

The CEO issues directives and recommendations with Group-wide significance in the CEO's own authority and is also responsible for electing and dismissing function heads and CEOs of Group companies, as well as for the nomination of the members of the Board of Directors of Group companies and supervisory bodies of Group companies.

As part of the mid-term plan approval process, the Board of Directors defines limits for investments and financing.

Within these limits, the Executive Committee decides on financing transactions and on most investments and divestments for amounts up to CHF 400 million. Amounts exceeding this are subject to approval by the Board of Directors. The Board of Directors is regularly informed about important transactions under the authority of the Executive Committee.

The Board of Directors determines the CEO's and the Executive Committee members' objectives upon motion by the Nomination, Compensation & Governance Committee, both after consultation and deliberation with the CEO.

The CEO assesses the performance of the members of the Executive Committee and, after consultation and deliberation with the Nomination, Compensation & Governance Committee, determines their respective individual objectives.

The Executive Committee oversees risk management, following appraisal by the Audit Committee. The Board of Directors is informed annually about risk exposure.

In case of a direct conflict of interest, the Organizational Rules require each member of the corporate body concerned to stand aside voluntarily prior to any discussion of the matter in question. Members of the corporate bodies are required to treat all information and documentation which they may obtain or view in the context of their activities in these bodies as confidential and not to make such information available to third parties.

All individuals vested with the power to represent the company have joint signature authority, exercised by two individuals collectively.

Information and control instruments of the Board of Directors

The Board of Directors determines the way it is to be informed about the course of business. Any member of the Board of Directors may demand information on all issues relating to the Group and the company. All members of the Board of Directors may request information from the CEO. At meetings of the Board of Directors, any attending member of the Executive Committee has a duty to provide information. All members of the Board of Directors have a right to inspect books and files to the extent necessary for the performance of their tasks.

Financial reporting

The Board of Directors is informed on a monthly basis about the current course of business, and approves quarterly reports and releases them for publication. The Board of Directors discusses the Integrated Annual Report, takes note of the auditors' reports and submits the Integrated Annual Report to the Annual General Meeting for approval.

Regarding Group strategy development, a strategy plan, as well as a mid-term plan covering five years and including the budget for the upcoming year, are submitted to the Board of Directors.

Risk management

Holcim benefits from a comprehensive enterprise risk management (ERM) system structured around several coordinated approaches and subject to continuous improvement. Responsibilities concerning risks are clearly defined at country, region, and corporate level following the governance, policies, and control framework defined by the Group.

The full risk spectrum – from strategy and operations to external risk factors of the business environment – is addressed in the ERM process. Key risks are identified and assessed according to impact and likelihood. They are further analyzed regarding their causes and potential impacts on Holcim's reputation and achievement of the Group's targets. Minimum control standards and action plans are implemented to further mitigate the risks.

A detailed update and analysis of the Group Risk Map was carried out in 2025 and submitted to the Executive Committee and Audit Committee. Please see pages 28–30 for more details about the Group's risk management.

Internal control

Holcim aims to maintain an effective internal control system and culture supported by the commitment of the Board of Directors and the Executive Committee. Group Internal Control (GIC) primarily aims to provide the Board of Directors and the Executive Committee with reasonable assurance regarding the reliability of the financial reporting and statements, compliance with applicable laws and regulations, and the safeguarding of assets.

To achieve this, GIC has established a set of minimum control standards and a continuous reporting system to collect assessments from countries and Group functions on control performance and the status of related action plans. Regular discussions are held with local management to ensure controls are properly evaluated and issues are promptly addressed.

GIC also designs and coordinates the annual certification process, which aims to provide assurance to the Group on the quality of both internal control and financial reporting. It does so by reviewing the main ongoing action plans and confirming management's responsibility at the appropriate levels of the Group organization. The results are presented to the Executive Committee and the Audit Committee.

Group Internal Audit

The core mission of Group Internal Audit (GIA) is to provide the Board of Directors and the Executive Committee with independent, risk-based objective assurance and advisory services on the effectiveness and efficiency of Holcim's governance, risk management, and internal control system. The members of the Board of Directors have access to GIA. Each year, the Internal Audit Plan, defining the key audit focus areas to be covered by GIA, is reviewed and approved by the Audit Committee. The main observations and findings identified during audit assignments are periodically reported to the Executive Committee and the Audit Committee. GIA's activities are governed by adherence to the mandatory elements of the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA).

BOARD OF DIRECTORS BIOGRAPHIES

KIM FAUSING

Chairman of the Board of Directors



Kim Fausing, a Danish national born in 1964, was elected to the Board of Directors of Holcim in 2020 and served on the Audit Committee until 2025. In 2025, he became Chairman of the Board of Directors.

Kim holds a degree in Mechanical Engineering from Aarhus Teknikum, Denmark, and an MBA from Henley Business School, London, UK.

He has broad management experience from leading positions in global industrial companies.

From 1990, Kim held several international roles within the Hilti Group in Europe and Asia. In 2003, he was appointed Head of the Division Fastening and Protection Systems and became a member of the Hilti Group Executive Management Team.

He joined the Danfoss Group in 2007 as President of the Refrigeration and A/C Division. In 2008, Kim was appointed Chief Operating Officer and member of the Executive Board with responsibility for Divisions, Regions, and related Group Functions. Kim was appointed President and CEO of Danfoss in 2017.

Other activities and functions
None

PHILIPPE BLOCK

Member



Philippe Block, a Belgian national born in 1980, was elected to the Board of Directors of Holcim in 2020.

Philippe holds a master's degree in Architectural Engineering from the Free University of Brussels (VUB), Belgium, a master's degree in Architectural Studies in Design and Computation and a Ph.D. in Building Technologies from the Massachusetts Institute of Technology (MIT), Cambridge, U.S.

In 2009, Philippe was appointed Assistant Professor of Architecture and Structures at the Swiss Federal Institute of Technology (ETH) Zurich, Switzerland. In 2017, he was promoted to full professor. He is the Co-Director of the Block Research Group at ETH where he focuses his research on unreinforced masonry structures, computational structural design, and innovative construction techniques with a strong emphasis on sustainability and circularity.

As Director of the Swiss National Centre of Competence in Research (NCCR) for Digital Fabrication, Philippe is a renowned expert in structural design, computational engineering and digital fabrication of concrete construction with many publications and awards.

Other activities and functions
- Founding Partner of Foreign Engineering GmbH, Zurich, Switzerland
- Co-founder and Chairman of the Board (non-executive role) at Vaulted AG (ETH spin-off)

LEANNE GEALE

Member



Leanne Geale, a Canadian national born in 1965, was elected to the Board of Directors of Holcim in 2022.

She holds an LLB from the Université de Montréal, Canada and a BA from the University of Alberta, Canada.

Leanne is currently Executive Vice President and Group General Counsel for Nestlé SA. Before this, she was Chief Ethics & Compliance Officer of Royal Dutch Shell plc from 2014 to 2019, having joined Shell Canada in 2003.

At Shell, she held the positions of Associate General Counsel, Oil Products, Group Legal Services Coordinator, Associate General Counsel, Heavy Oil and Head of Legal Canada.

Prior to joining Shell, Leanne was in-house counsel for international, publicly listed companies Royal Bank of Canada, Rio Algom Ltd and Alcan Aluminium Ltd.

Other activities and functions

- Vice-Chair of the Board of Directors of the CEELI Institute, o.p.s., Prague, Czech Republic
- Treasurer of the Swiss-American Chamber of Commerce, Zurich, Switzerland

CATRIN HINKEL

Member



Catrin Hinkel, a German national born in 1969, was elected to the Board of Directors of Holcim in 2024.

She studied at the European Partnership of Business Schools (ESB), Reutlingen and London, where she obtained a BA degree.

Having served as Chief Executive Officer of Microsoft Switzerland since May 2021, Catrin has over 25 years of experience in the tech industry across a variety of organizations and diverse cultures.

Catrin previously held leadership roles at Accenture, most recently as Senior Managing Director, Europe Cloud First Strategy & Consulting Lead.

For her commitment to digital innovation, Catrin has been named by Swiss magazine BILANZ as one of Switzerland's Digital Shapers 2022, and by Forbes DACH in its list of C-Suite Women in Tech.

Other activities and functions

- Member of the Executive Committee, Digital Switzerland
- Member of the Board, ASUT Industry Association
- Member of the Supervisory Board, Helmholtz Center for Information Security (CISPA)
- Member of the Executive Committee, Deep Tech Nation, Switzerland

NAINA LAL KIDWAI

Member



Naina Lal Kidwai, an Indian national born in 1957, was elected to the Board of Directors of Holcim in 2019.

She holds an MBA from the Harvard Business School, Boston, U.S.

Naina started her career in 1982 and until 1994 was at ANZ Grindleys Bank plc. From 1994 to 2002, she was Vice-Chairwoman and Head of Investment Banking at Morgan Stanley India before moving to HSBC, where she was Chairwoman of the HSBC Group of Companies in India and served on the Board of HSBC Asia Pacific, until her retirement in December 2015.

Naina was President of the Federation of Indian Chambers of Commerce & Industry (FICCI), and also served for 12 years until 2018 as Non-Executive Director of Nestlé S.A., Vevey, Switzerland.

Her interests in water and the environment are reflected in engagements with The Shakti Sustainable Energy Foundation, Global Commission on Economy & Climate, and positions as Chair of the FICCI Sustainability, Energy and Water Council and Chair of the India Sanitation Coalition.

Other activities and functions

- Non-executive Member of the Board of Directors and Chairwoman of the Risk Management Committee of Gland Pharma Ltd, Hyderabad, India
- Non-executive Member of the Board of Directors and Chairwoman of the Sustainability and Stakeholder Committee of UPL Ltd, Mumbai, India
- Non-executive Member of the Board of Directors and Chairwoman of the CSR & ESG and Nomination & Remuneration Committees of Biocon Ltd, Bangalore, India
- Non-executive Member of the Board of Directors and Chairwoman of the CSR and Sustainability and Nomination and Remuneration Committees, and a member of the Audit Committee and Banking and Finance Committee of Nayara Energy Ltd, Mumbai, India
- Chairwoman of the Board of Directors of Rothschild & Co India Private Limited, Mumbai, India

ILIAS LÄBER

Member



Ilias Läber, a Swiss national born in 1974, was elected to the Board of Directors of Holcim in 2022.

He holds an MSc in Engineering from the Swiss Federal Institute of Technology (ETH) in Zurich, Switzerland, and an MA in Economics from University of Zurich, where he obtained a doctorate in 2004.

Ilias began his professional career at McKinsey & Company, where he served from 2001 to 2008, ultimately as Associate Principal. From 2008 to 2019 he was with Cevian Capital as a Partner and Managing Director of the Swiss office. From 2013 until 2019, he was on the Board of Directors of Panalpina Welttransport Holding AG, where he served as Chairman of the Audit, Risk and Compliance Committee. In 2019, he joined Quercis Pharma AG as Chief Executive Officer (CEO) and Chairperson of the Board of Directors.

In 2021, Ilias joined Spectrum Value Management Ltd as CEO and Partner — the firm administers the industrial and private investments of the Thomas Schmidheiny family. In this capacity he serves as a Member of the Board of Directors of Spectrum Value Management Ltd., of the Grand Resort Bad Ragaz AG and as Chairman and Managing Partner of SEO Management AG.

Other activities and functions

- Member of the Board of Directors of dormakaba Holding AG, Rümlang, Switzerland
- Member of the Board of Directors and Chairman of the Audit Committee of Swiss Automotive Group AG, Cham, Switzerland

MICHAEL H. MCGARRY

Member



Michael H. McGarry, a U.S. national born in 1958, was elected to the Board of Directors of Holcim in 2024.

He is a Mechanical Engineering graduate of the University of Texas, and has completed the Advanced Management Program at Harvard Business School.

Michael is a highly accomplished global business leader who most recently served as Executive Chairman of PPG Industries in 2023, and as Chairman and Chief Executive Officer from 2016 to 2022. During his tenure, PPG Industries led a successful portfolio transformation to become one of the world's largest specialty coatings companies, with net sales of USD 18.2 billion in 2023.

After joining PPG Industries as an engineer in 1981, Michael took on roles of increasing responsibility across all regions, from sales and market development in Pittsburgh, U.S., to leading a specialty business in Bangkok, Thailand and serving as Managing Director, PPG Europe, in Switzerland.

Other activities and functions

- Member of the Board of Directors of Shin-Etsu Chemical Co., Tokyo, Japan
- Member of the Board of Directors of C.H. Robinson, Eden Prairie, MN, US

ADOLFO ORIVE

Member



Adolfo Orive, a Mexican national born in 1963, was elected to the Board of Directors of Holcim in 2025.

Adolfo holds a bachelor's degree in Industrial Engineering from Ibero-American University (IBERO), Mexico, and a master's degree in Business Administration from Mexico Autonomous Institute of Technology (ITAM), Mexico.

Having worked at Tetra Pak for over three decades, leading functions and businesses across geographies worldwide, Adolfo has been President and CEO since 2019. Driven by its purpose to make food safe and available, Tetra Pak provides food production and packaging systems in over 160 countries. Under Adolfo's leadership, the company has accelerated its sustainability journey to fulfill its purpose and achieve growth with customers worldwide.

Other activities and functions

- Member of the Board of Directors of the International Institute for Management Development (IMD), Lausanne, Switzerland
- Member of the Board of Directors of the Swedish Swiss Chamber of Commerce, Zurich, Switzerland

SVEN SCHNEIDER

Member



Sven Schneider, a German national born in 1966, was elected to the Board of Directors of Holcim in 2025.

Sven holds a doctorate in Business Administration from the University of Trier, Germany. He initially completed a banking apprenticeship, then studied Business Administration at the universities of Regensburg, Germany, Nantes, France, and Trier, Germany, graduating with a master's degree.

Sven started his career in 1995 at Linde AG, Germany, in the finance department. From 2000 to 2019, he held leading positions at Linde, most recently as Spokesman of the Executive Board, Chief Financial Officer and Labor Director.

In 2019, he was appointed as a member of the Management Board and Chief Financial Officer of Infineon Technologies AG, Germany.

Other activities and functions

None

CLAUDIA SENDER RAMIREZ

Member



Claudia Sender Ramirez, a Brazilian national born in 1974, was elected to the Board of Directors of Holcim in 2019.

She holds a BS in Chemical Engineering from the Polytechnic School, University of São Paulo, Brazil, and an MBA from Harvard Business School, Boston, US.

Claudia was Senior Vice President for Clients at LATAM Airlines Group until May 2019. Before this, she was Chief Executive Officer (CEO) of LATAM Airlines Brazil from 2013. Claudia joined TAM Airlines in 2011 as Commercial and Marketing Vice President. In 2012, following the LAN and TAM mergers, she became responsible for the Brazil Domestic Business Unit.

Claudia also worked for several years in the Consumer Goods industry, focusing on marketing and strategic planning. Prior to joining LATAM, Claudia was Marketing Vice President at Whirlpool Latin America, where she worked for seven years. She has also worked as a consultant at Bain & Company, on projects ranging from telecommunications to airlines.

Other activities and functions

- Non-executive Member of the Board of Directors of Telefonica S.A., Delegate Commission, Telefonica Hispam and Telefonica Tech Advisory Committees, Madrid, Spain
- Non-executive Member of the Board of Directors, Chairwoman of the Compensation and Succession Committee and member of the Governance Committee of Gerdau S.A., São Paulo, Brazil
- Non-executive Member of the Board of Directors, Chairwoman of the People and ESG Committee and Member of the Audit and Risk Committee of Embraer S.A., São Paulo, Brazil

EXECUTIVE COMMITTEE

Members of the Executive Committee, including the Chief Executive Officer (CEO), are appointed by the Board of Directors, and are responsible for the management of the Group.

The tasks of the Executive Committee are divided into different areas of responsibility in terms of country and function, with each of these areas ultimately supervised and managed by a member of the Executive Committee.

During the year under review, the following changes occurred within the Executive Committee:

Effective 25 March 2025, Jamie M. Gentoso, Global Head, Solutions & Products Business Unit, has decided to pursue opportunities outside of Holcim.

Effective 23 June 2025, Nollaig Forrest, Chief Sustainability Officer, has joined the Amrize Leadership Team following the spin-off of the North American business.

Effective 1 July 2025, the following persons were appointed as new members of Holcim's Executive Committee: Carmen Diaz, Chief People and Sustainability Officer; Simon Kronenberg, Region Head Central and East Europe; Dragan Maksimovic, Region Head West Europe; Ram Muthu, Group Head of Operational Excellence, and Lukas Studer, Group General Counsel.

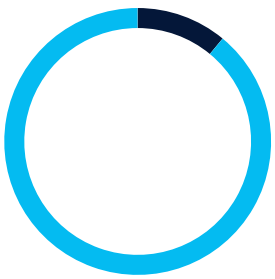
As of 31 December 2025, the Executive Committee of Holcim consisted of the nine members reported in the table below.

Please refer to pages 18–22 of this report for biographical information on the members of the Executive Committee. None of the members of the Executive Committee have important functions outside the Holcim Group or any other significant commitments of interest.

COMPOSITION OF THE EXECUTIVE COMMITTEE

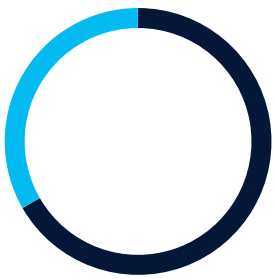
Name	Position	Responsibility
Miljan Gutovic	CEO	
Steffen Kindler	CFO	
Carmen Diaz	Member	Chief People and Sustainability Officer
Martin Kriegner	Member	Region Head Asia, Middle East & Africa
Simon Kronenberg	Member	Region Head Central and East Europe
Dragan Maksimovic	Member	Region Head West Europe
Ram Muthu	Member	Group Head of Operational Excellence
Oliver Osswald	Member	Region Head Latin America
Lukas Studer	Member	Group General Counsel

GENDER



Female 11.0%
Male 89.0%

TENURE



<5 66.7%
5 to 10 33.3%

Gender diversity of the Executive Committee

Effective 23 June 2025, the members of Holcim's Executive Committee and Leadership Team changed following the completion of the spin-off of the North American business. The Executive Committee consists of nine members, one of whom is a woman, while the Leadership Team comprises 12 members, three of whom are women. As of 1 January 2026, the Executive Committee has been adapted to include all members of the Leadership Team, bringing the share of women in the Executive Committee to 25%.

EXECUTIVE COMMITTEE BIOGRAPHIES

MILJAN GUTOVIC

Chief Executive Officer



Miljan Gutovic became CEO of Holcim in May 2024.

Realizing the company's vision to be the leading partner for sustainable construction, he is committed to delivering performance and value creation for people, customers, and shareholders.

Miljan began his career at Holcim in March 2018 as Head of Marketing & Innovation and was appointed Head of Middle East & Africa and a member of the Executive Committee in July 2018. In March 2021, he became Region Head for Europe, and later expanded his role to lead Operational Excellence.

As Region Head for Europe, Miljan turned sustainable growth into profitable growth, with an ambitious decarbonization roadmap delivering leading EBIT margins and increasing customer demand for advanced, sustainable building solutions, from ECOPact to ECOPlanet. A bold M&A strategy also contributed to strong regional growth and significantly expanded Holcim's footprint.

Miljan drove decarbonization across the Group in his Operational Excellence role: leading on renewable and decarbonized energy use, expanding innovative formulations, and deploying next-generation technologies such as carbon capture, utilization, and storage.

Prior to Holcim, he worked for specialty chemical company Sika AG in various management roles.

An Australian national born in 1979, Miljan holds a bachelor's degree in Civil Engineering and a PhD in Engineering from the University of Technology in Sydney.

Other activities and functions

- Member of the Board of Directors of the Global Cement and Concrete Association (GCCA).
- Member of the Executive Committee of the World Business Council for Sustainable Development (WBCSD).

STEFFEN KINDLER

Chief Financial Officer



Steffen Kindler was appointed CFO of Holcim in April 2023, when he also became a member of the Executive Committee.

Before joining Holcim in April 2023, Steffen held positions of increasing responsibility at Nestlé over 25 years, most recently serving as CFO for Nestlé Germany.

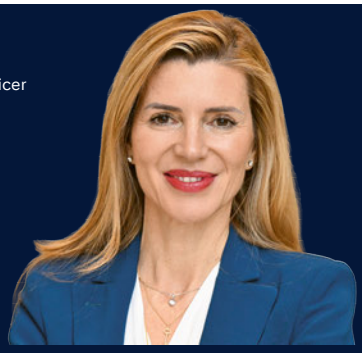
His broad experience spans key business roles, including Head of Finance and Control of Nestlé Beverage USA, based in Los Angeles, CFO of Nestlé Waters Europe, based in Paris, and Senior Finance Manager for Nestlé Waters North America, based in the New York metropolitan area, with responsibility for business development.

In addition, Steffen held roles of global responsibility for Nestlé's key corporate functions such as Head of Investor Relations and Senior Advisor in Mergers & Acquisitions, based in Vevey, Switzerland.

A German national born in 1970, Steffen holds a degree in Business Administration and Computer Science (Diplom-Wirtschaftsinformatik) from the University of Mannheim.

CARMEN DIAZ

Chief People and Sustainability Officer



Carmen Diaz was appointed Chief People Officer in October 2024, before her role was expanded to Chief People and Sustainability Officer in June 2025. She became a member of the Executive Committee in July 2025.

Carmen is responsible for aligning Holcim's people and sustainability agenda with our NextGen Growth 2030, with a clear purpose to build progress for people and the planet through sustainability while creating the best workplace.

Joining Holcim in 2002, Carmen held commercial and general management roles in Spain, France, and the UK. Serving as CEO of Holcim Spain from 2022, she achieved record performance, creating an empowered performance culture and enhancing Holcim's reputation as a top employer.

A Spanish national born in 1977, Carmen holds a degree in Chemical Engineering from the University of Oviedo and an MBA from ECA Spain, and has completed IESE General Management and ESADE Board of Directors programs.

MARTIN KRIEGNER

Region Head Asia, Middle East & Africa



Martin Kriegner was appointed Region Head Asia Pacific in August 2016, when he also became a member of the Executive Committee. Since October 2022, he has been Region Head for Asia, Middle East & Africa.

Martin joined the Group in 1990 and has held various senior leadership roles across Europe and Asia. He moved to India as Chief Executive Officer (CEO) in 2002, and later served as Regional President Cement for Asia, based in Kuala Lumpur. In 2012, he was appointed CEO for Cement, Ready-mix, and Aggregates in India.

In July 2015, he became the company's Area Manager Central Europe.

An Austrian national born in 1961, Martin is a graduate of Vienna University and holds a Doctorate in Law. He also obtained an MBA from the University of Economics & Business in Vienna, Austria.

SIMON KRONENBERG

Region Head Central and East Europe



Simon Kronenberg was appointed Region Head Central and East Europe in April 2024, and became a member of the Executive Committee in July 2025.

Simon's remit covers Holcim's markets in Central Europe West (Switzerland, Italy, South Germany, and Haut-Rhin), Central Europe (Austria, Czech Republic, Slovenia, and Hungary), Eastern Europe (Serbia, Bulgaria, Croatia, and Greece), as well as Poland, Romania, and Moldova.

Joining Holcim in 2007, Simon became Commercial Director of Holcim Switzerland, Italy, and Spain in July 2015. From October 2020 to April 2024, he served as CEO of Holcim Switzerland, Italy, South Germany and Haut-Rhin. During these four years, he represented Holcim Switzerland as Vice President of cemsuisse and as a Board Member of economiesuisse.

A Swiss national born in 1980, Simon holds a master's degree in Business Administration from the University of St. Gallen (HSG). He has completed executive education programs at IMD in Lausanne, INSEAD, and HEC in Paris.

DRAGAN MAKSIMOVIC

Region Head West Europe



Dragan Maksimovic was appointed Region Head West Europe & Building Solutions Europe in April 2024, and became a member of the Executive Committee in July 2025.

Dragan is responsible for Holcim's operations in the UK, France, Belgium, Germany, and Spain. He also oversees Building Systems companies in the region, including Holcim Building Envelope, PRB, Cantillana, Compaktuna and Alkern.

Dragan joined Holcim in 2021 as CEO of Holcim UK, a position he held until April 2024. Prior to joining Holcim, he held senior P&L roles of increasing scope and responsibility in the construction industry in Serbia and the UK.

A Serbian national born in 1967, Dragan holds a degree in Civil Engineering from the University of Belgrade and an MBA from the University of Sheffield in the UK. He has also completed an International Leadership Program at IMD in Switzerland.

RAM MUTHU

Group Head of Operational Excellence



Ram Muthu was appointed Group Head of Operational Excellence in May 2024, and became a member of the Executive Committee in July 2025.

As Head of Operational Excellence, Ram is responsible for all of the Group's operational functions: Cement Manufacturing, Decarbonization, Geocycle, Trading, Procurement, and Logistics. The role focuses on generating synergies across all key operational aspects while developing the operations of tomorrow. He is also responsible for Holcim's startup arm Holcim MAQER Ventures and Group Capital Investments.

Ram's career at Holcim began in 2005, and he has worked in a number of senior roles. Most recently, as Head of Group Strategy from 2019, he played a key role in developing and executing "Strategy 2025 – Accelerating Green Growth" and "Strategy 2022 – Building for Growth". He was also instrumental in the Group's portfolio transformation from 2018, which involved several large M&A transactions.

A Swiss national born in 1982, Ram holds a Bachelor of Science degree in Industrial Economics from the University of Warwick in the UK, and is an Associate Chartered Accountant (ACCA).

OLIVER OSSWALD

Region Head Latin America



Oliver Osswald was appointed Region Head Latin America and became a member of the Executive Committee in August 2016.

He has played a fundamental role in turning Holcim into a large-scale integrated building materials and solutions leader in Latin America.

Oliver's career at Holcim began in 1995 at Holcim Apasco, Mexico. Between 1995 and 2005, he was responsible for various cement plants in Switzerland and Germany. From 2005, he moved into management and marketing positions at Holcim in Switzerland.

Oliver was appointed Commercial Director for Holcim Apasco in Mexico in 2012, before becoming Country Head for Argentina in 2014. In 2016, Oliver took on the role of Region Head Latin America, and also served as Global Head of Trading between 2019 and 2024.

A Swiss national born in 1971, Oliver is a graduate of the Technische Hochschule in Ulm, Germany, and holds an Executive Education Degree from Harvard Business School, U.S.

LUKAS STUDER

Group General Counsel



Lukas Studer was appointed Group General Counsel in November 2024, and became a member of the Executive Committee in July 2025.

Lukas leads the Group's Legal and Compliance, Intellectual Property, and Security & Resilience functions, providing strategic legal guidance and ensuring Holcim's integrity, while advancing NextGen Growth 2030 transactions.

Joining Holcim in 2008, Lukas served as General Counsel Corporate and M&A from 2017, supporting Corporate, Finance, and M&A. As the lead lawyer in the execution of Holcim's fast-paced growth and portfolio transformation, he has played an essential role in Holcim's successful M&A strategy, with more than 100 closed transactions.

A Swiss national born in 1977, Lukas holds law degrees from the University of Zurich (Master of Laws and LL. M.) and has been admitted to the bar in Switzerland

SHAREHOLDERS' PARTICIPATION

Voting rights and representation restrictions

All holders of registered shares who are registered as shareholders with voting rights in the share register on the closing date for the share registry are entitled to participate in, and vote at, Annual General Meetings.

Shares held by trusts and shares for which no declaration has been made that the holder requesting registration is holding the shares in his own name and for his own account, and that there is no agreement on the redemption of the relevant shares and that they bear the economic risk associated with the shares, are entered in the share register as having no voting rights.

Shareholders not participating in person in the Annual General Meeting may be represented by their legal representative, the independent voting rights representative, or with a written power of attorney by any other representative who does not need to be a shareholder. In line with regulatory requirements, an electronic voting option is provided. Voting rights are not subject to any restrictions. Each share carries one vote.

Statutory quorums

The Annual General Meeting constitutes a quorum, regardless of the number of shares represented or shareholders present; resolutions are passed by an absolute majority of the votes allocated to the shares represented, unless Art. 704 para. 1 of the Swiss Code of Obligations or the Merger Act provides otherwise. In such cases, resolutions may only be passed with the respective qualified majority of the votes represented. According to Art. 10 para. 2 of the Articles of Incorporation and in addition to Art. 704 para. 1 of the Swiss Code of Obligations, the approval of at least two-thirds of the votes represented and the absolute majority of the par value of shares represented shall be required for resolutions of the Annual General Meeting with respect to the removal of restrictions set forth in Art. 5 of the Articles of Incorporation (entries in the share register), the removal of the mandatory bid rule (Art. 125 para. 4 of the Financial Market Infrastructure Act), and the removal or amendment of Art. 10 para. 2 of the Articles of Incorporation.

Convocation of the Annual General Meeting and agenda rules

The Annual General Meeting takes place each year, at the latest six months following the conclusion of the financial year. It is convened by the Board of Directors; notice is published at least 20 days prior to the meeting, giving details of the agenda and the proposals submitted.

Shareholders representing shares with a par value of at least CHF 1 million may request the addition of a particular item to be included on the agenda, or that a motion relating to an agenda item be included in the notice convening the Annual General Meeting. A respective written request listing the agenda items and the proposal or the proposals shall be lodged with the Board of Directors at least 40 days prior to the Annual General Meeting. The notice and the minutes of the Annual General Meetings are published on: *holcim.com/agm*

Entries in the share register

The company maintains a share register for registered shares in which the names and addresses of owners and beneficiaries are entered. According to the applicable rules and regulations, only those included in the share register are deemed shareholders or beneficial owners of the registered shares of the company. Upon request, purchasers of registered shares shall be included in the share register as shareholders with voting rights if they expressly declare that they have acquired the shares in their own name and for their own account.

Exceptions to this rule apply for nominees who have signed a nominee agreement with the company regarding this position and are subject to a recognized financial markets supervisory authority.

The share register is closed approximately one week prior to the date of the Annual General Meeting. The exact date is communicated in the notice of the Annual General Meeting.

Shareholders' participation and rights of protection are additionally governed by the Swiss Code of Obligations.

For more details, see Holcim's Articles of Incorporation: *holcim.com/regulations-and-reporting*

AUDITORS

As part of their auditing activity, the auditors inform the Executive Committee and the Audit Committee regularly about their findings and make suggestions for improvements. Considering the reporting and assessments by the Group companies, the Audit Committee evaluates the performance of the auditors and their remuneration in line with market conditions. The Audit Committee approves the audit focus area, provides recommendations to the auditors, makes suggestions for improvement, and assesses their independence. In 2025, the auditors participated in all meetings of the Audit Committee to discuss individual agenda items.

Ernst & Young Ltd, Zurich, (EY) were appointed at the Annual General Meeting 2022 and were re-elected at the Annual General Meeting 2025 as financial auditors of Holcim Ltd for the 2025 financial year. Jacques Pierres has been responsible for managing the audit mandate, supported by Daniel Zaugg. The rotation of the lead auditor will be carried out in accordance with Art. 730a of the Swiss Code of Obligations. The auditors are elected for a one-year term at the Annual General Meeting.

The fees shown in the table below were charged for professional services rendered to the Group by the auditors in 2025 and in 2024[1].

Million CHF	**2025**	2024[1]
Audit services fees related to EY	**11.3**	10.3
Audit services fees for joint ventures related to EY	**0.8**	0.9
Total audit services fees related to EY	**12.1**	**11.2**
Audit services fees related to other audit firms	**1.1**	2.0
Total audit services fees	**13.2**	**13.2**
Audit-related services fees[2]	**0.9**	0.4
Grant applications services fees	**0.1**	0.3
Other services fees[3]	**0.2**	0.6
Total other fees related to EY	**1.2**	**1.3**
Total audit services and other fees	**14.4**	**14.5**

[1] Comparative information restated for discontinued operations (see Note 13.2 in the 2025 Financial Report).
[2] Audit-related services comprise, among other things, sustainability report reviews and certifications for local authorities.
[3] Other service fees comprise, among other things, fees for legal support and cyber-related procedures.
Please refer to the 2024 integrated annual report for the fees related to the Group pre spin-off.

Other governance information

Management agreements

Holcim has no management agreements in place with companies or private individuals outside the Group.

Mandates outside Holcim

Please refer to Art. 27 of the company's Articles of Incorporation for information about the number of permitted mandates outside of Holcim for the members of the Board of Directors and the Executive Committee: *holcim.com/regulations-and-reporting*

Compensation, shareholdings, and loans

Details of Board of Directors and Executive Committee compensation, shareholdings, and loans are contained in the 2025 Compensation Report (starting on page 4) and in the holding company results disclosed in the 2025 Financial Report (Note 18, page 79).

Changes of control and defense measures

The Articles of Incorporation contain no waiver of the duty to make a public offer under the terms of Art. 135 and 163 of the Financial Market Infrastructure Act ("opting out").

The result is that a shareholder who directly, indirectly, or acting in concert with third parties acquires shares in the company and, together with the shares it already holds, thereby exceeds the 33⅓% threshold of voting rights in the company, must make an offer for all listed shares of the company.

Members of the Board of Directors and the Executive Committee do not receive any special benefits in the event of a change of control. However, in the event of a change of control (unless the unvested LTI awards are replaced by an equivalent award following the change of control), unvested LTI awards are vested immediately on a pro rata basis, provided the performance conditions are met.

Blackout periods

Holcim deems financial results to be inside information. All persons who are involved in their preparation or could have access to financial results before their disclosure are included on the insider list. Persons considered to have access to financial results are all members of the Board of Directors and the Executive Committee and their staffs, as well as employees in Group Finance, Communications, and Legal. Employees in other functions may also have to be included on the insider list.

Blackout periods start when the consolidation of local financial data is initiated and end on the last day before the company's financial results are published. Persons on the insider list will receive a notice prior to the commencement and at the end of the blackout periods. The notice will include the duties, responsibilities, potential sanctions applicable if inside information is used, and the specific dates of the upcoming blackout periods. The blackout periods for the 2025 and 2026 financial years are shown in the table below.

Information policy

Holcim reports to shareholders, the capital market, employees, and the public at large in a transparent and timely manner concerning its corporate performance, including the achievement of its sustainability targets. Open dialogue is nurtured with the most important stakeholders, based on mutual respect and trust. This promotes knowledge of the company and understanding of its objectives, strategy, and business activities.

As a listed company, Holcim is under an obligation to disclose facts that may materially affect the share price (ad hoc disclosure, Art. 53 and 54 of the SIX Listing Rules). Holcim is subject to the Swiss Exchange (SIX) rules on the disclosure of management transactions by the members of the Board of Directors and senior management. These can be accessed on the SIX website: *ser-ag.com/management-transactions*

The most important information tools are the annual and half-year reports, the website at *holcim.com*, media releases, press conferences, meetings for financial analysts and investors, and the Annual General Meeting.

Anyone interested may subscribe to the media releases mailing list available at *holcim.com/media* to receive ad hoc releases and relevant corporate news via e-mail. All of Holcim's published media releases from recent years can be downloaded at: *holcim.com/media*

In keeping with our commitment to integrated reporting, we have published the main indicators of our non-financial performance in the Sustainability Statement that is part of our reporting suite, including climate-related information. Current information relating to sustainability is available at: *holcim.com/sustainability*

The financial reporting calendar is shown on page 58 of the 2025 Annual Report Executive Summary.

Should there be any specific queries regarding Holcim, please contact:

Corporate Communications
Phone: +41 (0) 58 858 87 10
E-mail: *media@holcim.com*

Investor Relations
Phone: +41 (0) 58 858 87 87
E-mail: *investor.relations@holcim.com*

BLACKOUT PERIODS

2026	2025
6 January 2026 to 26 February 2026 (inclusive)	6 January 2025 to 27 February 2025 (inclusive)
3 April 2026 to 23 April 2026 (inclusive)	3 April 2025 to 24 April 2025 (inclusive)
3 July 2026 to 30 July 2026 (inclusive)	3 July 2025 to 30 July 2025 (inclusive)
5 October 2026 to 22 October 2026 (inclusive)	3 October 2025 to 23 October 2025 (inclusive)

COMPLIANCE PROGRAM

Performance with integrity

Achieving high performance with high integrity is fundamental to ensuring Holcim is the leading partner for sustainable construction. It creates trust, protects our reputation, and generates value for our people, customers, and all other stakeholders.

Holcim maintains a comprehensive, risk-based compliance program (Compliance Program), which is based on requirements under national and international laws, as well as relevant standards. Holcim's decentralized, empowered operating model is considered in the design and operation of the Compliance Program, in a manner that recognizes the business model while also ensuring appropriate centralized oversight and control.

Combating corruption is a key area of the Compliance Program. Compliance with all applicable anti-bribery and anti-corruption laws and regulations is an integral part of Holcim's license to operate. Holcim is a signatory to the United Nations Global Compact Initiative and is committed to supporting its anti-corruption principles.

The Compliance Program, which is optimized on an ongoing basis, comprises five pillars and aims to prevent, detect, and respond to compliance infringements.

1. Organization and governance

The Group's Executive Committee is responsible for the Group-wide implementation of the Compliance Program and sets the tone from the top.

The Compliance function assists management with promoting and fostering a foundation of integrity in all business practices. It works with all stakeholders to identify weaknesses and control gaps, support management in implementing corrective measures, and ensure the systematic follow-up of such measures.

The Compliance function is embedded and aligned within the Legal function and includes staff at the Group, regional, and country levels. At the Group level, the Compliance function is led by the Group General Counsel, who has delegated responsibility for organizing and managing the Compliance function to the Chief Compliance Officer and the Head of Competition Law (in relation to fair competition). Regular checks and reviews are conducted to ensure that Compliance resources at the Group, regional, and country levels are adequate.

The Group provides oversight of the Compliance Program through the Ethics, Integrity and Risk Committee (EIRC). The EIRC meets at least quarterly to address compliance matters, including compliance investigations, disciplinary measures, as well as remediation of identified process or control deficiencies.

The Group's governance structure ensures that the Audit Committee maintains clear visibility of the effectiveness of the Compliance Program. The Group General Counsel attends the Audit Committee meetings and reports regularly to the Audit Committee on the Compliance Program. The Chief Compliance Officer has a dotted reporting line to the Chair of the Audit Committee, allowing the Chief Compliance Officer to escalate matters directly if necessary.

2. Risk assessment

The annual compliance risk assessments survey key risk manifestations, such as bribery and corruption or sanctions and export control violations, against different risk triggers and specific scenarios. If there are relevant changes to the risk profile during an annual cycle – for example, due to mergers or acquisitions – the compliance risk assessments are updated on an ad hoc basis. The compliance risk assessments are integrated into the Group-wide Enterprise Risk Management (ERM).

Regarding bribery and corruption, the main risks identified in the compliance risk assessments include risks associated with obtaining and maintaining licenses and permits for business operations. As Holcim also operates in jurisdictions with heightened exposure to bribery and corruption, the risk profiles in these jurisdictions are elevated accordingly. Third-party risks and risks pertaining to joint ventures are considered additional risk-heightening factors where applicable.

For more information, please refer to the "Key operational risks" section on page 32 of this report.

3. Controls

Holcim has adopted a multi-layered approach to controls. This includes:

- Policies and directives that specify the conduct to be adhered to in operations. The topics covered include bribery and corruption, third-party due diligence, sanctions, embargoes and export controls, conflicts of interest, fair competition, data protection and privacy, as well as speak-up and internal investigations.
- The implementation of policies and directives is supported by a comprehensive set of internal controls, which are monitored by the Internal Controls function. For more information please refer to the "Internal control" section on page 11 of this report.
- Policies, directives, and controls are reinforced through training and communications activities.
- The implementation of controls and the delivery of training and communications is monitored through a system of compliance metrics as well as audits conducted by the Internal Audit function.
- All business conduct is subject to speak-up integrity reporting and a comprehensive review and response mechanism, including process and control improvements and employee disciplinary measures.

4. Training and communication

Regular compliance communications and training start at onboarding. All new employees are required to review the Code of Business Conduct (replaced as of 1 January 2026 by the Code of Ethics), which begins with a letter from the Group CEO and Group General Counsel discussing the importance of integrity, compliance, and the Code of Business Conduct, and to acknowledge in writing that they have read and understood the Code.

Communications are subject to an annual planning process, which is localized to each operating country. The annual compliance planning process results in country-specific communications plans, tailored to the risk profiles of each country, executed in each country, and monitored at regional and Group levels. This establishes a Group-wide dialog on compliance at country level that is supplemented by Group-wide or regional communications and awareness campaigns.

Training is delivered both through e-learning and face-to-face training sessions. E-learning training is provided to a broad employee audience. Face-to-face training is given to employees in positions that have heightened exposure to compliance risks. Training attendance is tracked for completion and follow-ups are conducted.

5. Monitoring and reporting

By monitoring and reporting compliance-related metrics, Holcim measures the performance of the Compliance Program, providing reasonable assurance regarding the Compliance Program's effective implementation. Metrics include both preventive measures such as training, communications or third-party due diligence, as well as detection or response measures such as corrective actions identified through the compliance processes, internal control testing, internal audits or internal investigations.

To support transparency of its conduct and business integrity, Holcim encourages a culture of speaking up. Any concerns regarding known or suspected misconduct – meaning any conduct relating to Holcim's business that is potentially illegal, or which violates the Code of Business Conduct or other applicable policies and directives – can be reported. Holcim operates a global reporting tool, the Integrity Line, to enable employees, suppliers, customers, or members of the public to report any concerns. Holcim employees have a duty to report their concerns, and Holcim views active reporting as a healthy indicator of an integrity culture. Integrity Line is provided by an independent third party and all reports are objectively assessed and investigated as required.

All reports are taken seriously, and the confidentiality of the parties involved is preserved to the fullest extent possible. Holcim applies a zero-tolerance policy to any misconduct and any retaliatory actions against reporters.

In 2025, a total of 647 reports were received via Integrity Line, of which 413 were reports of misconduct that required further assessment or investigation. The reporting categories of the 413 reports included: human resources, diversity and workplace respect (198/48%); business integrity (110/27%); health, safety & environment (55/13%); misuse or misappropriation of assets (33/8%); accounting, auditing & financial reporting (2/1%); other (15/3%). 41 cases resulted in dismissals, 35 cases in other employment/ disciplinary measures, 20 cases in process improvements, 19 cases in training and awareness measures, and 8 cases in third-party related sanctions.

RISK REPORT

Holcim is committed to effectively managing risks to support its strategic goals and deliver value to its stakeholders.

Holcim's enterprise risk management

Holcim's enterprise risk management (ERM) system provides a framework for identifying, assessing, mitigating, and monitoring the company's overall risk exposure. Implemented group-wide and supported by robust governance and tools, it integrates a risk-aware mindset into every strategic decision at all organizational levels. The ERM process also enables us to evaluate and leverage potential opportunities for growth and value creation.

Organization and governance

Our ERM process has a comprehensive governance and organizational structure. This ensures clear accountability, effective oversight, and the consistent application of risk management principles across all levels of the organization.

Board of Directors and committees

The Board of Directors oversees Holcim's risk management and internal control processes through the Audit Committee and the Health, Safety and Sustainability Committee (HSSC). The Audit Committee's responsibilities include reviewing the Group's risk management system, evaluating the Group's internal and external audit procedures, examining reporting submitted to the Board, and assessing financing issues. The HSSC supports and advises the Board on promoting a healthy and safe environment both for employees and contractors, as well as on sustainability and social responsibility. It approves Holcim's sustainability and climate-related strategy and major initiatives, including those relating to the Group's health and safety performance and its approach to human rights.

Group internal control

The Group Internal Control (GIC) function operates as a cornerstone of Holcim's governance model. It is responsible for ensuring that all entities implement a consistent and robust control environment aligned with the Group's strategy and risk appetite.

Control is executed using several instruments, such as the Minimum Control Standards (MCS) framework, the Policy Landscape, the Group Delegated Authorities (GDA), and the Financial Certification process.

The MCS framework is designed, maintained, and independently verified by the GIC across all global operations. Regular discussions with local management ensure that controls are properly assessed and issues swiftly addressed, reinforcing the commitment to continuous monitoring and effective risk management. These mandatory standards form the basis of the internal control system (ICS), which is designed to provide the Board of Directors and management with reasonable assurance regarding the reliability of financial reporting, compliance with all laws and regulations, and the protection of assets. The effectiveness of the ICS is reinforced by clear accountability, with the Board of Directors and Audit Committee providing oversight, the Executive Committee steering implementation, and every employee playing a defined role in its execution. The ICS is a core pillar supporting the ERM process. While the ERM identifies and assesses the most material risks to our business and strategy, the GIC ensures that the necessary control activities are embedded to effectively mitigate these risks. The MCS serves as the official risk mitigation framework, with a comprehensive scope that extends well beyond finance to include other critical areas such as accounting and consolidation, tax, treasury, expenditures and revenues, governance and compliance, information technology, human resources, fixed assets, inventory, sustainability, and operational technology.

Holcim's Policy Landscape is a centralized governance system composed of policies and directives. It is maintained by all Group functions under the guidance of the GIC, and continuously updated to reflect current business practices. The framework ensures consistent ways of working across the Group, supports compliance with laws and regulations, and clearly defines Holcim's risk appetite when conducting business.

The GDA make up Holcim's framework defining who can approve which decisions across the Group. They establish clear authorization rules and financial thresholds to ensure consistent, accountable, and well-governed decision making. The GDA reflect the powers delegated by the Board of Directors to Holcim management and establish a common standard for approving significant commitments and transactions. They ensure clarity, transparency, and control throughout the organization.

The Financial Certification process is Holcim's annual formal confirmation of the accuracy and completeness of its financial statements and related disclosures, with the outcome presented to the Executive Committee and Audit Committee. Senior management, Group functions, countries, and entities attest that accounting, reconciliations, and internal controls comply with Group guidelines and applicable standards. This process strengthens accountability and ensures transparency across the organization. It is facilitated and coordinated by the GIC, which supports the countries and Group functions throughout the certification cycle. The GIC function designs and coordinates the annual certification process to confirm management responsibility for control quality, with the outcome presented to the Executive Committee and Audit Committee.

Three lines of defense

In addition to the Board of Directors, its associated oversight committees, and the Group Internal Control risk mitigation framework, our ERM system is built on three lines of defense

As the first line of defense, management at the country level is responsible for assessing and managing risks and opportunities. In each of our markets, a designated Country Risk Lead facilitates and coordinates the entire ERM process. These risk leads receive specialized training and serve as the primary contact for all ERM-related inquiries at the country level.

The second line of defense comprises Group functions, including Group Risk Management, Group Legal, Group Compliance, Group IT, Group Sustainability, Group Human Rights, Group Health and Safety, and Group Security and Business Resilience. By conducting specific risk assessments within their areas of expertise, these functions foster a risk-aware mindset and contribute to a deeper, more precise understanding of potential risks, thereby increasing Holcim's collective risk expertise. They also ensure that the first line of defense operates effectively by implementing appropriate internal controls related to their function. Moreover, they leverage their expertise to develop risk management policies and controls.

The third line of defense is Group Internal Audit. As an independent function, it provides assurance to the Board of Directors and Executive Committee regarding the effectiveness of the first and second lines of defense, as well as of the overall risk management and internal control processes. Group Internal Audit conducts independent assessments to evaluate the quality of these processes as well as the effectiveness of mitigating actions and controls. The annual audit plan, developed by Group Internal Audit and approved by the Audit Committee, is based on the results of the annual ERM process.

Risk and opportunity management principles

Holcim's ERM process engages with stakeholders from the countries, regions, and leadership levels to ensure the comprehensive management of risks and opportunities. It covers all potential effects of uncertainty on Holcim's strategic priorities and financial and nonfinancial objectives, across short-, medium-, and long-term time horizons. This structured process is implemented in five distinct phases.

1. Identification

The identification phase focuses on identifying potential risks to Holcim's business and strategy, while also actively seeking opportunities to drive growth and value creation. In collaboration with Group functions and risk experts, we have developed a Group Risk Universe that covers all kinds of risks, including strategic, operational, and external risks. Widely communicated internally, the Group Risk Universe paves the way for a common understanding of risks across the organization, empowering us to transform potential threats into strategic opportunities. To proactively address the evolving risk landscape, we continuously update our Group Risk Universe using a collaborative approach. This combines internal perspectives, gathered through countries' risk and opportunity assessments and Group-level expert interviews, with external insights from risk specialists and authoritative external risk reports. These diverse perspectives ensure the early identification of emerging risks and opportunities.

2. Assessment

In the assessment phase, we determine the likelihood and impact of all identified risks and opportunities using a comprehensive bottom-up and top-down exercise. For the bottom-up approach, Country Risk Leads collaborate with local stakeholders to thoroughly discuss major risks and opportunities based on the country context and our business strategy; they document their assessments in our internal ERM tool. For the top-down approach, we interview Group subject matter experts to gain insights into major risks and opportunities that could impact Holcim's objectives and overall strategy. We fully document and thoroughly analyze every interview to capture the key findings. Management teams at both levels assess the inherent (before mitigating controls/actions are applied) and residual (after mitigating controls/actions are implemented) risk exposure.

We assess the potential impact of each identified risk or opportunity on Holcim's value chain – across the upstream activities, our own operations, and the downstream stages. We also evaluate their potential effect on financial performance, measured through recurring EBIT, and on our reputation. Standardized impact scales are used to ensure consistency and comparability across all risk types.

Financial impact is rated as low when it represents less than 5% of recurring EBIT, medium when it represents between 5% and less than 10%, high when it ranges from 10% to less than 15%, and very high when it reaches 15% or more. Reputational impact is categorized as low for limited reputational damage, medium for temporary damage, high for sustained damage, and very high for severe damage.

These impacts are assessed over the short term (less than three years), medium term (less than 10 years), and long term (through 2050). We also test the resilience of our broader sustainability strategy and 2050 net zero commitment, through planning that explores possible future scenarios for 2030 and 2050. Further details are provided on pages 91–94 of the 2025 Sustainability Statement.

3. Response

The response phase focuses on developing and implementing strategies to mitigate or respond to the identified risks. Our risk mitigation strategy begins with a number of internal actions, such as the implementation of the MCS, which clarify and reinforce the responsibilities of Holcim's businesses. Furthermore, high residual risks must be addressed by means of a defined action plan. This includes appointing action plan owners and agreeing expected outputs and timelines. In addition, we develop strategies to leverage the identified opportunities, assigning ownership and establishing clear goals and timelines for realization.

4. Monitoring

This phase involves continuously monitoring the effectiveness of the implemented risk responses and proactively identifying any new or emerging risks. At the country level, the respective risk lead is responsible for monitoring and following up on the execution of all risk treatment actions. At the Group level, we collaborate with various Group functions to maintain a comprehensive understanding of the evolving business environment in which we operate. We additionally monitor the progress of the initiatives to leverage opportunities, identifying and documenting the most efficient response strategies for potential use at other relevant locations across the Group.

5. Reporting

The reporting phase focuses on communicating the results of the annual ERM process to relevant stakeholders. Bottom-up and top-down risk assessments are consolidated and used to create the Group Risk Map, which provides a clear visual representation of the most material risks for Holcim. This is updated every year and reviewed by the Executive Committee and Audit Committee. Changes to identified risks levels are promptly communicated to leadership in various risk reports. In addition to risk reporting, we also communicate information on key opportunities and the strategies needed to maximize potential benefits.

Overview of Holcim's enterprise risks

Holcim's continued success depends on its ability to effectively navigate a complex and evolving risk landscape. This section provides an overview of the main risks and threats identified that could have a material adverse effect on current or future business operations, alongside the corresponding response strategy identified at the time of preparing this Risk Report. However, the relevance of each risk may vary, and new threats may materialize. We actively monitor these dynamics to maintain an accurate and responsive risk profile. The risks are classified into three main categories:

- External risks refer to threats that originate outside of Holcim's direct control and have the potential to impact the company's operations or strategic objectives. They may include geopolitical instability, macroeconomic fluctuations, technological disruptions, climate events, and broader societal or market shifts.
- Financial risks refer to the potential for financial loss arising from Holcim's exposure to various factors that may affect its ability to meet its financial obligations. These risks include, but are not limited to, currency risk, credit risk, or liquidity risk.
- Operational risks refer to potential events or failures that may disrupt the effective execution of Holcim's core business activities. These risks can arise from deficiencies in internal processes, failures in systems or technology, regulatory or compliance breaches, human error, and issues related to people.

Salient human rights risks

In addition to the risk categories listed above, we have identified seven salient human rights risks in our business activities, which we seek to proactively identify, cease, prevent, or mitigate.

We define our salient human rights risks in line with the UN Guiding Principles (UNGPs) on Business and Human Rights to ensure that we focus on the issues posing the greatest potential harm to the people connected with our operations and value chain. In line with the UNGPs, we assess these risks on the basis of the severity and likelihood of impacts on individuals rather than solely of impacts on the business. This approach allows us to prioritize meaningful action, direct resources where they are most needed, and strengthen our prevention, mitigation, and remediation efforts, while meeting international expectations for responsible and transparent business conduct.

Holcim's human rights guidelines and salient risks were defined after extensive consultation with our global senior executives, global managers, staff, external human rights experts, and civil society and community representatives.

Climate- and nature-related risks and opportunities

Holcim also identifies climate- and nature-related risks and opportunities. For a thorough discussion of our long-term sustainability strategy, including climate- and nature-related risks and opportunities, please refer to pages 72-94 of our 2025 Sustainability Statement.

KEY EXTERNAL RISKS

Definition	Potential impact	Our response
Unfavorable economic conditions Unfavorable economic conditions refer to the risk that instability or downturns in national or global economic environments may create adverse business conditions that impact the demand for construction and building materials. This risk can be driven by factors such as economic slowdowns or recessions, increased economic protectionism, high inflation, fiscal deficits, rising interest rates, and reduced public and private investment.	Demand for building materials is driven by economic growth (or contraction). Changes in demand can impact sales volumes, prices, and industry structure. Many markets are currently facing persistent inflationary pressures and high interest rates, which are putting strain on the construction sector.	Our strategy is designed to reduce the Group's exposure to unfavorable economic conditions through diversification and targeted growth. In mature markets, we focus on sustainable growth and optimize our footprint through selective divestments, reducing our presence in regions where economic growth is more volatile. At the same time, we are expanding in high-potential regions such as Latin America and Europe by way of value-accretive acquisitions that strengthen our long-term growth. Moreover, our diversified portfolio of high-value Building Materials and Building Solutions enables us to serve the entire built environment and ultimately strengthens our business resilience by balancing performance across multiple markets and product lines.
Political uncertainties Political uncertainties refer to the risk that political shifts or instability may create localized social and economic uncertainty, resulting in adverse business conditions. This risk can be driven by factors such as changes in government leadership, legislation, regulatory frameworks, and public policies. **ESRS reporting**: S3 Affected communities	Political instability in any country could have a direct or indirect impact on Holcim's value chain. This can create an unpredictable business environment, disrupting strategic planning and daily operations. It may include sudden changes in government policies, regulations, or tax frameworks, leading to higher compliance costs and lower profitability. Political shifts can also create transitional risks, which may hinder or slow our decarbonization strategy. Civil unrest, protests, or conflicts can endanger employees, damage assets, and disrupt our operations. These factors can delay investments, limit market expansion, erode confidence, and reduce demand for construction and building materials. Failure to protect people and assets in unstable environments could significantly harm Holcim's reputation, people, and operations.	Dedicated governance enforced across the Group and country-specific action plans have been implemented to enhance crisis management, the security and safety of people, the protection of our assets, and our business resilience. Supported by risk-specific functions and the Group Business Resilience team for cross-functional coordination, countries actively monitor the political environment in which they operate to anticipate adverse events such as activism, civil unrest, and conflicts. Based on the risks identified, Holcim engages security services to protect people and assets while upholding strict standards of professionalism, integrity, and respect for human rights. Our Security and Resilience Policy sets clear expectations for private security providers and public forces to comply with international best practices. In 2024, we strengthened implementation by offering new e-learning modules developed with the Geneva Center for Business and Human Rights, training managers and supervisors on integrating human rights considerations into security practices across operations.
Geopolitical tensions and global conflicts Geopolitical tensions and global conflicts refer to the risks related to rising trade disputes, sanctions, deteriorating diplomatic relations, or armed conflicts, which may have direct or indirect impacts on Holcim's value chain.	Holcim's global presence exposes us to shifting geopolitical dynamics, impacting our people and business. For example, supply chains can be disrupted by conflicts, trade restrictions, sanctions, or transportation issues, leading to delays, higher costs, and reduced access to essential materials and utilities. These disruptions can also drive up energy prices and inflation, increasing expenses and limiting investment. In unstable regions, our employees may face heightened risks to their safety and well-being due to conflict, terrorism, or unrest, as well as restrictions on mobility, communications, or access to services. Ongoing tensions, such as those between China and Taiwan, Russia and Ukraine, India and Pakistan, conflicts in the Middle East, maritime disputes in the South China Sea, and trade disagreements between the US and key partners (including countries where Holcim operates), create uncertainty for global supply chains, market stability, and workforce security.	Holcim actively monitors geopolitical developments to identify and anticipate potential adverse events. The Group Business Resilience team manages these risks, from identifying threats to developing operational response plans for disruptions. In collaboration with the countries, the Group Business Resilience team maintains active monitoring to gather information for use in proactive planning and effective response and recovery.
Public health threats Public health threats refer to health and safety risks to our people and surrounding communities due to pandemics, epidemics, and outbreaks of infectious diseases, as well as other significant public health emergencies (such as avian flu, COVID-19, Ebola, SARS, and cholera).	Public health outbreaks, especially pandemics and epidemics, can affect the health of our people and the communities in countries where we operate. They may also negatively affect our business activities due to operational constraints and supply chain disruption. Lastly, the adverse macroeconomic effects of public health outbreaks can affect the value of assets and reduce demand.	The Group Business Resilience team collaborates with the Health and Safety team to closely monitor emerging global health issues. Leveraging the experience gained from the COVID-19 pandemic, measures are proactively put in place to ensure that the countries potentially affected are informed, prepared, and trained to minimize the impact of wide-scale disease.

KEY OPERATIONAL RISKS

Definition	Potential impact	Our response
Pollution Pollution refers to the risks associated with Holcim's production footprint, particularly clinker manufacturing, which carries inherent risks to air quality, soil integrity, and water systems. Besides CO_2 emissions, cement production can cause air pollution from dust, sulfur oxides (SOx), and nitrogen oxides (NOx). Soil contamination can occur as the result of fuel or chemical spills, or improper waste disposal. Water sources can be threatened by wastewater discharge and pollutant runoff. **ESRS reporting**: E2 Pollution; S3 Affected communities	Unmitigated pollution can lead to significant biodiversity loss and ecosystem degradation. Exposure to pollutants poses health risks to our people and neighboring communities and can jeopardize shared resources such as arable land and clean water. Moreover, noncompliance with environmental regulations can lead to regulatory penalties, legal action, and operational interruptions, posing a material risk to the Group's reputation and license to operate.	We are committed to minimizing the impacts of our operations. As a result, Holcim is continuously reducing fugitive emissions, including those from plant operations and adjacent roads, to protect the local environment and neighboring communities. Holcim's Emission Monitoring and Reporting standards require all sites to measure, manage, and report air emissions, supported by the updated 2030 targets aimed at reducing SO_2, NOx, and dust emissions from kiln stacks. In 2025, enhanced real-time monitoring and alignment with EU taxonomy requirements strengthened emissions governance. Compared to 2024, specific SO_2 emissions decreased by 7.1%, and NOx emissions by 2.7%, while specific dust emissions increased by 2.4 g/ton clinker, leading to targeted corrective actions at selected sites. Overall, the vast majority of Holcim's plants operate within best-practice emission ranges, with several performing among sector leaders. In addition, Holcim is committed to ensuring that 100% of discharged water complies with its global water management framework and all applicable country regulations. Since 2019, the quality of discharged water has improved by 30%, reaching compliance of 99.1%. Holcim notably implements freshwater ecosystem regeneration by deploying nature-based solutions beyond its site boundaries and treats the water it uses before returning it to nature. Holcim also ensures soil quality by storing and handling fuels and chemicals in compliance with international standards and any applicable regulations. Moreover, Holcim is committed to engaging with local communities, notably through regular Community Advisory Panels (CAPs). For instance, after a CAP meeting in Croatia at which the community raised concerns about emissions, Holcim launched a dedicated website providing public access to real-time emissions data. This website ensures the transparent disclosure of emission levels and includes links to the state measurement databases.
Energy price volatility Energy price volatility refers to the risk that unpredictable or significant fluctuations in the market prices of fuels, electricity, and alternative fuels impact Holcim's overall production cost structure. **ESRS reporting**: E1 Climate change	Energy costs represent a significant portion of Holcim's production expenses and are subject to market volatility. Rising energy prices and potential supply disruptions could negatively affect Holcim's financial performance, especially if increased costs cannot be passed on to customers. Supply uncertainties may arise from regulatory changes, infrastructure constraints, geopolitical tensions, conflicts, refinery shortages, or economic slowdowns, potentially impacting operations. In addition, Holcim's commitment to decarbonization and regulatory pressures such as CO_2 pricing require a strategic reduction in reliance on CO_2-intensive energy sources. This transition is essential for maintaining operational stability while meeting environmental and sustainability objectives.	Holcim mitigates energy supply risks by optimizing the fuel mix, improving energy efficiency across its operations, and securing energy through fixed-price contracts, long-term power purchase agreements, and on-site generation. All of these response strategies ensure cost stability and supply reliability. Furthermore, our transition toward a decarbonized business model further supports efforts to structurally mitigate exposure to energy market volatility. This shift, which notably involves substituting traditional fossil fuels with alternative fuels, not only reduces CO_2 emissions but also diversifies Holcim's energy supply, enhancing resilience to fuel price volatility and supply disruptions while reducing costs. Moreover, a key benefit of many alternative fuels, such as biomass, is their local sourcing potential, reducing fuel transportation distances and associated CO_2 impact.
Raw material costs and availability Raw material costs and availability refer to the risk that price volatility or an insufficient supply of key raw materials can result in supply chain disruptions, increased costs, or production constraints. This risk can be driven by factors including the depletion of reserves, permitting and regulatory challenges, inconsistent material quality, a limited number of suppliers, and the overall scarcity of raw materials. Dependence on third-party by-products such as pet-coke, fly ash, and slag, as well as on the availability of industrial minerals (calcined clay, gypsum, bauxite) and aggregates (including limestone and sand), further increases vulnerability to supply and cost fluctuations.	Failure to secure long-term reserves, licenses, and permits, or to obtain materials from third parties at the expected cost and quality, can negatively impact variable costs, financial performance, and Holcim's long-term growth. In addition, significant increases in freight costs, such as difficulties in finding available vessels and high fuel prices, may lead to uncompetitive landed costs for raw materials. Moreover, the decline in coal-fired power generation and reduced steel production are restricting the availability of key by-products such as fly ash and slag, which are effective alternative raw materials for reducing CO_2 emissions in cement manufacturing. This trend heightens the company's exposure to supply disruptions if upstream industries scale down or cease production, potentially undermining circular economy initiatives.	Holcim actively monitors raw material prices and market trends to anticipate potential risks and ensure supply reliability and diversification. In regions where the supply of raw materials faces potential disruption, we implement a comprehensive risk management strategy, which includes continuously monitoring permitting processes, adjusting input mixtures, and maintaining minimum long-term reserve levels. When necessary, we also leverage international seaborne sourcing to offset local supply risks. In line with our nature-positive strategy, we aim to reduce our dependence on natural inputs by continuously innovating materials and production processes, employing strategic sourcing, and diversifying our raw material base. Our strategy of driving profitable growth involves accelerating the use of a wide range of components. These include innovative mineral components like calcined clay, which can reduce the footprint of cement by up to 50%, alongside recycled construction demolition materials (CDM), and other novel binders.

KEY OPERATIONAL RISKS

Definition	Potential impact	Our response
Occupational health and safety Occupational health and safety represents the risk of Holcim failing to adequately safeguard its employees, contractors, and third parties from injury, illness or fatality, during both on-site and off-site activities related to its operations. This includes Holcim's failure to set up current or new health and safety and environmental standards. **ESRS Reporting**: S1 Own workforce, S3 Affected communities	Impacts include injury, illness or fatality, reputational damage, and the possibility of business disruption, with consequences for our financial and business performance. The impact is compounded by the fact that local incidents can affect the entire Group.	Holcim is committed to ensuring a safe, healthy workplace, and continuously strives to reach its goal of zero harm for all stakeholders, including employees, contractors, communities, and customers. The Board of Directors, through the Health, Safety & Sustainability Committee, supports the development of a strong safety culture and oversees the resources and processes needed to minimize or eliminate health and safety risks. We emphasize visible leadership and personal accountability at every level of the organization. Our global Health, Safety, and Environment (HSE) Management System drives continuous performance improvement and proactive risk reduction across all operations. Building on our Boots on Ground workforce engagement program, we have strengthened our Treasure Hunt initiative by integrating it into a digital platform to reinforce health, safety, and environmental priorities. In 2025, the program was further enhanced through AI-enabled tools, including digital inspections, work permits, and positive safety recognition. Moreover, the Group HSE team regularly audits our sites to ensure full implementation of our HSE policies and internal standards in all Holcim countries. In 2025, our lost-time injury frequency rate (LTIFR) fell to 0.36, with 99% of our sites and 60% of countries reporting zero lost-time injuries (LTIs).
Sustainable supply chain obligations Sustainable supply chain obligations represent the risk of Holcim failing to identify, assess, or comply with legal, regulatory, or voluntary requirements related to environmental, social, and governance (ESG) standards and due diligence requirements within its supply chain. **ESRS Reporting**: S2 Workers in the value chain	Failure to enforce the highest standards across our supply chain, specifically regarding working conditions, health and safety, anti-discrimination, anti-harassment, and anti-child labor, exposes the Group to several severe negative impacts. Non-compliance, particularly in cases of severe human rights violations, such as child labor, poor working conditions, or major safety failures, could lead to severe reputational damage. These failures could result in significant legal and financial exposure, including costly fines, litigation, and potentially mandatory operational shutdowns that could severely disrupt business continuity and the stability of our supply chain. Furthermore, a lack of supplier alignment with Holcim's environmental standards could critically jeopardize our decarbonization roadmap (specifically, Scope 3 emissions reduction) and broader sustainability objectives.	Holcim manages its contractors and suppliers through a systematic, risk-based approach with strong policies and actions. Our Code of Ethics for Suppliers (replacing our Code of Business Conduct for suppliers as of 1 January 2026) outlines ESG compliance expectations, aligned with OECD Guidelines and other relevant laws. We ensure good working conditions and high health and safety standards through our supplier due diligence program, which includes site assessments, supplier qualification processes, and human rights impact assessments. Holcim enforces a zero-tolerance policy on forced and child labor, with immediate termination of the business relationship and remediation for any violations. We notably mitigate child labor risks by addressing underlying socio-economic drivers through social initiatives. In particular, we provide access to education by operating 19 schools in seven countries, mainly in high-risk, underserved areas. Holcim is also committed to reducing its carbon footprint across its value chain to become a net-zero company by 2050. Notably, Holcim engages with key suppliers and business partners to respond to climate risks, encouraging them to measure and manage their CO_2 impact in their operations and supply chain. We apply the GHG Protocol to estimate CO_2 emissions for all 15 categories of Scope 3 emissions, which are evaluated project by project and accounted for in our Scope 3 modeling. Furthermore, our procurement decisions prioritize reducing our reliance on natural resources. We take specific actions on purchased categories with a potential impact on nature, particularly natural sand, other mined raw materials, packaging, and chemicals. Suppliers of extractive raw materials undergo site (quarry) assessments, coupled with supplier development activities where needed. As an equal opportunities employer, Holcim promotes an inclusive and fair environment, where discrimination and harassment are not tolerated, extending this commitment to our value chain. Direct worker consultations, ongoing training, and performance monitoring further promote these standards throughout our value chain. Suppliers can voice concerns through our Integrity Line (https://integrityline.holcim.com/).
Labor relations and employee attraction and retention Labor relations and employee attraction and retention represent the risk of Holcim failing to hire and maintain skilled people in the right roles and at the right time to achieve its business objectives. This risk can be driven by factors such as challenges maintaining satisfactory labor relations, unfavorable employment conditions, or low workforce engagement in a highly competitive talent market. **ESRS Reporting**: S1 Own workforce	Challenges in attracting, engaging, and retaining skilled talent could slow operations, weaken leadership pipelines, and hinder Holcim's ability to meet strategic objectives. Persistent labor shortages, exacerbated by a highly competitive labor market, could leave critical roles unfilled, reducing productivity and increasing operational strain. As employee expectations evolve toward a better work-life balance, meaningful work, and supportive workplaces, failing to adapt could accelerate employee turnover and erode engagement. In regions where skilled workers seek opportunities elsewhere, talent gaps could widen, making it difficult to maintain consistent performance. Over time, if the industry is perceived as less attractive than others, Holcim could struggle to secure the expertise needed for its long-term growth. Moreover, limited access to the technical skills required for digitalization, AI integration, and the transition to a low-carbon business model, and/or failure to implement extensive training programs, could delay innovation and compromise competitiveness.	To tackle challenges attracting employees and strengthen our talent positioning, Holcim has launched an Employment Value Proposition (EVP) project to clearly articulate what makes Holcim a compelling workplace and support consistent messaging across all markets. Leaders are expected to be role models for the Holcim Spirit, focusing on Purpose, People and Performance. Holcim is committed to giving every employee opportunities to grow, develop, and thrive. We empower talent through global programs such as Holcim University, One Young World, the Early Career Leadership Program, and our Functional Academies and Business Schools. The Group provides a broad learning portfolio, with new programs for young and experienced professionals to keep improving the robustness of its talent pipeline. We also support internal mobility through Career Hub, Holcim's talent marketplace, which connects employees with development opportunities, short-term projects, and internal roles across the Group. We foster diversity, equity, and inclusion across the employee life cycle, supported by gender balance initiatives, employee resource groups, strong safety and mental health programs, and strict policies against discrimination and harassment. Our 2025 Global Employee Engagement Survey showed higher engagement levels and helped identify areas to sustain and improve. To manage labor risks and strengthen our talent pipeline, Holcim conducts regular talent reviews and succession planning at local and Group levels. Core people processes, including learning, performance management, and leadership development, are consistently implemented across all entities under the guidance of the Group People department.

KEY OPERATIONAL RISKS

Definition	Potential impact	Our response
Legal and compliance requirements Legal and compliance requirements represent the risk of Holcim breaching laws and regulations governing business conduct, including those that combat bribery, corruption, fraud, and unfair competition, violating trade sanctions or export controls, or making unauthorized use of personal data. It likewise covers Holcim's involvement in lawsuits, claims, investigations, and proceedings related to product liability, commercial disputes, and environmental, health, and safety matters, all of which could occur in the ordinary course of its business. **ESRS Reporting**: G1 Business conduct	Impacts include investigation costs, financial penalties, debarment, profit disgorgement, and reputational damage. The impact might be compounded by the fact that local violations could affect the entire Group. Over time, these effects could erode stakeholder relationships and threaten Holcim's long-term business performance.	Holcim maintains a risk-based compliance program and governance framework. The identified risk areas listed below are addressed through several response mechanisms. These include standard risk management activities such as risk assessments, training, monitoring, and reporting, along with specific measures for each area: • Business integrity and compliance: Procedures for managing gifts, entertainment, hospitality, sponsorships, donations, third-party due diligence, and conflicts of interest. • Pricing integrity and antitrust compliance: In-depth risk assessments based on interviews, document reviews, and email analysis, and targeted training to address key risk drivers such as trade association participation, pricing decisions, market intelligence, competitor contacts, and merger control rules. • Sanctions and trade restrictions: Screening of restricted third parties. • Data protection and privacy: Security measures such as encryption and access controls to protect personal information, procedures for data breach handling and incident response, and defined rights for individuals regarding their personal data. Group Compliance also operates a global whistleblowing system, conducts internal investigations, and monitors remediation and disciplinary actions. At the same time, Group Legal manages competition law investigations, information requests, and enforcement cases. It also tracks commercial litigation and supports operating companies in defense and dispute resolution. Root-cause analysis of investigations, disputes, and enforcement cases drives continuous improvement.
Digitalization, artificial intelligence (AI), and cybersecurity Digitalization, artificial intelligence (AI), and cybersecurity represent the risks arising from the adoption and use of digital technologies, AI, and interconnected systems. These include the risk of cyber attacks, unauthorized access or data breaches, AI malfunctions or misuse (such as biased, incorrect, or manipulated outputs), and failures in digital infrastructure that could compromise the confidentiality, integrity, availability, or reliability of information and systems. **ESRS Reporting**: G1 Business conduct	An information technology failure or cybersecurity incident could result in financial losses, reputational damage, and even safety or environmental consequences. This risk has become increasingly significant due to the ongoing rise of external threats, including cyber crime and cyber warfare. In addition, threat actors may exploit AI to scale cyber attacks, and the use of external AI services could expose sensitive data to leaks or unauthorized access. Moreover, geopolitical instability and the weaponization of cyberspace in hybrid conflicts have heightened security concerns. As our digital footprint and reliance on AI expand, so does our exposure to IT-related risks. For Holcim, the most critical IT risks include financial losses from business interruptions caused by system unavailability, as well as reputational harm from data breaches stemming from targeted cyber attacks, operational errors, or AI-related issues.	Holcim has established policies and procedures for IT governance and security, as well as internal control standards that are followed Group-wide for all applicable systems. These include a resilient critical IT system architecture, backup and disaster recovery procedures, and cybersecurity measures to detect and respond to unusual activity in our networks. Moreover, as constant vigilance and cyber awareness culture throughout the organization is essential, our personnel receive ongoing training on how to identify and avoid trending cyber risks, especially given the growing prevalence of remote working. The Group's IT risk register is regularly assessed and updated in all regions to account for the evolving risk landscape. Measures are continuously enhanced and are regularly audited by different independent internal departments and external partners. In addition, the Business Resilience team monitors the general geopolitical situation and conflicts to identify external risks and enhance Holcim's preparedness for potential targeted attacks that could require closer collaboration between the Business Resilience team and the IT Security department.
Joint ventures and associates Joint ventures and associates represent the risks associated with acquiring interests in other companies or pursuing joint ventures. Given that the Group does not have full control over these entities, the primary risk lies in its potential inability to generate adequate returns or to enforce its operating standards and compliance program.	As the Group does not control all joint ventures or associates in which it has invested, Holcim might not be able to manage joint ventures or influence associates effectively, and/or realize the strategic goals of these businesses. In addition, this could hamper the ability of Holcim to implement organizational efficiencies and its controls framework, including its full compliance program. It could also impede the ability to transfer cash and assets between subsidiaries to allocate assets in the most effective way.	Joint venture partners and associates fall within the scope of Holcim's Third Party Due Diligence Directive and Holcim performs risk-based compliance due diligence. In entities not controlled by Holcim, we apply good faith efforts to implement our compliance program or other risk-proportionate compliance measures.
Mergers, acquisitions, and divestments Mergers, acquisitions and divestments represent the risk of Holcim failing to effectively identify, execute, or manage mergers, acquisitions, or divestments. This risk can be driven by factors such as acquiring or divesting at unfavorable terms or mismanaging integration or separation processes.	The capital allocated to mergers or acquisitions may not yield the expected returns and synergies might not be achieved. Such inefficiencies could lead to a misallocation of resources that could otherwise support more strategic initiatives, organic growth, or investments better aligned with Holcim's long-term objectives. There is also inherent uncertainty in integrating newly acquired entities into our operating model, organizational structure, and governance framework, including internal controls and compliance programs. In connection with disposals, customary warranties could give rise to potential claims against Holcim and its subsidiaries.	Our M&A process is built on a comprehensive due diligence framework that covers strategic, compliance, financial, environmental, legal, tax, commercial, human resources, and pension considerations. Key internal stakeholders lead the process, supported by external experts where needed. Our broad geographical footprint and strong cash position enable us to respond quickly to attractive targets and capture local synergies. Newly acquired entities are required to comply with our Minimum Control Standards, implemented through a detailed gap analysis and integration plan that addresses the specific risks and characteristics of each business. The same rigorous due diligence applies to disposals, which are carefully reviewed by Group teams before any divestment. Although the company may remain liable for certain past events, we actively monitor our exposure and assess potential liabilities to safeguard the Group's interests.

KEY FINANCIAL RISKS

Definition	Potential impact	Our response
Financial market fluctuations Financial market fluctuations represent the risk that adverse changes in financial markets could weaken Holcim's financial performance and its ability to secure the funding needed for its operations and growth. This risk can be driven by factors such as volatility in interest rates, foreign exchange markets, commodity, and debt-market conditions, as well as market-driven pressures on liquidity, credit ratings, and access to external financing, as well as by credit risk arising from potential counterparty defaults.	Adverse movements in financial markets could weaken the Group's liquidity and financial flexibility by increasing funding and debt-servicing costs, limiting access to capital, and causing valuation losses on financial instruments, or by giving rise to credit risk from potential counterparty defaults. These conditions could reduce cash generation, erode earnings and equity, and impair the Group's ability to comply with financial covenants, meet commercial obligations, or finance strategic initiatives. Collectively, these effects could also put pressure on the Group's credit rating and ultimately have a material adverse impact on its business and financial condition.	The Group's financial risk management framework is governed by policies which establish risk management principles and provide specific guidelines for managing interest rate, foreign exchange and credit risks, the use of derivative financial instruments, and cash investments. The Group's risk management approach is designed to address the unpredictability of financial markets and to minimize potential adverse impacts on the Group's financial performance. In particular, the Group actively manages liquidity to ensure it can meet its short-term obligations and maintain access to funding. In addition, the Group monitors and manages key financial metrics to support and maintain its credit rating. Holcim regularly assesses customers' financial reliability and constantly monitors the risk of counterparty default. To manage certain exposures, the Group utilizes derivative financial instruments, including foreign exchange contracts, commodity and interest rate swaps, and options. The Group does not engage in derivative or other financial transactions for speculative purposes or purposes unrelated to its core business operations. For further details, please refer to Note 14.6 of the 2025 Financial Report, pages 58-64.
Counterparty default exposure Counterparty default exposure represents the risk of customers defaulting on credit payments, which could result in collection costs and write-offs.	The failure of counterparties to comply with their commitments could adversely impact the Group's financial performance.	Holcim regularly assesses customers' financial reliability and constantly monitors the risk of counterparty default. Counterparties to financial instruments comprise a large number of established financial institutions. The Group does not expect any counterparty to be unable to fulfill its obligations under its respective financing agreements. The maximum credit risk exposure is represented by the carrying amount of each financial asset, including derivative financial instruments, in the consolidated statement of financial position. Moreover, in light of the current macroeconomic context and the risk of a slowdown in activity in the Group's operating regions, we closely monitor the risk of an increase in bad debt. For further details, please refer to Note 12.2 of the 2025 Financial Report, page 50.
Tax exposure Tax exposure represents the risk arising from Holcim's obligations in relation to income taxes, duties, and other non-income-based taxes. Determining and evaluating tax positions often involves significant judgment. While Holcim believes its tax estimates are reasonable, the outcome of tax audits or related disputes could differ materially from historical tax provisions and accruals.	Due to the uncertainty associated with tax matters, it is possible that, at some future date, liabilities resulting from changes in legislation, interpretation of existing tax rules and regulations, and /or audits or litigation could have a material adverse impact on our financial results and cash flow. Notably, governmental authorities in the countries where the Group operates may increase or impose new income taxes or indirect taxes as a means of financing the response to economic shocks or the threat of recession. This includes global initiatives such as the OECD minimum tax rules (pillar 2) that ensure multinational enterprises pay a minimum tax of 15% in a given country of operations.	Tax exposures and risks are reviewed on a regular basis in light of ongoing tax audits and tax cases, as well as ongoing changes in legislation. Holcim Tax Directives provide binding rules for all countries in which we operate, and the Group Tax team continuously works with Group Internal Control on aligning, improving, and implementing processes and controls. It is also continuously developing and acquiring the right in-house skills. For further details, please refer to Note 8 of the 2025 Financial Report, pages 36-39.
Goodwill and asset impairment Goodwill and asset impairment represents the risk of significant underperformance in any of the Group's major cash-generating units (CGUs) or of the future divestment of businesses resulting in a material impairment of goodwill or other assets.	An impairment of goodwill or assets could have a substantial impact on the Group's net income and equity.	Indicators of goodwill or asset impairment are monitored closely through our reporting process to ensure that potential impairment issues are addressed promptly. Detailed impairment testing for each of the Group's CGUs is performed prior to year-end or at an earlier stage if a triggering event occurs. The Audit Committee reviews the goodwill and asset impairment process once a year. In the context of growing challenges posed by the transition to a low-carbon economy, the Group makes estimates and assumptions regarding climate change and how it might impact our operations and cash-flow projections. We continuously reevaluate those assumptions in a way that is consistent with our assessment of climate-related risks, our commitments to investors and other stakeholders, and the climate-related regulations in place. Our cash flow projections are aligned with the commitment to reach our 2030 sustainability targets, as well as the climate-related regulations currently in force, notably in Europe. For further details, please refer to Note 11.3 of the 2025 Financial Report, pages 47-48.

KEY FINANCIAL RISKS

Definition	Potential impact	Our response
Holcim Pension Commitments Holcim's pension commitments represent the risks associated with operating a range of defined benefit schemes and similar contingent liability schemes in various countries, The assets and liabilities of these schemes may be subject to 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 allocation to mitigate volatility and optimize investment returns. Please refer to Note 15 of the 2025 Financial Report for additional details, pages 66-73.
Insurance availability and adequacy Insurance availability and adequacy represent the risk of Holcim being unable to fully transfer or insure all hazards inherent in the industry, even though it maintains insurance coverage for a broad range of operational risks to protect its assets and mitigate third-party liabilities, commensurate with its risk exposure.	The Group could be impacted by losses where recovery from insurance is either unavailable or insufficient to cover the incurred loss.	We transfer our insurable risks with international insurers or reinsurers of high repute, including our internal captive reinsurance companies. We continuously monitor the evolving risk environment to determine whether additional insurances need to be considered.

KEY HUMAN RIGHTS SALIENT RISKS

Definition	Potential impact	Our response
Health and safety Health and safety represents the risk of Holcim ineffectively managing the occupational hazards inherent in the construction and building materials sector, including industrial processes, heavy equipment, logistics, and contractor activities.	Health and safety risks may lead to serious injuries, occupational diseases, or fatalities affecting employees, contractors, communities and other third parties. Inadequate controls, training, or oversight may expose individuals to accidents, hazardous materials, and unsafe working environments, with long-term consequences for physical wellbeing and livelihoods.	Please refer to the "Occupational health and safety" operational risk presented in this report, page 33.
Discrimination and harassment Discrimination and harassment represents the risk of Holcim failing to ensure fair treatment, equal opportunity, and respectful conduct in the workplace.	Discrimination and harassment can negatively affect individuals' dignity, safety, and equal access to opportunities in the workplace. Such conduct could create hostile environments, limit career progression, contribute to stress and psychological harm, and disproportionately impact vulnerable or underrepresented groups.	Please refer to the "Labor relations and employee attraction and retention" operational risk presented in this report, page 33.
Working conditions in our operations and, in particular, our supply chain Working conditions in our operations and, in particular, our supply chain represent the risk of Holcim failing to adequately manage labor standards for employees, contractors, and value chain workers. This includes how the company governs wages, working hours, occupational safety, freedom of association, and compliance with labor requirements throughout its direct operations and procurement activities.	Poor working conditions in operations and especially within the supply chain could result in excessive working hours, insufficient wages, lack of social protection, and unsafe or unhealthy environments. These conditions may undermine workers' rights, dignity, and economic security, particularly where labor standards enforcement is weak.	Please refer to the "Sustainable supply chain obligations" operational risk presented in this report, page 33.
Child labor in high-risk supply chains Child labor in high-risk supply chains represents the risks associated with sourcing materials and services from regions or sectors where child labor is more prevalent.	Child labor in high-risk supply chains can deprive children of their right to education, health, and safe development. Exposure to hazardous work may cause physical and psychological harm, perpetuate cycles of poverty, and undermine long-term social and economic outcomes for affected families and communities.	Please refer to the "Sustainable supply chain obligations" operational risk presented in this report, page 33
Security-related abuses and violations Security-related abuses and violations represent the risks associated with the use of private security providers or interactions with public security forces to protect people, assets, and operations.	Security-related risks may arise when security personnel use excessive force, intimidation, or unlawful practices when protecting company assets or managing access to sites. These actions could lead to physical harm, psychological distress, or violations of fundamental rights for workers, community members, or other stakeholders.	Please refer to the "Political uncertainties" external risk presented in this report, page 31.
Dust and other emissions Dust and other emissions represent the risk associated with air pollution generated from cement production, quarrying, material handling, and transportation activities. Managing this risk involves monitoring, controls, and engagement with regulators and communities near operational sites.	Dust and other emissions from operations can adversely affect air quality and public health, particularly for nearby communities. Prolonged exposure could contribute to respiratory illnesses, reduced quality of life, and heightened health risks for vulnerable populations.	Please refer to the "Pollution" operational risk presented in this report, page 32.
Climate change and its impacts Climate change and its impacts represent the risks associated with the company's contribution to greenhouse gas emissions and its exposure to climate factors.	Climate change can intensify existing human rights risks by increasing extreme weather events, disrupting livelihoods, and limiting access to essential resources such as water, food, and housing. It can pose direct risks to the workforce, including heat stress, health impacts, and potential job losses linked to decarbonization efforts. These may affect broader communities and workers.	Please refer to our environmental disclosures in our 2025 Sustainability Statement, pages 72-94.

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. 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*

PHOTO CREDITS

Page 2: iStock.com/traveler1116

IMPRINT

Concept/Design/Realization:
Created with Workiva platform
Linkgroup AG (*linkgroup.ch)*

Holcim Ltd
Grafenauweg 10
6300 Zug
Switzerland

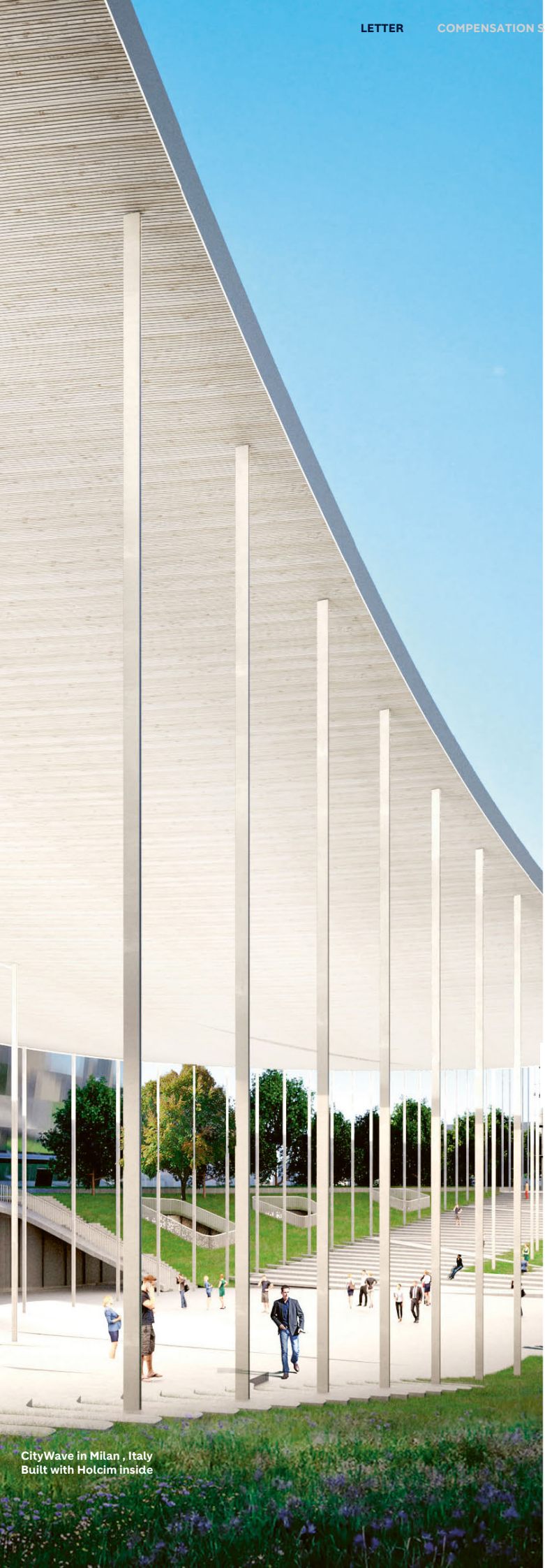
holcim.com

2025 COMPENSATION REPORT



2025 Integrated Annual Reporting Suite

HOLCIM



CityWave in Milan , Italy
Built with Holcim inside

CONTENTS

COMPENSATION

03 Letter from the Chairwoman of the Nomination, Compensation and Governance Committee
04 Compensation at a glance
06 Board of Directors compensation system
07 Executive committee compensation system
14 Compensation for 2025: Board of Directors
15 Compensation for 2025: Executive Committee
21 Compensation governance
26 Pay equality
27 Auditors' report

INTEGRATED ANNUAL REPORTING SUITE









HOLCIM 2025 INTEGRATED ANNUAL REPORT WEBSITE

Cover image:
Cardinales Cofico in Córdoba, Argentina
Built with ECOPact inside

Dear shareholders,

I am pleased to share the Holcim Compensation Report for the 2025 financial year, which was prepared in accordance with the applicable laws, rules, and regulations.
As a leading partner for sustainable construction, we aim to be an employer of choice. This is supported by a compensation framework designed to attract, motivate, and retain the qualified talent needed to succeed globally and to provide excellent returns to you, our shareholders.

With the spin-off of the North American business excluded from the scope of consolidation, Holcim delivered strong profitable growth in 2025, reporting increases in net sales and recurring EBIT in line with its NextGen Growth 2030 targets. Expansion of Holcim's industry-leading recurring EBIT margin to 18.3% was driven by the company's high-value strategy: scaling up its sustainable offering to meet customer demand, and accelerating decarbonization and circular construction.

In this report, we explain how our performance in 2025 impacted the compensation awarded to the members of the Executive Committee under the incentive plans.

The Nomination, Compensation and Governance Committee (NCGC) performed its regular duties throughout the reporting year. These include succession planning for the Board of Directors and the Executive Committee, setting performance objectives at the beginning of the year, and assessing performance at year-end. The NCGC also determines compensation for members of the Board of Directors and the Executive Committee, and prepares the Compensation Report, as well as say-on-pay votes at the Annual General Meeting.

As of July 2025, the composition of Holcim's Executive Committee changed, with the following individuals appointed as Executive Committee members: Lukas Studer as Group General Counsel, Carmen Diaz as Chief People and Sustainability Officer, Simon Kronenberg as Region Head Central and East Europe, Dragan Maksimovic as Region Head West Europe and Ram Muthu as Group Head of Operational Excellence. Together with the nine members of the Executive Committee, Virginie Darbo, Group Head of Strategy and M&A, Alfonso Paradinas, Chief Marketing & Innovation Officer, and Alexia Sommer, Chief Communications Officer formed the Leadership Team. The Leadership Team comprised twelve members, three of whom are women (25%). Jamie Gentoso left the Executive Committee in March 2025. In addition, Nollaig Forrest was appointed as Executive Officer of Amrize Ltd (Amrize) and is no longer part of Holcim's Executive Committee.

With regard to the Board of Directors, Kim Fausing was elected as the new Board Chairman at the Annual General Meeting 2025, succeeding Jan Jenisch, who did not stand for re-election following his appointment as the Chairman and Chief Executive Officer of Amrize. Jürg Oleas did not stand for re-election, after being appointed as a member of the Board of Directors of Amrize. Further, Adolfo Orive and Sven Schneider were elected as members of the Board of Directors at the Annual General Meeting in 2025. Claudia Sender Ramirez was appointed as the new Chairwoman of the NCGC by the Board of Directors in 2025, succeeding Hanne Birgitte Sørensen, who did not stand for re-election.

CLAUDIA SENDER RAMIREZ
Chairwoman of the NCGC



On compensation matters, the NCGC reviewed the overall design of the compensation programs, including peer groups used for benchmarking, performance indicators, and target setting for the incentive plans as well as the share usage for equity plans and compensation levels. In the context of the spin-off of the North American business and the consequent change in the structure of Holcim, the compensation of the Board of Directors was adjusted in line with market practice. Further details on the changes are provided on page 6. For the Executive Committee, the NCGC concluded that the compensation system remains in line with the overall business strategy and shareholder interests, and is well balanced. In connection with the spin-off of the North American business, the target setting for the unvested long-term incentive grants in 2023 and 2024 was reviewed and adjusted. Further details on the adjustments are provided on page 13.

Further information regarding the NCGC's activities as well as the compensation-related decisions made during the reporting year are provided in this report. You will have the opportunity to express your opinion about this Compensation Report in a consultative shareholder vote at the Annual General Meeting 2026.

We are convinced that the compensation framework supports our commitment to creating both financial and nonfinancial value over the long term and is well-aligned with our shareholders' interests. In the future, we will continue to review and assess our compensation programs, while fostering an open dialog with our shareholders and their representatives.

Thank you for sharing your perspectives on executive compensation with us. I trust that you will find this Compensation Report informative.



CLAUDIA SENDER RAMIREZ
Chairwoman of the NCGC

The Compensation Report provides detailed information on the compensation programs at Holcim, on the compensation awarded to the members of the Board of Directors and the Executive Committee for 2025, and on the governance framework around compensation. It is prepared in accordance with the Swiss Code of Obligations, the Directive on Information relating to Corporate Governance of the SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse.

Compensation at a glance

Summary of Board of Directors compensation in 2025

To ensure their independence in their supervisory function, members of the Board of Directors receive fixed compensation only. This is delivered in the form of cash and shares that are subject to a five-year blocking period. The compensation system for the Board of Directors does not include any performance-related components.

Annual retainer (gross)	Cash (CHF)	Shares (CHF)	Expense allowance (CHF)	Committee fees (gross)	Chairperson (CHF)	Member (CHF)
Board chairperson[1]	600 000	600 000	10 000	AC	60 000	40 000
Board vice-chairperson	125 000	125 000	10 000	NCGC	60 000	40 000
Board member	125 000	125 000	10 000	HSSC	60 000	40 000

[1] The Board chairperson is not eligible for committee fees

Summary of Executive Committee compensation in 2025

The executive compensation framework is designed to reinforce Holcim's strategy by helping the company attract, motivate, and retain talent, while aligning their interests with those of the shareholders and stakeholders. The compensation structure is well balanced: It rewards short-term and long-term performance, combines absolute and relative as well as financial and nonfinancial performance objectives, and delivers compensation through a mix of cash and equity.

The compensation of the Executive Committee consists of fixed and variable elements. Fixed compensation includes base salary and benefits based on prevalent market practice.

Variable compensation comprises short-term and long-term elements, as described below. It is based on ambitious and stretch performance targets and rewards Group and regional results. Clawback and malus provisions apply to the annual and the long-term incentive (LTI) plans.

Executive Committee members are subject to a share ownership guideline: The Chief Executive Officer (CEO) must hold at least 500% of his annual base salary in shares, other Executive Committee members 200%.

SUMMARY OF COMPENSATION OF THE EXECUTIVE COMMITTEE IN 2025

Compensation element	Purpose	CEO	Other Executive Committee members
Base salary	Reward for the role		
Pension and benefits	Protect against risks, attract, and retain		
Annual incentive	Reward short-term performance • Group relative sales growth (15%) • Group relative recurring EBIT growth (15%) • Recurring EBIT (20%) • Free cash flow after leases (35%) • Health, safety, and environment (15%)	**Target:** 125% of salary **Maximum payout:** 200% of target (250% of salary)	**Target:** 90% of salary **Maximum payout:** 200% of target (180% of salary)
Long-term incentive	Reward long-term performance (3–5 years) and align with shareholders' interests **Performance shares:** • EPS before impairment and divestments • ROIC • Sustainability **Performance options:** • Relative total shareholder return (TSR)	**Performance shares:** Grant value: 125% of salary Maximum vesting: 200% of target **Performance options:** Grant value: 52.4% of salary Maximum vesting: 100% of target	**Performance shares:** Grant value: 70% of salary Maximum vesting: 200% of target **Performance options:** Grant value: 26.3% of salary Maximum vesting: 100% of target

Board of Directors compensation in 2025

The compensation awarded to the Board of Directors in the 2025 financial year is within the limits approved by the shareholders at the Annual General Meetings 2024 and 2025. Since the compensation period is not yet completed, a definitive assessment will be provided in the 2026 Compensation Report.

Compensation period	Approved amount (CHF)	Effective amount (CHF)
AGM 2024 – AGM 2025	6 500 000	5 718 592
AGM 2025 – AGM 2026	4 500 000	To be determined[1]

[1] The compensation period is not yet completed; a definitive assessment will be provided in the 2026 Compensation Report

Executive Committee compensation in 2025

The compensation awarded to the Executive Committee for the 2025 financial year is within the limits approved by the shareholders at the Annual General Meeting 2024.

Compensation period	Approved amount (CHF)	Effective amount (CHF)
2025 financial year	36 000 000	21 621 844

Summary of performance in 2025

Holcim delivered a strong financial performance in 2025. Compliant with IFRS, all figures have been restated following the spin-off of the North American business, thus the performance reflects Holcim post spin-off. Some of the performance targets for the post-spin-off period have been reset to account for the carve-out of the North American business and other divestments (see page 13 for details).

In 2025, net sales rose 2.9% organically (3.0% in local currency excluding large M&A) with recurring EBIT growth of 12.2% organically to CHF 2 876 million in 2025 (10.3% in local currency excluding large M&A). Holcim delivered free cash flow after leases of CHF 1 944 million.

Return on Invested Capital (ROIC) was 11.2%, while earnings per share (EPS) before impairment and divestments for continuing operations reached CHF 3.22 for the full year 2025.

We continued to lead in circular construction, recycling 8.0 million tons of construction demolition materials (+23.5% compared to the prior year). Advancing our leadership in sustainability, Holcim reduced its Scope 1 emissions per ton of cementitious materials by 2.6% year-over-year and reduced its freshwater withdrawal per ton of cementitious materials 6.3% by weight.

These achievements resulted in the following payout levels:

- Annual incentive 2025: average payout of 161.0% of target for Executive Committee.
- Long-term incentive 2023: vesting level of 169.8% for the performance shares granted in 2023.

Compensation governance

- Authority for decisions related to compensation is governed by the Articles of Incorporation and the Organizational Regulations of Holcim Ltd, as described in the Corporate Governance section.
- The prospective maximum aggregate amounts of compensation of the Board of Directors and of the Executive Committee are subject to binding shareholders' votes at the Annual General Meeting.
- The Compensation Report is subject to a consultative vote by the shareholders at the Annual General Meeting.

The Board of Directors is supported by the NCGC on all matters related to compensation and governance. The NCGC members are elected annually by the shareholders at the Annual General Meeting.

COMPENSATION AWARDED FOR 2025

CHIEF EXECUTIVE OFFICER



Base salary	20%
Pension & benefits	4%
Annual incentive	41%
Long-term incentive	35%

EXECUTIVE COMMITTEE MEMBERS



Base salary	30%
Pension & benefits	11%
Annual incentive	30%
Long-term incentive	29%

Board of Directors compensation system

To guarantee their independence in the exercise of their supervisory duties, members of the Board of Directors receive fixed compensation only and do not participate in Holcim's employee benefits plan. Part of the compensation is paid in blocked shares to enhance alignment with shareholders' interests.

Board compensation consists of an annual retainer for the Board chairperson, Board vice-chairperson, and Board members, plus additional fees for assignments to the committees of the Board of Directors, either as chairperson or member. The Board chairperson is not eligible for committee fees. The annual retainer is paid half in cash and half in shares subject to a five-year restriction period (prohibition of sale or pledging). Committee fees are paid in cash.

Additionally, a lump-sum expense allowance is paid in cash. The members of the Board of Directors receive no additional reimbursements of business expenses beyond travel costs.

Cash compensation is paid to the Board members on a quarterly basis and to the Board chairperson on a monthly basis. The shares for the past reporting year are transferred in March.

In exceptional circumstances, additional fees are payable to Board members when an exceptional workload beyond the regular function of the Board of Directors is required. No such fees were paid in the reporting year.

Adjustment of the compensation system in the reporting year

In the context of the spin-off of the North American business and the consequent change in the structure of Holcim, a thorough benchmarking analysis and review of the compensation system was conducted. To ensure alignment with market practice, the peer group was reviewed and adjusted to take into account Holcim's size after the spin-off of the North American business. The peer group consists of the following companies in the Swiss Market Index (SMI) and Swiss Market Index MID (SMIM – largest mid-cap): ABB, Adecco, Alcon, Geberit, Givaudan, Kuehne + Nagel, Lonza, Nestlé, Novartis, Richemont, Roche, Sandoz, Schindler, SGS, Sika and Sonova (please refer to the "Compensation governance" section for further details on the benchmark peer group).

As a result of the benchmarking analysis, the following changes were applied to the compensation system as of the Annual General Meeting 2025:

- The annual Board retainer for the Board chairperson was reduced to CHF 1 200 000 in line with the scope of the role post spin-off of the North American business and with market practice.
- The annual Board retainer for the Board members was increased to CHF 250 000 in line with market practice.
- The annual Board retainer for the Board vice-chairperson is the same as for the other Board members and has been reduced to CHF 250 000. The Board vice-chairperson is eligible for committee fees in case of membership of a Board committee.
- The committee fees for the committee chairpersons were reduced to CHF 60 000 for all Board committees.
- The committee fees for the committee members remain unchanged at CHF 40 000 per committee.

AGM 2026 onward

The new compensation system remains unchanged for the upcoming term.

BOARD OF DIRECTORS COMPENSATION SYSTEM

Annual retainer (gross)	Cash compensation in CHF	Share-based compensation[2] in CHF	Expense allowance in CHF
Board chairperson[1]	600 000	600 000	10 000
Board vice-chairperson	125 000	125 000	10 000
Board member	125 000	125 000	10 000

Committee fees (gross p.a.)[1]	Cash compensation in CHF
Committee chairperson	60 000
Committee member	40 000

[1] The Board chairperson is not eligible for committee fees.
[2] Converted into shares based on the average share price between 1 January 2026 and 15 February 2026.

Executive Committee compensation system

Compensation principles

Executive compensation is designed to underpin Holcim's strategy by helping the company attract, motivate, and retain talent, while aligning their interests with those of shareholders. The compensation programs are based on the principles described on the right.

Executive Committee compensation system

Compensation for members of the Executive Committee includes the following elements:

- Annual base salary
- Pensions and benefits
- Variable compensation: annual and long-term incentives

Base salaries

Annual base salaries are established considering the following factors:

- Scope, size, and responsibilities of the role; skills required to perform the role
- External market value of the role
- Skills, experience, and performance of the individual in the role

To ensure market competitiveness, the base salaries of the Executive Committee members are reviewed annually, taking into consideration the company's affordability, benchmark information, internal consistency, and individual performance. The objective is to provide salaries that are broadly in line with competitive market practice at selected comparable SMI and SMIM companies (please refer to the "Compensation governance" section for further details on the benchmarking peer group).

DRIVE SUSTAINABLE AND SOCIAL IMPACT

Our compensation programs are directly linked to our sustainability strategy and to our climate goals in particular. Extensive risk-taking and short-termism are strongly discouraged, especially when such behaviors could jeopardize our sustainable success. We believe in equal pay for equal work. Our compensation programs are straightforward and communicated transparently, both internally and externally.

PAY FOR PERFORMANCE

Our incentive plans reward short-term performance and long-term success through a balanced combination of absolute and relative performance objectives as well as financial and nonfinancial metrics. Nonfinancial goals focus on climate, the environment, and our broader role in society.



ACCELERATE INNOVATION

With a strong focus on growth and sustainability, our compensation programs incentivize re-invention of our products and services to reach net zero. Our competitive compensation also helps us attract, retain, and motivate highly talented individuals who contribute to this goal, while also maintaining an agile and diverse workplace.

CREATE SHAREHOLDER VALUE

Our share-based compensation plans foster long-term thinking and success, as they strengthen our management's alignment with the long-term interests of our shareholders. Our executives are expected to build a minimum level of share ownership over time so they always have "skin in the game."

EXECUTIVE COMMITTEE COMPENSATION SYSTEM

Element	Purpose	Structure	Drivers	Performance objectives
Base salary	Attract and retain	Fixed amount, paid out monthly in cash	• Role & responsibilities • Market value • Experience	
Pensions and insurance	Protect against risks	Pension contributions and insurance	• Market practice • Role	
Benefits	Attract and retain	• Perquisites • Company car or allowances • Relocation benefits	• Market practice • Role	
Annual incentive	Reward for short-term performance	Annual variable amount, paid out half in cash and half in shares, subject to a three-year blocking period	Annual financial and nonfinancial performance	• Group relative sales growth • Group relative recurring EBIT growth • Recurring EBIT • Free cash flow after leases • Health, safety, and environment
Long-term incentives (LTI)	• Reward for long-term performance • Align with shareholders' interests • Retain	• Performance shares, subject to a three-year vesting period • Performance options, subject to a five-year vesting period	Long-term financial and nonfinancial performance	• EPS before impairment and divestments • ROIC • Sustainability • Relative TSR

Pension

Executive Committee members participate in the benefit plans available in their country of employment. Benefits consist mainly of retirement, insurance, and healthcare plans that are designed to provide a reasonable level of protection for the employees and their dependents with regard to health, retirement, death, and disability. Those members of the Executive Committee with a Swiss employment contract participate in Holcim's pension scheme for Swiss-based employees. The defined benefit plan for senior management, under which executives received additional retirement benefits, was discontinued in 2025. Pension plans for members of the Executive Committee under foreign employment contracts are commensurate with market conditions and their position. Each plan varies in line with the local competitive and legal environment and, as a minimum, complies with the legal requirements of the respective country.

Benefits and perquisites

Members of the Executive Committee may receive certain executive perquisites such as a company car or allowances and other benefits in kind, in line with competitive market practice in their country of employment. Executives who are relocating may also be provided with expatriate benefits such as housing, schooling, travel benefits, and tax advice, in line with Holcim's International Mobility Policy. These other compensation elements are included in the compensation table at fair value.

Annual incentive

The annual incentive rewards the financial results as well as the achievement of a health, safety, and environment (HSE) objective at Group and regional level (depending on the function), over a time horizon of one year.

The annual incentive target (i.e., incentive amount at 100% target achievement) is expressed as a percentage of the base salary and amounts to 125% for the CEO and 90% for the other Executive Committee members. Payout is capped at 200% of target, i.e., 250% of base salary for the CEO and 180% of the base salary for the other Executive Committee members.

Financial performance is measured both in absolute terms (against self-set targets) and in relative terms compared to a peer group of companies that are exposed to similar market cycles.

ANNUAL INCENTIVE PERFORMANCE OBJECTIVES AND WEIGHTINGS

Performance objective	Weighting
Relative Group sales growth	15%
Relative Group recurring EBIT growth	15%
Recurring EBIT	20%
Free cash flow after leases	35%
Health, safety, and environment	15%

- Absolute financial performance includes recurring EBIT, as a measure of operational profitability at the Group and regional level, as well as free cash flow after leases, as a measure of the company's ability to generate cash. For those objectives, the Board of Directors determines a target level of expected performance (corresponding to a 100% payout), as well as a threshold level of performance (below which there is no payout), and a maximum level of performance that corresponds to the maximum possible payout (cap).
- Relative financial performance includes Group sales growth and Group recurring EBIT growth compared to peer companies. Group sales growth and recurring EBIT growth are measured against peer companies with the aim of neutralizing market factors that fall outside of management's control. The objective here is to perform better than the peer companies (regardless of market circumstances) and to at least achieve the median performance within the peer group, which corresponds to a 100% payout factor. The peer group includes companies that were chosen for their comparable products, technologies, customers, suppliers, or investors, i.e., companies that are exposed to similar market conditions. The peer group companies were adjusted due to the spin-off of the North American business. The new performance peer group is applicable from annual incentive 2026 onwards and is listed below. Relative Group performance is measured by Obermatt, an independent Swiss financial research firm that specializes in indexing company performance.

PERFORMANCE PEER GROUP

Acciona	Cementir	Saint-Gobain
ACS	CEMEX	Sika
Arkema	Eiffage	Vicat
Bilfinger	Fletcher	Vinci
Bouygues	Heidelberg	Wienerberger
Breedon	Kingspan	
Buzzi	Rockwool	

The achievement of the health, safety, and environment (HSE) objective is measured using a scorecard that includes both leading and lagging performance objectives and is based on four elements.

- HSE Improvement Plan (HSE-IP): The HSE-IP is determined at country level and includes strategic objectives such as key risk control, process safety management, health and well-being, industrial hygiene, road safety, and incident elimination control. For the regions and the Group, the level of achievement is determined based on the average of the HSE-IP scores of the countries or regions.
- Critical Risk Elimination (CRE): CRE objectives include action closure based on the findings of an HSE audit and on the safety management process for each country. For the regions and the Group, the level of achievement is determined based on the average of the CRE scores of the countries or regions.
- Lost-Time Injury Frequency Rate (LTIFR): LTIFR score reflecting improvements in the Lost-Time Injury Frequency Rate at country, regional, and Group level.
- Management evaluation criteria: evaluation of the overall workplace safety outcome for the year.

The annual incentive is paid out half in cash and half in shares, subject to a three-year blocking period.

The annual incentive design applicable to the Executive Committee is summarized on page 10.

The annual incentive is subject to clawback and malus provisions. In case of financial restatement due to noncompliance with the accounting standards and/or fraud, an infringement of law and/or internal rules, the Board of Directors may deem all or part of the annual incentive to be forfeit (malus) or may seek reimbursement of all or part of any paid annual incentive (clawback). Those provisions may be enforced within three years of any year subject to a financial restatement or during which the fraudulent behavior occurred.

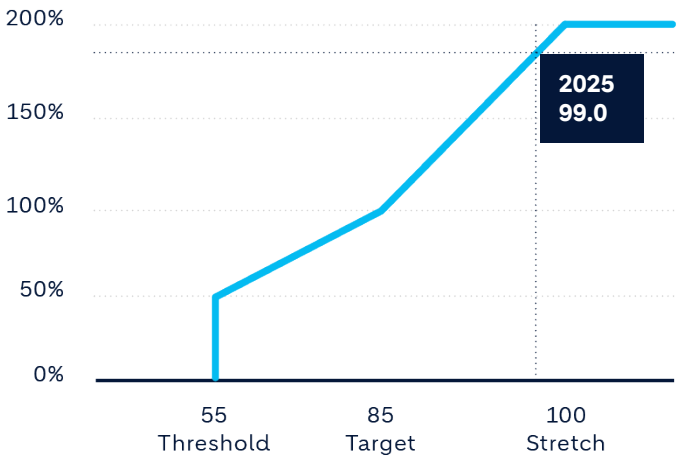
If employment is terminated and an entitlement to the annual incentive exists, this is paid pro rata. It is based on the effective performance (determined after year-end) and capped at the target amount (pro rata).

2026 onward

The design of the annual incentive remains unchanged for 2026.

HEALTH, SAFETY AND ENVIRONMENT SCORECARD

Overall HSE Continuous Improvement Score (CIS)



	Threshold	Target	Stretch
CIS	55	85	100
Payout	50%	100%	200%

Health, Safety, and Environment Improvement Plan (HSE-IP)

At country level: strategic objectives in the areas of
- Leadership and competence
- Key risk control and process safety management
- Systems & processes
- Health, well-being, and industrial hygiene
- Road safety: on-site and off-site traffic safety
- Incident elimination control

HSE-IP score based on percentage completion of strategic objectives (score of 85 if all objectives are achieved)

Critical Risk Elimination (CRE)

At country level: Group HSE audit and Process Safety Management (PSM) inspection

CRE score based on action closure (score of 100% if action closure of audit + PSM findings completed on time)

Lost-Time Injury Frequency Rate (LTIFR)

Number of on-the-job injuries that require a person to stay away from work for a day or more per one million hours worked, goal to improve versus previous year

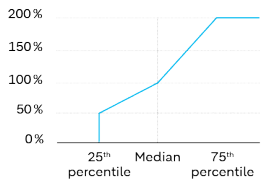
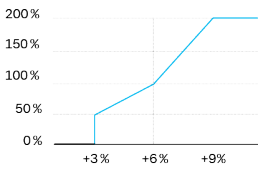
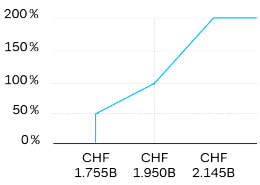
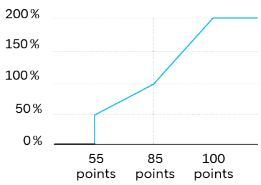
LTIFR score based on specific target set at country, region, or Group level

Management evaluation criteria

Evaluation of the overall outcome during the year with regard to workplace safety at country, region, or Group level

DESIGN OF THE ANNUAL INCENTIVE 2025

Role	CEO	Other Executive Committee members
Target opportunity	125% of salary	90% of salary
Maximum opportunity	250% of salary	180% of salary

Performance objectives	Relative Group performance	Recurring EBIT growth (Group or region)[1]	Free cash flow after leases (Group or region)[1]	Health, safety, and environment (HSE) (Group or region)[1]
Purpose	Measures Group's performance compared to peer companies exposed to similar market cycles	Measures Group or regional operational profitability	Measures the company's ability to generate cash	Measures health, safety, and environment indicators to ensure a safe workplace
Definition	Relative Group sales growth (50%) and relative Group recurring EBIT growth (50%) expressed as percentile ranking in the peer group of companies and measured on a like-for-like basis (factoring out divestments and acquisitions occurring in the current year and the prior year). Group recurring EBIT growth is then divided by net sales of the prior year (both adjusted for changes in the scope of consolidation)	Year-on-year organic growth in recurring EBIT is defined as operating profit/loss (EBIT) adjusted for restructuring, litigation, other non-recurring costs, and for impairment of operating assets Information on organic growth factors out changes in the scope of consolidation (such as divestments and acquisitions occurring in the current and prior year) and currency translation effects (current year figures are converted at prior-year exchange rates to calculate the currency effects)	Cash flow from operating activities, adjusted for net maintenance and expansion capital expenditures, as well as for the repayment of long-term lease liabilities	100-point scorecard based on four elements: Health, Safety, and Environment Improvement Plan (HSE-IP), Critical Risk Elimination (CRE), Lost-Time Injury Frequency Rate (LTIFR), and management evaluation criteria
Weighting	30%	20%	35%	15%
Targets for 2025	Ranking at the median of the peer group. This is unchanged compared to the ranking target applicable in 2024, and is in line with our ambition to outperform our peers on top-line and bottom-line growth	Recurring EBIT growth target of 6%. This is an increase compared to the target of 5% growth in 2024, and reflects our strategic ambition in the context of our NextGen Growth 2030 strategy	Free cash flow after leases of CHF 1.95 billion. This is a decrease compared to the target of CHF 3.1 billion for 2024, which is due to the exclusion of the spin-off of the North American business	85 points on the HSE scorecard. This is unchanged compared to the HSE targets applicable in 2024, and is in line with our ambition to improve health, safety, and environment globally
Payout formula (threshold, target, and cap for the Group)				

[1] Group level for corporate Executive Committee roles, regional level for regional Executive Committee roles.

Long-term incentives

Our compensation philosophy is to align a significant portion of Executive Committee compensation with long-term company performance and to strengthen alignment with shareholders' interests. To support the NextGen Growth 2030 strategy, the grant awarded under the long-term incentive plan consists of both performance shares and performance options.

Performance shares

Performance shares are subject to a three-year vesting period based on three equally weighted performance objectives: EPS before impairment and divestments, ROIC adjusted for material changes in scope, and sustainability. These performance objectives have been chosen as they reflect the Group's strategic priorities of increasing profitability through strong operating leverage (EPS), improving how the company generates profits relative to the capital it has invested in its business (ROIC), and mitigating the company's impact on the environment (sustainability). The sustainability objective encompasses three pillars of the company's sustainability strategy, in line with Holcim's commitment to building a net-zero future with science-based targets (see also the box on the right):

- Climate: reduction of CO_2 emissions (Scope 1) per ton of cementitious materials produced (50% by weight). Scope 1 includes all emissions released directly from operations and accounts for around 57% of the Group's overall footprint. These are at the core of Holcim's emissions strategy.
- Circularity: construction demolition materials (CDM) (25% by weight). CDM is defined as the total volume of recycled material that comes from the construction, renovation, repair, and demolition of houses, large building structures, roads, bridges, piers, and dams.
- Nature: reduce freshwater withdrawal per ton of cementitious materials produced (25% by weight).

For all three objectives, the Board of Directors determines a threshold performance level (below which there is no vesting), a target level (vesting of 100%), and a stretch performance level (vesting of 200%). Vesting is calculated on a straight-line basis between these levels.

Performance options

Performance options are subject to a five-year vesting period based on Holcim's relative total shareholder return (TSR) compared to a group of peer companies. They have a maturity of ten years. Threshold vesting (25% of the maximum) will be achieved if the median of the peer group is reached, target vesting (50% of maximum) will be achieved if the 60th percentile is reached, and full vesting (100%) will be achieved if the 75th percentile is reached on average during the five-year vesting period. There will be no vesting for performance below the median of the peer group. The vesting level between threshold, target, and full vesting is calculated on a straight-line basis. The peer group companies are the same as for the annual incentive and are listed on page 8.

Once vested, the LTI awards (performance shares and performance options) are not subject to any further holding period. The performance option can be exercised during a period of five years following vesting.

Unvested LTI awards shall be forfeited upon termination of employment, except in the case of retirement, disability, employment in a company/business that ceases to be a Group member, or in any other cases at the discretion of the NCGC. In such circumstances, unvested LTI awards are subject to a pro rata vesting period (for the number of full months between the grant date and the termination date), without acceleration, meaning that the vesting of the pro-rated number of awards will occur on the regular vesting date, subject to performance measurement over the entire performance period. In the event of death or a change of control (unless the unvested LTI awards are replaced by an equivalent award following the change of control), unvested LTI awards vest immediately on a pro rata basis assuming that performance conditions are met. For the sake of clarity, LTI awards always lapse when termination is due to voluntary resignation or gross misconduct.

LTI awards are subject to clawback and malus provisions for a period of three years after vesting in case of financial restatement, error, or if inaccurate or misleading information was used to assess the fulfillment of performance conditions or termination for cause.

The design of the long-term incentive plan for the Executive Committee is summarized on the following page.

SCIENCE-BASED TARGETS

Holcim's commitment to building progress for people and the planet includes ambitious targets related to climate, circularity, and nature. With climate action at the core of Holcim's strategy, we have set 2030 and 2050 net-zero targets in line with the 1.5°C framework and validated by the Science Based Targets initiative (SBTi). In 2025, we restated our 2030 and 2050 science-based targets and 2020 baseline following the spin-off of the North American business, reaffirming our commitment to realize net-zero greenhouse gas emissions (GHG) across our operations and the value chain by 2050.

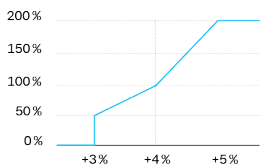
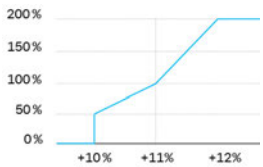
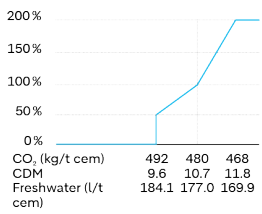
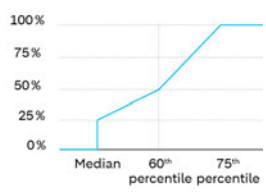
The CO_2 target included in the performance objectives of the long-term incentive plan is based on CO_2 targets validated by the SBTi.

2026 onwards

The design of the LTI remains unchanged for 2026.

DESIGN OF THE LONG-TERM INCENTIVE

Role	CEO	Other Executive Committee members
Grant size in 2025	177.4% of salary (125% in performance shares, 52.4% in performance options)	96.3% of salary (70% in performance shares, 26.3% in performance options)

Performance objectives	EPS growth before impairment and divestments (performance shares)	ROIC (performance shares)	Sustainability (performance shares)	Relative TSR (performance options)
Purpose	Measure the company's profitability to investors	Measure the company's ability to generate returns from invested capital	Measure the company's improvement in terms of mitigating the impact of its operations on the environment	Measure the company's ability to provide investors with strong returns
Definition	EPS adjusted for after-tax gains and losses on disposals of Group companies, joint-ventures and associates, and impairments of goodwill and long-term assets It 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 : Weighted average number of outstanding shares	ROIC at year-end 2027, adjusted for material changes in scope between 2025 and 2027 It is defined as: +/- Net operating profit/ loss after tax (NOPAT) : Average invested capital (average invested capital = invested capital at beginning of year + invested capital at year-end, sum divided by 2) In case of material changes in the scope during the year, average invested capital is adjusted pro rata temporis	Climate: net CO_2 emissions (Scope 1) measured in kg CO_2/t of cementitious materials (50% weight); circularity: construction demolition materials (CDM) measured in million tons (25% weight); nature: freshwater withdrawn in liters of freshwater/t of cementitious materials (25% weight)	Holcim's TSR over the five-year performance period, starting on 1 January 2025 and ending on 31 December 2029, expressed as a percentile ranking in a peer group of companies It is defined as: Share price at end of period - Share price at beginning of period + Dividends paid during the period : Share price at beginning of period
Weighting	33⅓% of performance share grant	33⅓% of performance share grant	33⅓% of performance share grant	100% of performance option grant
Performance period	2025–2027	2027	2027	2025–2029
Targets for the 2025 grant	EPS growth of 4% p.a. This is in line to the EPS target applicable to the performance shares granted in 2024 considering the exclusion of the spin-off of the North American business	ROIC of 11% in 2027. This is unchanged compared to the ROIC target for 2026 applicable to the performance shares granted in 2024 and aligns with NextGen Growth 2030	CO_2 emissions of 480 kilograms per ton of cementitious materials produced in 2027. CDM of 10.7 million tons recycled in 2027. Freshwater withdrawal of 177 liters per ton of cementitious materials produced in 2027. The targets are in line with 2024, considering the exclusion of the spin-off of the North American business and the freshwater target adjustment due to material changes in scope (see page 13)	Ranking at the 60th percentile of the peer group. This is unchanged compared to the ranking target applicable to the performance options granted in 2024 and is in line with our ambition to outperform our peers in terms of shareholder return
Performance vesting				
Maximum vesting level	200%	200%	200%	100%
Vesting and holding periods	Three-year cliff vesting No further holding period	Three-year cliff vesting No further holding period	Three-year cliff vesting No further holding period	Five-year cliff vesting No further holding period 10-year maturity (in total)

Equity conversion of outstanding LTI awards

In connection with the spin-off of the North American business in June 2025, all unvested LTI awards (performance shares and options) were converted into equivalent awards reflecting the post-spin-off value of Holcim. 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.

In addition to the adjustment of the number of outstanding performance shares and options granted, the performance targets were adjusted as follows:

Performance shares

2023–2025 award: Since the 2023–2025 cycle was nearly completed at the spin-off date, the payout is based on the weighted average of the pre-spin-off and post-spin-off performance, namely 5/6 of Holcim's pre-spin-off performance (including the North American business) and 1/6 of Holcim's post-spin-off performance (excluding the North American business). The performance targets originally set for the 2023-2025 performance period apply to the 5/6 portion of the grant. The performance targets for the post-spin-off period have been reset to account for the carve-out of the North American business. In addition, due to the divestment of Karbala Cement Manufacturing Ltd in Iraq (Karbala) and Lafarge Africa PLC (Nigeria), the freshwater target was revised based on the restated baseline to ensure alignment with the NextGen Growth 2030 targets. For 2025, the target was increased as a consequence of the adjusted baseline while the year-over-year reduction rate remained unchanged. The vesting date remains 1 March 2026.

	Original targets	Reset targets pre-spin-off (5/6th)	Reset targets post-spin-off (1/6th)
EPS growth	5%	5%	4%
ROIC	9%	9%	9%
Sustainability	CO_2 (kg/t cem): 520 Waste (mt): 45.0 Freshwater (l/t cem): 292.0	CO_2 (kg/t cem): 532 Waste (mt): 18.4 Freshwater (l/t cem): 298.0	CO_2 (kg/t cem): 510 Waste (mt): 31.1 Freshwater (l/t cem): 187.7

2024–2026 award: Considering that the 2024–2026 cycle was just under 50% completed for EPS (measured over a three-year period) and was not started for ROIC and ESG (measured in the third year of the plan) at the spin-off date, the targets (except ROIC) were reset using the original goal-setting principles for Holcim without the North American business. No adjustments were made to the ROIC target, as the baseline showed only marginal changes when excluding the spin-off of the North American business. Similar to the 2023-2025 grant award, the freshwater target was adjusted to maintain alignment with the NextGen Growth 2030 strategy. Due to the increase of the baseline due to the divestments, an increase of the year-over-year reduction rate was defined to ensure that the trajectory remains aligned with 2030 targets. The vesting date remains 1 March 2027, as originally scheduled.

	Original targets	Reset targets
EPS growth	5%	4%
ROIC	11%	11%
Sustainability	CO_2 (kg/t cem): 505 CDM (mt): 12.0 Freshwater (l/t cem): 277.0	CO_2 (kg/t cem): 495 CDM (mt): 8.9 Freshwater (l/t cem): 183.0

2025-2027 award: To facilitate target setting, the 2025–2027 award was only granted in August 2025 (after the spin-off) and targets were set for Holcim post spin-off (excluding the North American business).

Performance options

For the performance options granted in the years 2021 to 2024, the actual TSR is calculated for the five-year performance period and includes the value of the Amrize share at the spin-off date as a reinvested dividend to account for the impact of the spin-off on Holcim's share price. Final awards are then determined based on Holcim's TSR percentile relative to the original peer group.

Executive share ownership guidelines

To reflect the importance the NCGC places on aligning their interests with those of shareholders, Executive Committee members are required to own a minimum multiple of their annual base salary in Holcim shares as set out below:

- CEO: 500% of annual base salary
- Other Executive Committee members: 200% of annual base salary

Members of the Executive Committee are expected to meet the minimum shareholding requirements within four years of their appointment to the Executive Committee. To calculate whether the minimum shareholding requirement is met, all shares purchased on the market and vested shares from incentive plans are considered. Unvested performance shares and options are, however, excluded.

Executive Committee members are prohibited from selling any shares held in the event of noncompliance with the minimum requirements on the date stipulated. Furthermore, their annual incentive (net of statutory deductions) will be paid out entirely in shares. Compliance with the share ownership guidelines is monitored on an annual basis. The current shareholdings of the members of the Executive Committee can be found on page 19.

Executive Committee employment contracts

The employment contracts of the Executive Committee members are entered into for an indefinite period and may be terminated with one year's notice. Employment contracts do not contain severance compensation or change of control clauses, except for the vesting provisions of the LTI awards as described above. They may include non-competition provisions that are limited in time to a maximum of one year and which may allow for compensation of up to a maximum of 50% of the last total annual compensation paid.

Compensation for the 2025 financial year

The tables on pages 14 and 15 were audited according to Article 734a-f of the Swiss Code of Obligations.

C: Committee chair
M: Member

AC: Audit Committee
NCGC: Nomination, Compensation & Governance Committee
HSSC: Health, Safety & Sustainability Committee

BOARD OF DIRECTORS (AUDITED)

	Positions as of 31 December				Share-based compensation						
Name	AC	NCGC	HSSC	Cash compensation CHF gross	Number	Value CHF gross	Other[4] CHF gross	Subtotal CHF gross	Social security[5] CHF	**Total 2025 CHF gross**	Total 2024 CHF gross
Kim Fausing[1]				408 333	5 023	391 667	10 000	810 000	0	**810 000**	250 000
Jan Jenisch[2]				483 333	6 198	483 333	3 333	969 999	4 675	**974 674**	1 944 676
Hanne B. Sørensen[2]				83 333	1 069	83 333	4 167	170 833	0	**170 833**	410 000
Philippe Block			C	201 667	1 469	114 583	10 000	326 250	4 675	**330 925**	339 675
Leanne Geale		M	M	177 917	1 469	114 583	10 000	302 500	4 675	**307 175**	254 675
Catrin Hinkel			M	154 583	1 469	114 583	10 000	279 166	4 675	**283 841**	150 161
Naina Lal Kidwai	C		M	256 250	1 469	114 583	10 000	380 833	0	**380 833**	410 000
Ilias Läber	M	M		194 583	1 469	114 583	10 000	319 166	4 675	**323 841**	294 675
Michael McGarry	M	M		177 917	1 469	114 583	10 000	302 500	0	**302 500**	145 833
Jürg Oleas[2]				75 000	534	41 667	4 167	120 834	0	**120 834**	290 000
Adolfo Orive[3]			M	96 250	935	72 917	5 833	175 000	4 675	**179 675**	0
Sven Schneider[3]	M			96 250	935	72 917	5 833	175 000	0	**175 000**	0
Claudia Sender Ramirez		C		182 917	1 469	114 583	10 000	307 500	4 675	**312 175**	294 456
Total				**2 588 333**	**24 977**	**1 947 915**	**103 333**	**4 639 581**	**32 725**	**4 672 306**	**4 784 151**

[1] Chairman since AGM 2025.
[2] Board member until AGM 2025.
[3] Board member since AGM 2025.
[4] Expense allowances.
[5] This amount includes social security contributions to the extent that they result in a future benefit entitlement. Additional contributions that do not result in an increase in the benefit entitlement are excluded (additional contributions in the amount of CHF 149 044 are excluded).

Explanations

In 2025, 13 non-executive members of the Board of Directors received total compensation of 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).

Compensation in 2025 was lower than in 2024 because the Board compensation levels were adjusted to reflect the size and complexity of the company post-spin-off. Further details are provided on page 6.

At the Annual General Meeting 2024, shareholders approved a maximum aggregate amount of compensation of CHF 6 500 000 for the Board of Directors for the term until the Annual General Meeting 2025. The compensation paid to the Board of Directors for this term was CHF 5 718 592 and is hence within the approved limits.

At the Annual General Meeting 2025, shareholders approved a maximum aggregate amount of compensation of CHF 4 500 000 for the Board of Directors for the term until the Annual General Meeting 2026. The compensation paid to the Board of Directors for this term is anticipated to be approximately CHF 4.2 million. The final amount will be disclosed in the 2026 Compensation Report.

EXECUTIVE COMMITTEE (AUDITED)

Executive	Base salary CHF gross	Other fixed pay[2] CHF gross	Annual incentive CHF gross	Performance shares[3] Fair value at grant CHF gross	Performance options[4] Fair value at grant CHF gross	Social/ pension contri-butions[5] CHF	**Total 2025 CHF gross**	Total 2024[6] CHF gross
Miljan Gutovic, CEO 1 January until 31 December 2025	1 325 000	26 000	2 759 063	1 692 731	707 400	239 558	**6 749 752**	4 159 193
Jan Jenisch, former CEO 1 January until 30 April 2024	n/a	n/a	n/a	n/a	n/a	n/a	**n/a**	3 129 882
Other members 1 January until 31 December 2025[1]	3 773 986	651 587	4 559 220	3 110 844	1 165 090	1 611 365	**14 872 092**	19 666 931
Total	5 098 986	677 587	7 318 283	4 803 575	1 872 490	1 850 923	**21 621 844**	26 956 006

[1] For the three Executive Committee members who transitioned to Amrize the base salary, other fixed pay, and social /pension contributions is included for the duration of their employment with Holcim in 2025. It does not include annual incentive, performance shares, and performance options which is disclosed in full within Amrize's 2025 annual report.
[2] Includes the value of benefits in kind: car and expense allowance and benefits for internationally mobile members (expatriates) such as housing, schooling, and tax consulting.
[3] Performance shares granted under the long-term incentive plan, subject to a three-year performance-based vesting period. The disclosed amount corresponds to the fair value at grant.
[4] Performance options granted under the long-term incentive plan, subject to a five-year performance-based vesting period. The disclosed amount corresponds to the fair value at grant.
[5] Includes contribution to social security and occupational pension plans. Contributions to social security plans for members employed in Switzerland include social security contributions to Swiss old age, survivors and disability insurance (OASI/AHV/IV/EO) to the extent that they result in a future benefit entitlement. Additional contributions that do not result in an increase of the benefit entitlement are excluded (additional contributions in the amount of CHF 1 238 939 are excluded). Contributions to social security plans for members employed outside of Switzerland include the contributions effectively paid in the reporting year.
[6] Miljan Gutovic's compensation for the period 1 January 2024 until 30 April 2024, in his role as Region Head Europe & Operational Excellence, is included under "Other members". The amount of CHF 4 159 193 covers Miljan Gutovic's compensation for the period from 1 May 2024 until 31 December 2024.

Explanations

The total annual compensation for the 11 members of the Executive Committee for 2025 amounted to CHF 21.6 million (2024: CHF 27.0 million for ten members). 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).

The compensation changes for 2025 compared to 2024 are mainly caused by the following factors:

- The composition of the Executive Committee has changed compared to the previous year. Five new members were appointed to the Executive Committee as of July 2025 and two members left the Executive Committee. Their compensation, however, is still included until the spin-off date on 23 June 2025. The compensation table thus contains 11 Executive Committee members in 2025, four of them on a full-year basis, compared with 10 Executive Committee members in 2024, eight of them on a full-year basis.
- The base salary of the CEO was increased by 12.5% between 2024 and 2025. The base salaries of other Executive Committee members have not been adjusted. Considering that the target STI and LTI are defined as a fixed percentage of the base salary, the target STI and LTI increased in monetary terms for the CEO.
- 2025 was another record year for Holcim. The overall annual incentive payout of 161.0% compares to an overall payout of 165.1% in the previous year. Further details are provided on the next page.

The compensation awarded to the Executive Committee members for 2025 in the amount of CHF 21 621 844 is within the total maximum compensation of CHF 36 000 000 for the Executive Committee for the 2025 financial year that had been approved at the Annual General Meeting 2024.

Performance in 2025

Holcim delivered a strong financial performance in 2025.

In 2025, net sales rose 2.9% organically (3.0% in local currency excluding large M&A) with recurring EBIT growth of 12.2% organically to CHF 2 876 million in 2025, (10.3% in local currency excluding large M&A). Holcim delivered free cash flow after leases of CHF 1 944 million.

Return on Invested Capital (ROIC) was 11.2%, while earnings per share (EPS) before impairment and divestments for continuing operations reached CHF 3.22 for the full year 2025.

We continued to lead in circular construction, recycling 8.0 million tons of construction demolition materials (+23.5% compared to the prior year). Advancing our leadership in sustainability, Holcim reduced its Scope 1 emissions per ton of cementitious materials by 2.6% year-over-year and reduced its freshwater withdrawal per ton of cementitious materials 6.3% by weight. With its 2025 results, the Group exceeded its internal targets for recurring EBIT growth and free cash flow after leases.

One region reached the stretch level of performance on both recurring EBIT growth and free cash flow after leases. With regards to HSE, the safety of the workplace was once again improved year-over-year and the performance targets were exceeded.

Overall, the annual incentive amounted to 163.5% of target for the CEO (204.4% of salary) and 160.7% on average for the other members of the Executive Committee (144.6% of salary). The ratio of variable versus total compensation amounted to 76.4% for the CEO and to 59.4% on average for the other members of the Executive Committee.

PAYOUT OF THE ANNUAL INCENTIVE IN 2025

Performance objectives	Results	Payout percentage: Threshold / Target / Stretch
Relative Group performance (30%)[1]	Holcim achieved the 74th percentile in the peer group with Group net sales growth of -1.4% (on an adjusted basis for the purpose of external benchmarking based on a common methodology applied to the reported figures of Holcim and of the peer companies: constant scope; translation of all peers to Swiss francs as the common currency). Holcim achieved the 94th percentile in the peer group with recurring EBIT growth of 1.0% (scaled by sales and on an adjusted basis). Holcim achieved the 84th percentile (200% payout factor) on a combined basis.	Net sales growth Recurring EBIT growth
Recurring EBIT (20%) (Group or regional)	Organic growth in Group recurring EBIT was 12.2% for 2025 compared to a target of 6%. This corresponds to a payout factor of 200%. The regional recurring EBIT performance was mixed and ranged from 0% to 200%, with one region exceeding the stretch (200% payout factor).	Group Recurring EBIT Regional Recurring EBIT
Free cash flow after leases (35%) (Group or regional)	Group free cash flow (FCF) after leases was CHF 1 944 million compared to a target of CHF 1 950 million, which corresponds to a payout factor of 98.5%. Performance with respect to regional FCF after leases was mixed and ranged from 0% to 200%, with one region exceeding the stretch (200% payout factor).	Group FCF after leases Regional FCF after leases
Health, safety, and environment (HSE) (15%) (Group or regional)	The HSE scorecard includes three elements (HSE-IP, CRE, and LTIFR) as well as management evaluation criteria. The management evaluation criteria allow HSE performance to be assessed beyond the three elements HSE-IP, CRE, and LTIFR. At Group level, the payout factor was 193%. At regional level, it ranged from 191% to 197%. Further information on health and safety is provided in the 2025 Sustainability Statement on pages 46-47.	Group HSE score Regional HSE score
Total		**Overall payout of 163.5% for the CEO and of 160.7% on average for the other Executive Committee members**

[1] The relative Group performance assessment is based on a best estimate at time of publication (i.e., it includes an estimate for companies that have not yet published their annual results). The final achievement level will be calculated by Obermatt before the payout date in March 2026 based on the annual report publications of the peer companies.

2022–2024: Performance shares granted in 2022 vested in March 2025 conditional upon EPS before impairment and divestments, ROIC, and sustainability objectives all measured in 2024. The vesting of this grant is disclosed in the first table below.

2023–2025: Performance shares granted in 2023 will vest in March 2026 conditional upon EPS before impairment and divestments, ROIC, and sustainability objectives all measured in 2025. Since the 2023–2025 cycle was nearly completed at the spin-off date, the payout will be based on the weighted average of pre-spin-off and post-spin-off performance, namely 5/6th based on the performance of Holcim pre spin-off (including the North American business) and 1/6th based on the performance of Holcim post spin-off (excluding the North American business). The vesting date on the original schedule is 1 March 2026.

The performance period applying to the 2023–2025 grant is therefore completed and the payout of the plan can already be assessed. The vesting of this grant is disclosed in the second table below.

Performance options granted in 2020 were subject to a five-year vesting period based on TSR. The vesting level in March 2025 was 100%, resulting in 100% vesting.

Performance options granted in 2021 are subject to a five-year vesting period based on TSR and will vest in March 2026. The actual TSR is evaluated for the five-year performance period and includes the value of the Amrize share at the spin-off date as a reinvested dividend to account for the impact of the spin-off on the Holcim share price.

VESTING OF THE LONG-TERM INCENTIVE IN 2025: PERFORMANCE SHARES GRANTED UNDER THE LONG-TERM INCENTIVE IN 2022

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2022 Performance shares	**EPS growth (33⅓%)**	Earnings per share adjusted for after-tax gains and losses on disposals of Group companies, joint-ventures and associates, and impairments of goodwill and long-term assets	EPS growth of 5.0% (CHF 4.61)	EPS growth of 12.7% (CHF 5.70) leads to a 200% payout	33⅓% × 200%
	ROIC (33⅓%)	Return on invested capital at year-end 2024, adjusted for changes in scope between 2022 and 2024	ROIC of 8.5%	ROIC of 11.2% leads to a 200% payout	33⅓% × 200%
	Sustainability (33⅓%)	Climate and energy: CO_2 emission (Scope 1) measured in kg CO_2/t cem (50% weight); circularity: quantity of waste recycled in million tons (25% weight); nature: freshwater withdrawn in liters freshwater/t cem (25% weight)	CO_2 (kg/t cem): 534 Waste (mt): 41 Freshwater (l/t cem): 302	CO_2 (kg/t cem): 538.1 Waste (mt): 38.3 Freshwater(l/t cem): 277.0 leads to a 100.9% payout	33⅓% × 100.9%
	Total				**Overall vesting of 167.0%**

VESTING OF THE LONG-TERM INCENTIVE IN 2026: PERFORMANCE SHARES GRANTED UNDER THE LONG-TERM INCENTIVE IN 2023

Grant	Performance objectives	Definition	Target	Result and payout[1]	Payout calculation
2023 Performance shares	**EPS growth (33⅓%)**	Earnings per share adjusted for after-tax gains and losses on disposals of Group companies, joint-ventures and associates, and impairments of goodwill and long- term assets	Pre spin-off of the North American business: EPS growth of 5.0% (CHF 5.60) Post spin-off of the North American business: EPS growth of 4.0% (CHF 3.21)	Pre spin-off of the North American business: EPS growth of 5.8% (CHF 5.71) leads to a 178.6% payout Post spin-off of the North American business: EPS growth of 4.2% (CHF 3.22) leads to a 111.1% payout	33⅓% × 167.4%
	ROIC (33⅓%)	Return on invested capital at year-end 2025, adjusted for material changes in scope between 2023 and 2025	ROIC of 9.0%[2]	Pre spin-off of the North American business: ROIC of 10.4%; leads to a 200.0% payout. Post spin-off of the North American business: ROIC of 11.2%; leads to a 200.0% payout	33⅓% × 200.0%
	Sustainability (33⅓%)	Climate: CO_2 emission (Scope 1) measured in kg CO_2/t cem (50% weight); circularity: quantity of waste recycled in million tons (25% weight); nature: freshwater withdrawn in liters freshwater/t cem (25% weight)	Pre spin-off of the North American business: CO_2 (kg/t cem): 532 Waste (mt): 18.4 Freshwater (l/t cem): 298 Post spin-off of the North American business and divestments: CO_2 (kg/t cem): 510 Waste (mt): 31.1 Freshwater (l/t cem): 187.7	Pre spin-off of the North American business: CO_2 (kg/t cem): 528 Waste (mt): 17.2 Freshwater (l/t cem): 275 leads to 140.0% payout Post spin-off of the North American business and divestments: CO_2 (kg/t cem): 501.8 Waste (mt): 30.2 Freshwater (l/t cem): 178.6 lead to a 152.8% payout	33⅓% × 142.1%
	Total				**Overall vesting of 169.8%**

[1] Weighted average of combined performance of ⅚ pre spin-off and ⅙ post spin-off of the North American business.
[2] No adjustments were made to the ROIC target as the baseline shows only marginal changes excluding the North American business.

VESTING OF THE LONG-TERM INCENTIVE IN 2025: PERFORMANCE OPTIONS GRANTED UNDER THE LONG-TERM INCENTIVE IN 2020

Grant	Performance objectives	Definition	Target	Result and payout	Payout calculation
2020 Performance options	**Relative TSR (100%)**	Holcim's TSR over the five-year performance period, starting on 1 January 2020 and ending on 31 December 2024, expressed as a percentile ranking in a peer group of companies	Relative TSR ranking at the 60th percentile of the peer group	Holcim's ranking at the 84th percentile leads to a 100% payout	100% × 100%
	Total				**Overall vesting of 100%**

VESTING OF THE LONG-TERM INCENTIVE IN 2026: PERFORMANCE OPTIONS GRANTED UNDER THE LONG-TERM INCENTIVE IN 2021

Grant	Performance objectives	Definition	Target	Result and payout[1]	Payout calculation
2021 Performance options	**Relative TSR (100%)**	Holcim's TSR over the five-year performance period, starting on 1 January 2021 and ending on 31 December 2025, expressed as a percentile ranking in a peer group of companies	Relative TSR ranking at the 60th percentile of the peer group	Holcim's ranking at the 100th percentile leads to a 100% payout	100% × 100%
	Total				**Overall vesting of 100%**

[1] Inclusion of the value of Amrize as a reinvested dividend.

Loans or credit facilities granted to members of governing bodies

There were no loans or credit facilities granted to members or former members of the Executive Committee, members or former members of the Board of Directors, or parties closely related to members or former members of governing bodies in 2025. There were no loans or credit facilities to any of those parties outstanding on 31 December 2025.

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. During 2025 and 2024, no payments were made to other former members of the Executive Committee, members of the Board of Directors, or parties closely related to members or former members of the governing bodies.

Share ownership information

Board of Directors

On 31 December 2025, the members of the Board of Directors held a total of 56 414 registered shares in Holcim Ltd. This number comprises privately acquired shares and those allotted under participation and compensation schemes. Until the announcement of market-relevant information or projects to the public, the Board of Directors, the Executive Committee, and any employees possessing such market-relevant information are prohibited from effecting transactions with equity securities or other financial instruments of Holcim Ltd, exchange-listed Group companies, or potential target companies (trade restriction period).

Executive Committee: Shares and options

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

NUMBER OF SHARES HELD BY THE BOARD OF DIRECTORS (AUDITED)

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**

NUMBER OF SHARES AND OPTIONS HELD BY EXECUTIVE COMMITTEE MEMBERS AS OF 31 DECEMBER 2025 (AUDITED)

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 (AUDITED)

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**

Furthermore, at the end of 2025, the Executive Committee held a total of 962 531 registered options and 226 710 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.

The outstanding share options held by the Executive Committee (including former members) at year-end 2025 have the following expiry dates and exercise prices:

				Number	Number
Option grant date	Expiry date		Exercise price[1]	**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 performance option plans 2021-2024 have been adjusted to maintain the same percentage spread as held pre-spin.

Equity overhang and dilution as of 31 December 2025

As of 31 December 2025, the equity overhang – defined as the total number of unvested share units and options divided by the total number of shares issued – amounts to 0.59%.

The company's gross burn rate – defined as the total number of equities (shares, share units, and options) granted in 2025 divided by the total number of shares issued – amounts to 0.35%.

Compensation governance

Rules relating to compensation in Holcim's Articles of Incorporation

The Articles of Incorporation contain provisions regarding the approval of compensation of the Board of Directors and Executive Management (Art. 23), the supplementary amount for new members of the Executive Committee (Art. 24), the general compensation principles (Art. 25) as well as provisions regarding the agreements with members of the Board of Directors and the Executive Committee (Art. 26). Moreover, the Articles of Incorporation contain provisions regarding the roles of the Board of Directors and the NCGC (Art. 14 to 21). The Articles of Incorporation are approved by the shareholders and are available at *holcim.com/article-incorporation*

Annual General Meeting – shareholder involvement

According to Art. 23 of the Articles of Incorporation, the Annual General Meeting approves annually the maximum aggregate compensation of the Board of Directors for the period from the Annual General Meeting to the next Annual General Meeting as well as the maximum aggregate compensation of the Executive Committee for the following financial year. In addition, the Compensation Report is submitted to the Annual General Meeting for an consultative vote on a yearly basis.

Art. 24 of the Articles of Incorporation provides for a supplementary amount for Executive Committee members who become members of, or who are promoted to, the Executive Committee during a compensation period for which the Annual General Meeting has already approved the aggregate compensation of the Executive Committee and if the compensation amount approved is not sufficient to cover the compensation of the new members.

The supplementary amount per compensation period shall not exceed 40% of the aggregate amount of compensation last approved by the Annual General Meeting and does not require further shareholder approval.

Nomination, Compensation & Governance Committee

In accordance with Article 21 of the Articles of Incorporation, the NCGC supports the Board of Directors in establishing and reviewing Holcim's nomination, compensation, and governance strategy and guidelines as well as in preparing the motions to the Annual General Meeting regarding the nomination and compensation of the members of the Board of Directors and the Executive Committee. In particular, the NCGC performs the following duties:

- Nomination: Review of the composition and size of the Board of Directors to ensure appropriate expertise, diversity, and independence; succession planning for the Board of Directors and its committees; preparation of the motions to the Annual General Meeting for (re-)election of candidates for positions on the Board of Directors and in the NCGC; succession planning and nominations for positions on the Executive Committee including the CEO.
- Compensation: Planning and preparation of the compensation of the Board of Directors and the Executive Committee; preparation of the motions to the Annual General Meeting regarding compensation of the Board of Directors and the Executive Committee; determination of the compensation strategy and design of compensation programs including incentive plans; planning and preparation of the targets and performance assessment of the CEO and other members of the Executive Committee; preparation of the Compensation Report.
- Governance: Dealing with all corporate governance-related matters; review of proposals to be made to the Board of Directors for amendments of the Articles of Incorporation, the Organizational Rules, the committee charters, the Code of Business Conduct, which has been replaced since 1 January 2026 by the Code of Ethics, the overall policy landscape, and the policies and directives approved by the Board of Directors; review of the criteria for determining the independence of members of the Board of Directors; approval of external mandates for the CEO and other Executive Committee members; review of the annual assessment of the functioning and effectiveness of the Board of Directors; review of the Corporate Governance section of the Annual Report.

The following table summarizes the decision authorities between the NCGC, the Board of Directors, and the Annual General Meeting on compensation matters.

DECISION AUTHORITIES

	NCGC	Board of Directors	Annual General Meeting
Compensation strategy and design	Proposes	Approves	
Compensation Report	Proposes	Approves	Consultative vote
Maximum aggregated compensation amount of the Board of Directors	Proposes	Reviews	Approves (binding vote)
Individual compensation of members of the Board of Directors	Proposes	Approves (within the budget approved by the AGM)	
Maximum aggregated compensation amount of the Executive Committee	Proposes	Reviews	Approves (binding vote)
Individual compensation of members of the Executive Committee	Proposes	Approves (within the budget approved by the AGM)	
Setting performance objectives for the incentive plans	Proposes	Approves	

The NCGC is composed of four members of the Board of Directors (compared to five members for the previous term of office) who are elected individually by the Annual General Meeting for a period of one year. At the Annual General Meeting 2025, Claudia Sender Ramirez, Ilias Läber, and Michael H. McGarry were re-elected to the NCGC and Leanne Geale was elected as a new member of the NCGC. Claudia Sender Ramirez was appointed as the new Chairwoman of the NCGC, succeeding Hanne Birgitte Sørensen.

The NCGC holds ordinary meetings at least four times a year. In 2025, the NCGC held four ordinary meetings according to the annual schedule below and four additional extraordinary meetings on succession planning for the Board of Directors and the Executive Committee, and on the planned spin-off of the North American business.

ANNUAL NCGC MEETING SCHEDULE

	February	July	October	December
Nomination	• Proposal of elections to the Board of Directors • Proposal of the Board of Directors composition for the coming term (committees)	• Selection criteria and succession planning of the Board of Directors • Selection criteria and succession planning of the Executive Committee and senior management • Performance evaluation of the Executive Committee • Country CEO succession and top appointments	• Diversity & inclusion • Learning strategy review • Social dialogue update	• Update on succession planning of the Board of Directors and the Executive Committee
Compensation	• Proposal of AGM motions (amounts to be submitted to a shareholder vote) • Performance assessment and incentive payouts for the Executive Committee (previous period) • LTI grant for the Executive Committee and senior management (current year) • Approval of Executive Committee incentive targets for current year • Review of Executive Committee compliance with shareholding requirements • Review of peer group compensation benchmarking • Approval Board compensation directive	• Review of the compensation strategy and system (design) • Review of the disclosure approach (feedback from shareholders) • Determination of Executive Committee targets for the LTI post spin-off of the North American business	• Board compensation benchmarking (every 2–3 years) • Review of the incentive plan design for the coming year • Forecast of expected incentive payouts (current year)	• Proposal on Board compensation system (every 2–3 years) • Executive Committee compensation benchmarking (annually) • Determination of Executive Committee target compensation for the coming year • Determination of plan design and performance targets for the Executive Committee for the coming year (annual incentive, LTI) • Validation of performance peer group for STI and LTI • Forecast of expected incentive payouts (current year)
Governance	• Board and committee assessments • Governance Report • Compensation Report (final) • Proposal of AGM motions (other than compensation) • Governance update	• AGM retrospective: review of shareholders' feedback • Review of the independence of Board and committee members • Governance update	• Governance update • NCGC risk mapping	• Review of governance documents: Articles of Incorporation, Organizational Rules, committee charters • Compensation Report (draft) • Validation of NCGC schedule for coming year • Governance update

In 2025, all NCGC members attended all meetings. Further information on meeting attendance is provided in the 2025 Governance & Risk Report on page 10.

The NCGC Chairperson may invite members of the Executive Committee, other officers of the Group, or third parties to attend the meetings. They will not, however, be present when their own performance or compensation is discussed or determined. After each NCGC meeting, the Board of Directors is informed of the topics discussed, decisions taken, and recommendations made. The NCGC minutes are available to all members of the Board of Directors.

External advisors

The NCGC may decide to consult an external advisor from time to time on specific compensation matters. In 2025, PricewaterhouseCoopers (PwC) continued to act as independent compensation advisor to the NCGC. PwC provides other services to Holcim and there are clear rules in place to ensure the independence of PwC consultants. Obermatt continued to measure Holcim's relative performance for the purpose of the incentive plans. This company does not have any other mandates with Holcim. Support and expertise are also provided by internal experts such as the Chief People and Sustainability Officer and the Head of Compensation & Benefits.

Method for determining compensation: benchmarking

The NCGC defines relevant peer companies for benchmarking the compensation structure and levels of the Board of Directors and the Executive Committee.

In the context of the spin-off of the North American business and the resulting changes in Holcim's structure, a new peer group was defined by the NCGC in February 2025. The Swiss peer group consists of the following industrial SMI and SMIM companies: ABB, Adecco, Alcon, Geberit, Givaudan, Kuehne + Nagel, Lonza, Nestlé, Novartis, Richemont, Roche, Sandoz, Schindler, SGS, Sika, and Sonova.

Holcim is positioned slightly below the median for market capitalization and between the median and upper quartile of the new peer group median in terms of revenue and headcount.

The international peer group is reviewed and validated annually by the NCGC, with the support of Obermatt as an independent third-party advisor. In 2025, the international peer group was recalibrated due to the spin-off of the North American business and consists of cement producers as well as building materials and construction companies: Acciona, ACS, Arkema, Bilfinger, Bouygues, Breedon, Buzzi, Cementir, CEMEX, Eiffage, Fletcher, Heidelberg, Kingspan, Rockwool, Saint Gobain, Sika, Vicat, Vinci, and Wienerberger. These companies operate in similar and related sectors and are exposed to similar market cycles as Holcim.

The compensation of the Board of Directors is regularly reviewed and compared with prevalent market practice (every 2–3 years). The last benchmarking analysis was conducted in 2025 by PwC on the basis of the new Swiss peer group described above.

The compensation of the Executive Committee was benchmarked against market practice in 2025 following the spin-off of the North American business and the resulting changes in Holcim's structure. Executive Committee members who are on a Swiss employment contract are benchmarked against the Swiss peer group described above (analysis performed by PwC). The benchmarking analyses establish a basis for the NCGC to monitor the compensation of the CEO and the Executive Committee and set their target compensation levels. Holcim's policy is to aim for market median compensation for on-target performance while also establishing significant upside potential for above-target performance.

OVERVIEW AND PURPOSE OF THE PEER GROUPS

	Swiss listed peers	International peers
Board of Directors compensation	Compensation structure and levels	
Executive compensation	Compensation structure and levels	Compensation structure Relative performance (STI and LTI)

MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE HOLD THE FOLLOWING EXTERNAL MANDATES AS OF 31 DECEMBER 2024 AND 2025 ACCORDING TO ART. 734E OF THE SWISS CODE OF OBLIGATIONS (AUDITED)

Board of Directors	Company	Function	**2025**	2024
Kim Fausing	SMA Solar Technology AG, Niestetal, Germany	Vice-Chairman of the Board of Directors	**No**	Yes
	Danfoss Group, Denmark	President and CEO	**Yes**	Yes
Philippe Block	Foreign Engineering GmbH, Zurich, Switzerland	Founding Partner	**Yes**	Yes
	VALUTED AG (ETH spin-off)	Co-Founder and Chairman	**Yes**	Yes
Leanne Geale	CEELI Institute o.p.s., Prague, Czech Republic	Vice-Chairwoman of the Board of Directors	**Yes**	Yes
	Nestlé SA	Executive Vice President and Group General Counsel	**Yes**	Yes
	Swiss-American Chamber of Commerce	Treasurer	**Yes**	Yes
Catrin Hinkel	Microsoft Switzerland	CEO	**Yes**	Yes
	Digital Switzerland	Member of the Executive Committee	**Yes**	Yes
	Deep Tech Nation Switzerland	Member of the Executive Committee	**Yes**	No
	ASUT Industry Association	Member of the Board	**Yes**	Yes
	Helmholtz Center for Information Security (CISPA)	Member of the Supervisory Board	**Yes**	Yes
Naina Lal Kidwai	Gland Pharma Ltd, Hyderabad, India	Non-Executive Member of the Board of Directors and Chairwoman of the Risk Management Committee	**Yes**	Yes
	UPL Ltd, Mumbai, India	Non-Executive Member of the Board of Directors and Chairwoman of the Sustainability and Stakeholder Relationship Committee	**Yes**	Yes
	Biocon Ltd, Bangalore, India	Non-Executive Member of the Board of Directors and Chairwoman of the Corporate Social Responsibility & ESG Committee and of the Nomination and Remuneration Committees	**Yes**	Yes
	Nayara Energy Ltd, Mumbai, India	Non-Executive Member of the Board of Directors and Chairwoman of the CSR and Sustainability and of the Nomination and Remuneration Committees; and member of the Audit Committee and Banking and Finance Committee	**Yes**	Yes
	Rothschild & Co India Private Limited, Mumbai, India (non-listed)	Chairwoman of the Board of Directors	**Yes**	Yes
Ilias Läber	Swiss Automotive Group AG, Cham, Switzerland	Nomination and Remuneration Committees; and member of the Audit Committee and Banking and Finance Committee	**Yes**	Yes
	Spectrum Value Management Ltd (Member of the Board of Directors of Grand Resort Bad Ragaz and Chairman and Managing Partner of SEO Management AG)	CEO, Partner and Member of the Board of Directors	**Yes**	Yes
	CANCOM SE, Munich, Germany	Member of the Board of Directors and Chairman of the Audit Committee	**No**	Yes
	Dormakaba Holding AG, Rümlang, Switzerland	Member of the Board of Directors	**Yes**	Yes
Michael H. McGarry	United States Steel Corporation, Pittsburgh, U.S.	Member of the Board of Directors; Member of the Compensation Committee and of the Audit Committee	**No**	Yes
	Shin-Etsu Chemical Co., Tokyo, Japan	Member of the Board of Directors and Member of the Compensation Committee	**Yes**	Yes
	C.H. Robinson, Eden Prairie, MN, U.S.	Member of the Board of Directors; Member of the Governance Committee and of the Talent and Compensation Committee	**Yes**	Yes
Adolfo Orive	Tetra Pak Group, Pully, Switzerland	CEO	**Yes**	n/a
Sven Schneider	Infineon Technologies AG, Germany	Member of the Management Board and Chief Financial Officer	**Yes**	n/a
Claudia Sender Ramirez	Telefonica S.A., Madrid, Spain	Non-executive Board Member, Member of the Delegate Commission, the Hispanoamerica Advisory Committee and Telefonica Tech Advisory Committee	**Yes**	Yes
	Gerdau S.A., São Paulo, Brazil	Non-executive Board Member, Member of the Governance Committee and Chair of the Compensation and Succession Committee	**Yes**	Yes
	Embraer S.A., São Paulo, Brazil	Non- Executive Vice President of the Board of Directors - Member of the Audit and Risk Committee and Chair of the People and ESG committee	**Yes**	Yes

Executive Committee	Company	Function	2025	2024
Miljan Gutovic	World Business Council for Sustainable Development (WBCSD)	Member of the Executive Committee	**Yes**	Yes
	Global Cement and Concrete Association (GCCA)	Member of the Board of Directors	**Yes**	Yes
Steffen Kindler	United Nations Global Compact	Member of the CFO Coalition for the Sustainable Development Goals (SDGs)	**No**	Yes
	The World Business Council for Sustainable Development (WBCSD)	Member of the CFO Network	**No**	Yes
	European Round Table for Industry (ERT)	Member of the CFO Platform	**No**	Yes
Carmen Diaz	No external mandates			n/a
Martin Kriegner	No external mandates			
Simon Kronenberg	No external mandates			n/a
Dragan Maksimovic	No external mandates			n/a
Ram Muthu	No external mandates			n/a
Oliver Osswald	No external mandates			
Lukas Studer	No external mandates			n/a

Pay equality

Pay equality is strongly embedded in Holcim's compensation principles. Holcim promotes pay equity and globally monitors progress biannually with the aim of ensuring equal pay for equal work and performance – not only between women and men, but also irrespective of ethnic origin, religion, ideology, sexual orientation, or factors such as physical disability and age.

In 2021, we completed the equal pay analysis in Switzerland as required by the Swiss Federal Act on Gender Equality introduced in 2020. The results of the analysis confirmed that Holcim is fully compliant with Swiss equal pay standards, with a statistical wage difference significantly below the 5% regulatory requirement. Deloitte audited the results of the analysis and confirmed Holcim's compliance with the legal requirements.

Additional information is available in the 2025 Sustainability Statement on page 125.

Shape the future with confidence

Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
www.ey.com/en_ch

To the General Meeting of
Holcim Ltd, Zug

Zurich, 26 February 2026

Report of the statutory auditor on the audit of the compensation report

Opinion

We have audited the compensation report of Holcim Ltd (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 14 to 15, page 19 and pages 25 to 26 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying compensation report complies 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 compensation report" 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, and we have 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.

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 tables marked "audited" in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

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

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report 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 compensation report

The Board of Directors is responsible for the preparation of a compensation report 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

Shape the future with confidence

preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Jacques Pierres

Licensed audit expert
(Auditor in charge)

Daniel Zaugg

Licensed audit expert

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. 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*

PHOTO CREDITS

Page 2: BIG

IMPRINT

Concept/Design/Realization:
Created with Workiva platform
Linkgroup AG (*linkgroup.ch)*

2025 FINANCIAL REPORT



2025 Integrated Annual Reporting Suite

HOLCIM



Wood Wharf in London, UK
Built with ECOPact and ECOCycle inside

CONTENTS

CONSOLIDATED FINANCIAL STATEMENTS OF HOLCIM

3 Consolidated statement of income
4 Consolidated statement of comprehensive earnings
5 Consolidated statement of financial position
6 Consolidated statement of changes in equity
8 Consolidated statement of cash flows

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 1. Accounting policies
14 2. Fully consolidated companies and non-controlling interests
23 3. Segment reporting
28 4. Operating profit
30 5. Profit and loss on disposals and other non-operating items
31 6. Investments in associates and joint ventures
35 7. Financing items
36 8. Income taxes
40 9. Earnings per share
41 10. Working capital
43 11. Property, plant and equipment, goodwill and intangible assets
49 12. Financial investments and other financial assets
51 13. Discontinued operations and assets and related liabilities classified as held for sale
53 14. Net financial debt
66 15. Employee benefits and share compensation plans
74 16. Provisions and contingencies
78 17. Shareholders' information
79 18. Related party transactions
80 19. Cash flow from investing activities
80 20. Events after the reporting period
80 21. Authorization of the financial statements for issuance
82 Auditors report
89 Holding Company results
101 Five-year review Holcim Group
102 Alternative performance measures

INTEGRATED ANNUAL REPORTING SUITE









HOLCIM 2025 INTEGRATED ANNUAL REPORT WEBSITE

Cover image:
The Grand Egyptian Museum in Giza, Egypt
Built with Holcim inside

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



T-MEXPARK in Nextlalpan, State of Mexico, Mexico
Built with ECOCycle, Geocycle, and Airium inside

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 CO_2. These agreements are long-term contracts under which Holcim secures the sourcing of renewable energy and ensures the safe storage of sequestered CO_2. 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 follows 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	23 June 2025
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 (Cesko), 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	Bogotà	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 Auslandbeteiligungs 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 EBITDA[1]	**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 EBITDA[1]	**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

	Building Materials		Building Solutions		Corporate/Eliminations[3]		Total Group	
Million CHF	**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

	Net sales to external customers		Property, plant and equipment and intangible assets	
Million CHF	**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 (2024[1]: 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 profit[1]	**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 profit[1]	**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% (2024[1]: 24%).

In 2025, total income taxes paid amount to CHF 563 million (2024[1]: 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 2025	Tax effect 2025	Tax losses carry-forward 2024	Tax effect 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	**23.85**	**5.24**
From continuing operations	**0.70**	2.60
From discontinued operations	**23.15**	2.64
Diluted earnings per share in CHF	**23.79**	**5.22**
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

	2025			2024		
Million CHF	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 CO_2 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 CO_2 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 CO_2 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

	2025			2024		
Currency	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]	Net book value in CHF[2]
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]
Million						2025	2024
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 2025	Fair value liabilities 2025	Nominal amount 2025	Fair value assets 2024	Fair value liabilities 2024	Nominal amount 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

	Contractual undiscounted cash flows							
Million CHF	Within 1 year	Within 2 years	Within 3 years	Within 4 years	Within 5 years	Thereafter	Total	Carrying amount
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

		Carrying amount (by measurement basis)					
Million CHF	IFRS 9 category	Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	Total	Comparative fair value
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

		Carrying amount (by measurement basis)					
Million CHF	IFRS 9 category	Amortized cost	Fair value level 1	Fair value level 2	Fair value level 3	Total	Comparative fair value
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	163 [1]
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	10 857 [3]
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 (2024[1]: CHF 2 937 million). As of 31 December 2025, the Group employed 45 536 FTEs (2024[1]: 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:		
Pension assets	**(174)**	(378)
Provision for pensions and other post-employment defined benefit plans	**264**	548
Net liability	**90**	**169**

	2025			2024		
Million CHF	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

	2025			2024		
Million CHF	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

	2025			2024		
Million CHF	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

	2025			2024		
Million CHF	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

	Defined benefit pension plans	
Million CHF	**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	Total Group		UK		Switzerland	
Million CHF	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (±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	Total Group		UK		Switzerland	
Million CHF	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (±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 2025	Personnel expenses 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 (CO_2 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	Number 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:

Grant date	01 August 2025
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.

Grant date	01 March 2024
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	Number 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

Shape the future with confidence

Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
www.ey.com/en_ch

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.

Shape the future with confidence

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.

Shape the future with confidence

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.

Shape the future with confidence

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.

Shape the future with confidence

	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.

Shape the future with confidence

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.

Shape the future with confidence

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

Jacques Pierres

Licensed audit expert
(Auditor in charge)

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 CO_2 certificates are classified as current financial receivables and valued at cost less impairment of the value. The result of the sales of the CO_2 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

Shape the future with confidence

Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone: +41 58 286 31 11
www.ey.com/en_ch

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.

Shape the future with confidence

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.

Shape the future with confidence

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.

Shape the future with confidence

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

Jacques Pierres

Licensed audit expert
(Auditor in charge)

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 EBITDA[2]	**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 flow[2]	**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. 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*

PHOTO CREDITS

Cover: Farida El Bustani

IMPRINT

Concept/Design/Realization:
Created with Workiva platform
Linkgroup AG (*linkgroup.ch)*

Holcim Ltd
Grafenauweg 10
6300 Zug
Switzerland

holcim.com