BECOMING THE GLOBAL LEADER IN INNOVATIVE AND SUSTAINABLE BUILDING SOLUTIONS

With our record 2021 performance we delivered what we promised under “Strategy 2022 – Building for Growth” one year in advance. With “Strategy 2025 – Accelerating Green Growth,” we have begun our journey to become the global leader in innovative and sustainable building solutions and reach net zero by 2050.

Cover image: Amazon’s iconic headquarters in Seattle, where ECOPlanet delivered an 80% CO₂ reduction
CONTENTS

STRATEGIC REVIEW
2021 RECORD FINANCIAL PERFORMANCE  6
CHAIRMAN’S STATEMENT  8
CEO’S Q&A  10
KEY ACHIEVEMENTS IN 2021  12
MEGATRENDS AND OPPORTUNITIES  14
STRATEGY 2025  16
SUSTAINABILITY  20
OUR BUSINESS SEGMENTS  22
MEET THE LEADERSHIP TEAM  24
BUSINESS MODEL  26
MATERIAL PRIORITIES  28
OUR GLOBAL PRESENCE  30

BUILDING A GREENER WORLD
DECARBONIZING THE BUILT ENVIRONMENT  34
FOUR LEVERS TO GREEN AND CIRCULAR CONSTRUCTION  36
UNDERSTANDING OUR CO₂ FOOTPRINT  40
NATURE  42
PEOPLE  44

DELIVERING WHAT WE PROMISED
A NEW LEVEL OF STRENGTH  48
LEADING CEMENT’S GREEN TRANSFORMATION  50
ATTRACTIVE BUSINESS FUNDAMENTALS  51
THE GREEN CONCRETE COMPANY  52

EXPANDING POSSIBILITIES
SEIZING THE OPPORTUNITIES AHEAD  56
EXPANDING SOLUTIONS & PRODUCTS  58
THE FUTURE OF BUILDING  60
EMPOWERING OUR PEOPLE  66
HEALTH, SAFETY AND ENVIRONMENT  68
THE HOLCIM FOUNDATION  70

SUMMARY FINANCIAL INFORMATION
CAPITAL MARKET INFORMATION  74
CONSOLIDATED STATEMENTS  78

BUILDING A GREENER WORLD
Leading the way in green building solutions

DELIVERING WHAT WE PROMISED
Strong foundations for our next era of growth

EXPANDING POSSIBILITIES
Expanding Solutions & Products and innovation
Strategy 2025 is off to a fast start. We’re acquiring market leaders in the US, France and beyond to strengthen our footprint in the most attractive construction segments, from roofing systems to insulation and renovation.

MALARKEY ROOFING PRODUCTS

In December 2021 we agreed to acquire Malarkey Roofing Products, a leader in the US residential roofing market. With projected 2022 net sales of USD 600 million, Malarkey offers a track record of double-digit growth in the highly profitable USD 19 billion US residential roofing market.
In January 2022 we entered into an agreement to acquire PRB Group, France’s biggest independent manufacturer of specialty building solutions with estimated 2022 net sales of EUR 340 million. PRB Group offers a broad range of high performance building solutions, from coatings and insulations to adhesives and flooring systems with advanced energy-efficiency and renovation solutions.
MAKING GREEN BUILDING A REALITY AROUND THE WORLD

LIVING TOMORROW COMPLEX (BELGIUM) HAS ECOPACT INSIDE WITH 70% lower CO₂

54 MILLION TONS OF WASTE RECYCLED ACROSS OUR BUSINESS IN 2021
ICONIC TOWER, (EGYPT) HAS ECOPLANET INSIDE WITH 60% lower CO₂

MVULE GARDENS, (KENYA) HAS TECTORPRINT INSIDE WITH 50% lower material footprint

EIGHT GARDENS, (UK) HAS ECOPACT INSIDE WITH 64% lower CO₂

BOSTON UNIVERSITY (US) HAS ECOPACT INSIDE WITH 30% lower CO₂

AFFORDABLE HOUSING (ECUADOR) HAS ECOPACT INSIDE WITH 60% lower CO₂
2021 RECORD FINANCIAL RESULTS

Record Results, Strategy 2022
Achieved One Year In Advance

<table>
<thead>
<tr>
<th>CHF</th>
<th>26,834 M</th>
<th>26.8BN</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET SALES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHF</td>
<td>4,612 M</td>
<td>4.6BN</td>
</tr>
<tr>
<td>RECURRING EBIT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### KEY ACHIEVEMENTS IN 2021

<table>
<thead>
<tr>
<th>Year</th>
<th>NET SALES (CHF BN)</th>
<th>RECURRING EBIT¹ (CHF BN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>27.0</td>
<td>3.7</td>
</tr>
<tr>
<td>2018</td>
<td>27.5</td>
<td>3.8</td>
</tr>
<tr>
<td>2019</td>
<td>26.7</td>
<td>4.1</td>
</tr>
<tr>
<td>2020</td>
<td>23.1</td>
<td>3.7</td>
</tr>
<tr>
<td>2021</td>
<td>26.8</td>
<td>4.6</td>
</tr>
</tbody>
</table>

³ 2017 and 2018 are not restated for IFRS 16 "Leases" ² 2017 and 2018 reflect the former alternative performance measure indicator “Free Cash Flow” ⁴ After leases

### STRATEGY 2022

<table>
<thead>
<tr>
<th>NET SALES</th>
<th>2021 PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>3–5% LFL P.A.</td>
<td>✔</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RECURRING EBIT</th>
<th>2021 PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>7% LFL P.A.</td>
<td>✔</td>
</tr>
</tbody>
</table>
ESG RATINGS

Holcim achieved Vigeo.Eiris’ (V.E) highest rating of ‘A1+’ — Top 2% ranking worldwide — Best Energy Transition score within the industry

MSCI upgraded ESG rating of ‘A’ — Top 19% ranking within Construction Materials universe

Sustainalytics ranked Holcim top 6% in ESG Risk Rating and strongest score in the industry for management of material ESG issues

Holcim recognized as a Global Climate Leader for tackling climate change and a member of CDP’s prestigious ‘A List’ for the second year running

FREE CASH FLOW¹, ², ³ (CHF BN) AND CASH CONVERSION¹ (%)

ROIC¹ (%)

LEVERAGE RATIO¹ (×) AND NET FINANCIAL DEBT¹ (CHF BN)

CHF 3.3BN 8.9% 1.4×

CASH CONVERSION

2021 PERFORMANCE

ROIC

2021 PERFORMANCE

LEVERAGE BELOW

2021 PERFORMANCE

>40% ✔

>8% ✔

2× ✔
CHAIRMAN’S STATEMENT

DEAR SHAREHOLDERS
On behalf of the Board, I would like to start by expressing our deepest appreciation to all our teams, and in particular all our front-line workers who have worked tirelessly to ensure the safety of our people and communities this year. Their work enabled us to keep on playing our role, as an essential sector, to keep society running.

Despite the turbulence of the pandemic, our Group delivered record results again this year, across both our financial indicators and our Environmental, Social and Governance (ESG) metrics. On behalf of the Board I sincerely thank our management and teams for their commendable resilience and agility, delivering such remarkable results in very challenging circumstances.

Importantly, we also took the opportunity to progress our strategic transformation, with the launch of our “Strategy 2025 – Accelerating Green Growth” as a catalyst to deliver our vision to become the global leader in innovative and sustainable building solutions.

Another significant milestone for our Group is how we united all our market brands under our new Holcim Group identity, reflecting our shared purpose to build progress for people and the planet.

In 2021 we became the first company in our industry with net-zero targets for 2030 and 2050 validated by the Science-Based Targets initiative (SBTi). As no single company can reach net zero alone, our targets cut across our entire value chain, from our suppliers to our customers, to make a bigger difference together. We look forward to sharing with you our Climate Transition Report, a first in our sector that will detail our plan to reach our ambitious climate goals.

We actively put our business to work to play our part. We are making cities greener with our low-carbon materials, from ECOPact green concrete to ECOPlanet green cement. We are empowering smarter infrastructure, from green mobility to renewable energy. We are working to improve living standards for all with affordable housing. Driving circular construction, we are recycling materials across our business to minimize waste and preserve nature’s resources.

We accelerated our nature-positive journey this year with the launch of our nature strategy. With this milestone we became the first in the construction sector to commit to a measurable positive impact on biodiversity and the replenishment of freshwater in areas where water risk is high. We are committed to reconciling nature and cities with solutions ranging from Firestone green roofs to Hydromedia permeable concrete.

“My sincere thanks go to all our front-line workers for keeping our communities safe while playing an essential role to keep society running.”
All of this is done with heartfelt commitment to our people and communities. Respect for human rights is at the core of everything we do and a non-negotiable value for us and all our business partners. We are committed to thriving with our communities around the world, and we actively invest to enhance their livelihoods, with initiatives cutting across health, education and skill development. We are also deploying our innovation to bridge our world’s infrastructure gap in many ways. For instance this year, we built the world’s first 3D-printed school in Malawi, and are now leveraging this experience to build Africa’s largest 3D-printed affordable housing complex in Kenya.

All of this is made possible by you, our shareholders, and your continued trust every day, as well as the dedication of our 70,000 people around the world. This report is a testimony to their passion and drive to build progress for people and the planet every day. I hope you will be as inspired as I am by their many achievements this year, which are reflected in the pages that follow.

On behalf of the Board of Directors, I sincerely thank you for your continued trust, which gives us the confidence to keep on advancing our mission.

BEAT HESS
Chairman

“We owe our Group’s record financial and ESG results to the invaluable trust of our shareholders and the resilience of our teams.”
Q&A WITH JAN JENISCH

“Our future is Circular Construction. My vision is to build new from the old with recycled materials.”

Delivering Record Financial Results

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>26.8BN</td>
<td>Net sales (CHF)</td>
</tr>
<tr>
<td>4.6BN</td>
<td>Recurring EBIT (CHF)</td>
</tr>
<tr>
<td>8.9%</td>
<td>ROIC</td>
</tr>
<tr>
<td>50%</td>
<td>CASH CONVERSION</td>
</tr>
<tr>
<td>10.0BN</td>
<td>NET DEBT (CHF)</td>
</tr>
</tbody>
</table>

Q: WHAT WERE YOUR HIGHLIGHTS FOR 2021?

A: First and foremost, I’m proud of our employees for keeping our people and communities safe. They navigated the COVID pandemic with extraordinary resilience and agility to deliver a record year for Holcim.

From a financial perspective we reached new levels of performance across all our key metrics, from net sales of CHF 26.8bn and over-proportional recurring EBIT of CHF 4.6bn, all the way to a net debt ratio of 1.4x. This is especially impressive for a year when we welcomed Firestone Building Products into the Group, accelerating our transformation to become the global leader in innovative and sustainable building solutions.

This was made possible by our empowered local leaders and high-performance culture. With our focus on impact, we delivered our Strategy 2022 one year in advance, setting solid foundations for our next era of growth.

We did this while putting sustainability at the core of our strategy, accelerating the deployment of our green building solutions, from ECOPact green concrete to smart roofing systems.

Q: CAN YOU TELL US ABOUT “STRATEGY 2025 – ACCELERATING GREEN GROWTH?”

A: A key driver of our “Strategy 2025 – Accelerating Green Growth” is our goal to reach 30% of Group net sales in Solutions & Products by 2025. With our new level of performance, we have the firepower to invest in the opportunities ahead to become the global leader in innovative and sustainable building solutions.

We have started off fast with our agreements to acquire Malarkey Roofing Products in the United States, a leader in residential roofing systems, and PRB Group, a leader in specialty building solutions in France. Both brands are recognized in their respective markets for their leadership in innovation and sustainability with advanced solutions from energy efficiency to renovation.

Firestone is obviously also a key part of this journey with its advanced flat roofing systems for commercial applications, with a broad range of solutions from green to cool roofs. It is already delivering double-digit sales growth and we have started its expansion into Latin America.
ACCELERATING GREEN GROWTH

Jan Jenisch visiting Holcim’s recycling center in Switzerland (left) and inaugurating Striatus Bridge in Venice (right).

“What about the other business segments?”
A
Cement, ready-mix concrete and aggregates are integral to our strategy and vision. On our net-zero journey we are committed to leading their green transformation.

Today we offer the industry’s broadest range of green concrete ECOPact and green cement ECOPlanet, starting with a 30% lower carbon footprint compared to standard and local materials and can go all the way to carbon neutral.

We keep on investing in innovative low-carbon raw materials to expand our green product formulation, from calcined clay and carbonated olivine, all the way to recycled construction and demolition waste.

“So what’s next?”
A
More innovation. We’re working on a range of next generation technologies, from digitalization and artificial intelligence, to breakthrough solutions like magnetizable concrete enabling road surfaces to recharge electric vehicles, all the way to over 30 pilot projects in carbon capture, usage and storage. We are partnering with the best and brightest minds around the world to get there faster, from start-ups, to like-minded companies, all the way to leading academics from MIT to ETH. Together we can make a bigger difference to accelerate our world’s shift to net zero.

“So what is your vision for the future of construction?”
A
Our future is Circular Construction. Circularity is the opportunity of our time. It unlocks economic growth in a way that is climate-friendly, nature-positive and socially inclusive.

At Holcim, we are at the forefront of leading the shift to circular construction, innovating across three areas. We are recycling materials across everything we do with a focus on urban mining. We are reducing material use and buildings’ footprint through smart design and low-carbon solutions. And we are enabling the reuse of buildings, keeping them in use as long as possible, with green retrofitting, repair and renovation.

In Switzerland, we launched the world’s first green cement Susteno with 20% recycled construction & demolition waste inside. This is just the beginning and we know we can go much further. I’m excited about the many opportunities ahead to scale up circular solutions that are good for people and the planet.

“And we are enabling the reuse of buildings, keeping them in use as long as possible, with green retrofitting, repair and renovation.”

“First and foremost, I’m proud of our employees for keeping our people and communities safe.”
KEY ACHIEVEMENTS IN 2021

BUSINESS ACHIEVEMENTS

Record performance
Strategy 2022 achieved one year in advance with record net sales growth, Recurring EBIT, ROIC, cash conversion and leverage

Firestone roofing platform reaches double-digit sales growth

Launch new Group identity reflecting our vision to become the global leader in innovative & sustainable building solutions

Twelve bolt-on acquisitions delivering growth in ready-mix and aggregates

Agreement to acquire Malarkey Roofing Products in US

Best-in-class performance in Health & Safety

DEPLOYING GREEN BUILDING SOLUTIONS

ECOPact one-year anniversary, now in 24 markets and all regions

ECOPlanet in 15 markets in under one year

TectorPrint, proprietary 3D printing ink enabling smart design

DYNAMax ultimate performance concrete for design flexibility

19 solutions labelled by Solar Impulse as 'good for the planet'

First in building industry with 2050 net-zero roadmap endorsed by SBTi

30+ CCUS projects such as mineralized CO₂ as low-emission raw material for green cement
PARTNERSHIPS

Founding member of First Movers Coalition launched by US Secretary Kerry at COP26 in Glasgow

Holcim launches Circular Cities Barometer with Bloomberg Media

Founding member of MIT Climate & Sustainability Consortium, putting innovation to work for the climate

Circular Explorer launched in Hamburg to clean up our oceans in partnership with One Earth-One Ocean

100+ start-up partnerships for breakthrough solutions like magnetizable concrete to charge electric cars with Magment

ECOPACT

With ECOPact Holcim was awarded Best Green Building Material and Best of the Best at the Sustainability Awards hosted by Architecture & Design Australia.

RECOGNITIONS

Recognized as global climate leader; one of seven companies with 2050 net-zero targets validated by SBTi and CDP A ranking for second year in a row

ECOPact awarded most sustainable building material from Australia to Canada

Striatus awarded best design innovation by European Cultural Center

Fast Company top innovator in urban development for affordable housing with 14Trees

World’s Top Female Friendly Companies 2021

Prince Michael International Road Safety Award Winner
**MEGATRENDS AND OPPORTUNITIES**

With today’s megatrends, from the rise in population and urbanization to improving living standards, the construction sector has never been more attractive.

### SIX MEGATRENDS

<table>
<thead>
<tr>
<th>POPULATION GROWTH</th>
<th>BETTER LIVING STANDARDS</th>
<th>URBANIZATION AND MEGACITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>From ~8 billion today to ~10 billion by 2050</td>
<td>Increased demand for better living standards and more efficient infrastructure</td>
<td>Approximately 2.5 billion more people are expected to live in cities by 2050</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SUSTAINABLE CONSTRUCTION SOLUTIONS</th>
<th>INNOVATION-DRIVEN BUILDING</th>
<th>REPAIR &amp; REFURBISHMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher demand for sustainable construction solutions due to resource scarcity &amp; climate change</td>
<td>Accelerated by light and modular construction solutions</td>
<td>More repair &amp; refurbishment driving urban demand</td>
</tr>
</tbody>
</table>
THE OPPORTUNITIES WE HAVE ARE ENORMOUS

AT THE FOREFRONT OF INNOVATIVE & GREEN BUILDING SOLUTIONS
Making green building possible at scale for a net-zero future

LEADING THE CIRCULAR ECONOMY & REDUCING OUR CARBON FOOTPRINT
Reduce, Reuse and Recycle across everything we do to “build more with less”

CREATING SUPERIOR STAKEHOLDER VALUE
Delivering superior financial and ESG performance

MOVING CLOSER TO CUSTOMERS WITH SOLUTIONS & PRODUCTS
A platform for innovation and above market growth across the construction value chain
STRATEGY 2025 – ACCELERATING GREEN GROWTH

OUR FOUR STRATEGIC PRIORITIES

ACCELERATING GROWTH

With today’s megatrends, from the rise in population and urbanization to improving living standards, the construction sector has never been more attractive. In this context, we will accelerate growth across all our markets with leading profitability and cash flow. Holcim’s profitable growth will be driven by innovative building solutions, from ECOPact green concrete to energy-efficient roofing systems. We will lead cement’s green transformation, with solutions like ECOPlanet, including the world’s first cement with 20% construction & demolition waste inside. We will further fuel our company’s growth with bolt-on acquisitions in mature markets in the aggregates and ready-mix concrete businesses. Strengthening our performance, we will scale up digitalization across our value chain, from operations and distribution to customer experience (see box).

DIGITALIZATION

Digital technologies are central to our ability to build smarter and greener. We are digitalizing the construction value chain at scale, from operations to distribution and sales. We also harness open innovation to create an agile and data-driven culture, building a construction industry that is more transparent and collaborative.

Foundation Louis Vuitton, Paris, France Built with Ductal in 2014
Architect: Gehry Partners
Thirty percent of our net sales will come from Solutions & Products by 2025. Growing closer to our customers, this business will expand its range of integrated solutions and systems from construction and energy efficiency to repair and refurbishment. This builds on our acquisition of Firestone Building Products, a global leader in roofing systems, as a new growth and innovation engine for the company. Roofing sales are already delivering double-digit growth in the USD 50 billion global flat roofing market and will double them to USD 4 billion by 2025 with strategic investments and acquisitions.

**SOLUTIONS & PRODUCTS**

3.6BN

**2021 NET SALES (CHF)**
(+10.1% LFL)

The acquisition of Firestone was a milestone in expanding our Solutions & Products business. This iconic company is the platform for our growth into a global leader in roofing systems. We’re off to a great start with double-digit sales growth in 2021, sold-out positions and strong pricing and continued expansion into Latin America. Synergies are on track and we are already leveraging cross-selling opportunities.

*Firestone solar roof at Apple Park, Cupertino, USA*
OUR FOUR STRATEGIC PRIORITIES

LEADING IN SUSTAINABILITY & INNOVATION

Sustainability is at the core of our strategy, with the industry’s first 2050 net-zero targets, validated by the Science Based Targets initiative (SBTi). Holcim will remain at the forefront of green building solutions, with 25% of ready-mix net sales coming from ECOPact, ranging from 30% to 100% lower CO₂ footprint. Leading the circular economy, we will recycle 75 million tons of materials across our business – including 10 million tons of construction & demolition waste by 2025. We will continue to deploy smart technologies, from 3D printing using 70% less materials, to green mineral components like calcined clay. We will further develop next-generation technologies, including 30 pilot projects in carbon capture, utilization and storage, in line with our target to operate at least one net-zero plant by 2030.

PLANTS OF TOMORROW

The Plants of Tomorrow initiative brings together a range of innovations aimed at improving performance, circularity and carbon neutrality. We aim to accelerate the adoption of new technologies and solutions across our entire value chain, from quarry to lorry. To date, we have deployed 800 applications across 180 plants, utilizing technologies from automation and robotics to artificial intelligence and digital twins. By 2025 we will reach more than 5,000 deployments.
We will deliver superior financial and ESG performance with best-in-class financial KPIs and a disciplined investment strategy, centered around sustainability, to drive profitability.

We will deliver these results by fostering a high-performance culture while operating at the highest level of ethics and integrity.

Our financial targets are:

- **3–5%** NET SALES (Growth LFL)
- OVER-PROPORTIONAL increase in Recurring EBIT LFL
- **45%** CASH CONVERSION
- **10%** RETURN ON INVESTED CAPITAL IN 2025

Ratio of net financial debt to EBITDA of under 1.5x in 2025

Our strategy includes ambitious 2025 sustainability targets in line with Holcim’s net-zero roadmap, validated by the SBTi:

- **25%** of ready-mix sales from ECOPact, with 30% to 100% lower CO₂ footprint
- **10 MILLION TONS** P.A. of construction & demolition waste recycled in our products and 75 million tons of waste recycled overall
- **500M CHF OF GREEN CAPEX** P.A.
- >**40%** of financing agreements linked to sustainability goals

*Parndorf Shopping Center, Austria, built with Firestone’s RubberGard EPDM roofing system*
SUSTAINABILITY AT THE CORE OF OUR STRATEGY
2021 PERFORMANCE

CLIMATE & ENERGY

In 2021, net CO₂ emissions directly under our control (Scope 1) decreased by 1% to 553 kilograms of CO₂ per ton. Our efforts in the use of clean electrical energy helped decrease indirect emissions (Scope 2) to 34 kg net CO₂/ton. Scope 3 emissions intensity showed good progress and reduced in the categories of fuels and purchased clinker and cement. In absolute terms our Scope 3 emissions totaled 30 million tons. These emission reductions show continued progress toward our net-zero ambition. See pages 36–41.

553
KG NET CO₂
EMISSIONS PER TON OF CEMENTITIOUS MATERIAL
(SCOPE 1)

CIRCULAR ECONOMY

Our Circular Economy results in 2021 were outstanding, growing 17% to 54 million tons of materials recycled across our business, maintaining our place as a world leader in recycling. By 2030 we will nearly double this amount to 100 million tons. In 2021 our recycled content in cement increased to 24%, on the way to our goal of 30% by 2030. We are also focused on recycling construction and demolition waste (CDW), with 6.6 million tons recycled in 2021, making good progress toward recycling 10 million tons of CDW by 2025. See pages 11, 34–35, 37 and 62.

54
MILLION TONS
OF WASTE RECYCLED

NATURE

For Holcim, nature encompasses two main elements: water and biodiversity. In 2021 we made great progress towards strategic targets for water and reduced freshwater withdrawal in cement to 259 liters/ton and for the first time disclosed specific freshwater withdrawal for both our Aggregates and Ready-Mix Concrete businesses. Our nature strategy placed us among the first 1% of the 500 largest global companies with science-driven biodiversity targets. At the end of 2021, over 93% of our quarries have Rehabilitation plans and Biodiversity Management plans (for those of high biodiversity importance) in place, putting us well on track to meet our 2022 targets. See pages 42–43.

259
LITERS OF FRESHWATER
WITHDRAWN PER TON OF CEMENTITIOUS MATERIAL

PEOPLE

We are committed to respect human rights and to empower people and communities to build a better future. In 2021 we committed to contributing CHF 500 million to create positive social impact cumulatively by 2030. In 2021, we invested CHF 43 million on housing and infrastructure, health, education and skills, showing an increase of 19% from the prior year. COVID-19 was still present and our teams continued to implement an extraordinary range of measures at country level. Putting our commitment into practice, 100% of our operating countries now have a human rights assessment process and action plan in place. See pages 44–45.

43
MILLION (CHF)
CONTRIBUTION IN SOCIAL INITIATIVES
Holcim is the global leader in building materials and solutions and active in four business segments: Cement, Aggregates, Ready-Mix Concrete and Solutions & Products. Following our pledge to net zero, our ambition is to lead the industry in reducing carbon emissions and shifting towards low-carbon construction.

We offer an extensive line of sustainable and innovative cements and hydraulic binders. At a basic level, the market can be broadly segmented into bag and bulk cement, with emerging markets generally the largest consumers of bagged cement. Industrialized countries are mainly bulk markets, as cement is mainly consumed by larger business-to-business customers such as construction companies or building products manufacturers. We are constantly working on making ever-more sustainable cement, whether by reducing carbon emissions from its manufacture or by closing the building materials lifecycle. Our circular cement Susteno, for example, has 20% recycled concrete inside.

Customers value the quality and consistency of our ready-mix concrete products, the breadth of our portfolio, our expertise in large projects, and our flexibility and reliability. We also offer a range of innovative concretes including self-leveling concrete, architectural concrete, insulating concrete and pervious concrete. We also innovate for sustainable materials and are increasing our portfolio of low-carbon concrete solutions. In 2021 ECOPact, the industry’s broadest range of green concrete, delivered high-performing, sustainable and circular benefits in 24 markets worldwide. DYNAMax, the ultimate performance concrete, is also being launched in Europe, Latin America, North America and Asia Pacific.
Our aggregates are used as raw materials for concrete, masonry and asphalt and as base materials for roads, landfills and buildings. As such, they are a key component of construction. Crushed stone, gravel and sand are all typical aggregates. Most aggregates are produced by blasting hard rock from quarries and then extracting and crushing it. Aggregate production also involves the extraction of sand and gravel from both land and marine locations. Increasingly, we supply recycled aggregates, which can be made from construction waste. These recycled aggregates replace the need for quarry extraction and contribute to a truly circular economy in the construction industry.

Solutions & Products is our growth segment, with a target to generate 30% of net sales by 2025. Growing closer to our customers, we will expand our range of integrated solutions and systems from construction and energy efficiency to repair and refurbishment. This builds on our 2021 acquisition of Firestone Building Products, a global leader in roofing systems, as a new growth and innovation engine for our company. Roofing sales already delivered double-digit growth in the USD 50 billion global flat roofing market in 2021, and we aim to double that to USD 4 billion by 2025. This will be supported by Malarkey Roofing Products, a leader in the US residential roofing market, which we agreed to acquire at the end of 2021.
MEET THE LEADERSHIP TEAM

Staying connected while always maintaining health and safety as our core value to become the global leader in innovative and sustainable building solutions.

OLIVER OSSWALD

MAGALI ANDERSON

RENÉ THIBAULT

FELICIANO GONZÁLEZ MUÑOZ

MATHIAS GÄRTNER
OUR MODEL FOR GROWTH AND VALUE CREATION

RESOURCES

~70,000
Colleagues

266
Cement and grinding plants

661
Aggregates plants

1,374
Ready-mix concrete plants

286
Active patents families in our portfolio, balanced across our value chain

~65%
Share of patents relating to sustainable solutions*

BUSINESS SEGMENTS

CEMENT
From classic masonry cements to high performance products tailored for specialized settings, we offer an extensive line of sustainable and innovative cements and hydraulic binders.

READY-MIX
Concrete is the world’s second most consumed substance by volume after water. We stand apart through the quality and consistency of our products, the breadth of our portfolio and our innovative solutions.

AGGREGATES
Our aggregates serve as raw materials for concrete, masonry and asphalt as well as base materials for buildings, roads and landfills. Our recycled aggregates are composed of crushed concrete and asphalt from deconstruction.

SOLUTIONS & PRODUCTS
Supported by technical expertise and decades of experience, we deliver roofing and other solutions that are targeted to customers’ specific needs. Our local market knowledge combined with R&D capabilities allows us to develop and scale up new solutions.

* Not including the patents of Firestone.
On our way to becoming the global leader in innovative and sustainable building solutions

**STRATEGIC PRIORITIES**

- **ACCELERATING GROWTH**
- **EXPANDING SOLUTIONS & PRODUCTS**
- **LEADING IN SUSTAINABILITY & INNOVATION**
- **DELIVERING SUPERIOR PERFORMANCE**

**VALUE CREATED IN 2021**

**FINANCIAL**

- CHF \(26,834\text{ M}\)
  - Net sales (+11.3% growth like-for-like)
- CHF \(4,612\text{ M}\)
  - Recurring EBIT (+ 25.7% growth like-for-like)
- CHF \(3,264\text{ M}\)
  - Free Cash Flow after leases
  - 8.9%
    - Return on invested capital

**NON-FINANCIAL**

- 553 KG
  - CO₂ emitted per ton of cementitious material
- 54 M
  - Tons of waste recycled in operations
- 259 L
  - Freshwater withdrawn per ton of cementitious material
- CHF 43 M
  - Contribution in social initiatives
Materiality provides an essential lens through which we determine our approach for building long-term value for all our stakeholders.

**WHY MATERIALITY MATTERS**

- Stakeholder engagement
- Risk management
- Identify opportunities

**METHODOLOGY**

**IDENTIFICATION**

- of issues and stakeholder groups

**STRATEGIC ALIGNMENT**

- of survey/questions using clear criteria, on business strategy and sustainability pillars, aligned to our risk management approach

**ISSUE RATING**

- of internal and external stakeholders scored against defined criteria

**VALIDATION**

- of materiality matrix by senior management

**MATERIALITY IN 2021**

In 2021 we reached significant milestones in addressing some of our most material issues. We also became the first in our industry to establish 2050 net-zero targets on all scopes validated by the Science Based Targets initiative (SBTi).

The Health and Safety of our employees and contractors is one of our most material issues. In 2021, Holcim introduced a new health, safety and environment (HSE) operating model based on the three pillars of critical risk management, workforce engagement and continuous improvement. Both illness and injury rates improved.

We also sharpened our focus on sustainable construction by adding, among other targets, a specific 2025 target to recycle 10 million tons of construction and demolition waste into our own products and a target for ECOPact green concrete to account for 25% of ready-mix net sales by the same year.

While we did not conduct a new materiality assessment in 2021, we continued to consult with key stakeholders, notably through a review of our salient human rights risks conducted through a global survey, interviews with senior management, and input from human rights experts and community members. For more detail see page 45.
# Materiality Matrix

The issues that we will focus on in the next 3–5 years in order to create value for all stakeholders.

<table>
<thead>
<tr>
<th>Very high</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy costs, efficiency and sourcing</td>
<td>Air emissions</td>
<td>Financial related risk</td>
<td></td>
</tr>
<tr>
<td>Impact of climate change on our operations</td>
<td>Cyber threat and data protection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste derived resources and circular economy</td>
<td>Employee diversity and inclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employee development and engagement</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Human rights</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Industry and market changes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local community engagement, impact and value creation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Supply chain management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Transport and logistics</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Return on invested capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biodiversity management and quarry rehabilitation</td>
<td>Cash conversion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water management</td>
<td>Customer relations and satisfaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pricing integrity and anti-trust compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Business ethics and compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate governance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Greenhouse gas emissions</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Health and safety</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sustainable products, innovation and technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External hazards (non-climate related)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal waste management</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Importance for the future value of Holcim as rated by internal stakeholders
OUR GLOBAL PRESENCE

We have the largest global footprint in our industry with a presence in around 60 countries across the world.

OUR BUSINESS SEGMENTS

CEMENT
16.4BN
SALES (CHF)
2020: 15.0BN

AGGREGATES
4.0BN
SALES (CHF)
2020: 3.7BN

READY-MIX CONCRETE
5.2BN
SALES (CHF)
2020: 4.6BN

SOLUTIONS & PRODUCTS
3.6BN
SALES (CHF)
2020: 1.9BN

NORTH AMERICA
NET SALES (CHF)
7,316M
2020: 5,749M

LATIN AMERICA
NET SALES (CHF)
2,611M
2020: 2,225M
MIDDLE EAST & AFRICA
NET SALES (CHF)
2,430M
2020: 2,349M

EUROPE
NET SALES (CHF)
8,032M
2020: 7,061M

ASIA PACIFIC
NET SALES (CHF)
5,947M
2020: 5,243M
BUILDING A GREENER WORLD
BUILDING A GREENER WORLD

Striatus bridge in Venice, Italy, designed by ETH-Block Research Group and Zaha Hadid Architects. Made possible by Holcim and its proprietary TectorPrint 3D printing ink.

“If it’s not sustainably designed, it’s not designed. You can do a lot to reach net zero with good design.”

DEBORAH WEINTRAUB
Chief Deputy City Engineer, City of Los Angeles
We are working towards a net-zero built environment, driving circular construction to reduce, reuse and recycle materials wherever we can. With the construction sector representing 38% of the world’s global CO₂ emissions, we have an essential role to play across the entire building lifecycle.
BUILDINGS IN USE
REDUCING OPERATIONAL EMISSIONS
Holcim Building Solutions
From energy-efficiency to renovation
> Making buildings last

DEMOLITION AND RECYCLING
DRIVING CIRCULAR CONSTRUCTION
Recycling CDW to build new from the old
> Making concrete infinitely recyclable

70% of which come from buildings in use
FOUR LEVERS TO GREEN AND CIRCULAR CONSTRUCTION

Climate action is at the heart of our strategy. We are working on four critical growth levers to accelerate the transition to net zero.

SUSTAINABLE BUILDING IS POSSIBLE TODAY

Sustainable construction is essential to building a net-zero future that works for people and the planet – and our green building solutions are bringing this reality to life in cities around the world (see pages 4–5 for examples).

At the COP26 UN Climate Change Conference in Glasgow, Holcim engaged with key stakeholders to accelerate the shift to net zero building. To symbolize how green construction is possible today, Holcim partnered with British designer Steuart Padwick to create the Hope Sculpture (pictured above) in a low carbon design. It is made possible by Holcim’s ECOpactMax with a 70% lower environmental footprint compared to standard concrete, with no compromise in performance or aesthetics.

The Hope Sculpture in Cuningar Loop woodland park on Glasgow’s East End is composed of long, elegant columns evoking former chimney stacks atop of which sits a child figure reaching out to a greener future.
Holcim is already a world leader in recycling with 54 million tons of materials recycled across our business this year. Our goal is to recycle 75 million tons by 2025, 10 million tons of which will be construction & demolition waste (CDW) that we will turn into new, high-value products. For instance, we launched the world’s first green cement with 20% recycled CDW inside. We also launched the Circular Explorer to preserve our oceans from plastic waste while advancing marine science and education.

We are reducing the carbon intensity of our cement by substituting fossil fuels with pretreated non-recyclable and biomass waste fuels to operate our cement kilns. To increase this “thermal substitution rate” (TSR) we will be investing in our facilities to increase our TSR from 21.3% in 2021 to 37% by 2030.

More than half our plants in the EU operate at a TSR above 50%, and one third above 70%. At our “star” plant in Retznei, Austria, we have achieved 100% TSR when conditions allow.
SMART DESIGN

Smart design is key to use materials only where they are needed, to build more with less. It starts with a building’s end in mind to make structures circular by design. We are deploying digital technologies like 3D concrete printing to optimize material use, which can reduce a building’s footprint by up to 70% with no compromise on performance. 3D printing opens an infinite range of possibilities, from affordable housing to bridges and infrastructure for renewable energy.

In 2021 our joint venture 14Trees built the world’s first 3D-printed school in Malawi, and its walls were printed in just 18 hours, compared to several days with conventional building materials. By the end of the year we had already scaled up the approach at Africa’s largest 3D printed affordable housing project in Kilifi, Kenya.

Such solutions can play an essential role in the world’s critical affordable housing gap, with 1.2 billion people lacking access to adequate housing and sanitation today.

STRIATUS BRIDGE

In July 2021 we launched Striatus, the first-of-its-kind 3D concrete printed bridge, at the Venice Architecture Biennale. Designed by Zaha Hadid Architects and ETH’s Block Research Group in collaboration with incremental3d, it is made possible by Holcim’s proprietary ink, TectorPrint. It establishes a new language for concrete that is digital, environmentally advanced and circular by design.

The structure is composed of 3D concrete printed blocks that stand together solely through compression, with no reinforcements, no mortar and no binders, applying computational design and 3D printing for minimal material use and maximum strength. All the blocks are entirely recyclable.

STRIATUS

Awarded best innovation design by the European Culture Center, as an architectural breakthrough this year.

Zaha Hadid Architects

incremental3d

Made possible by Holcim
NEXT GENERATION TECHNOLOGIES

We are developing next generation technologies like Carbon Capture Utilization and Storage (CCUS) to accelerate our sector’s decarbonization beyond 2030 with over 30 pilot projects around the world today.

CCUS separates and concentrates CO₂ from industrial processes. We are exploring ways to recycle it across a range of applications from synthetic fuels for aviation in Germany – such as WestKüste 100 (right). We also use it in farming in Spain or store it in mineral rocks as a low emission raw material for our green building solutions in France.

There is no “one-type-fits-all” CCUS solution, as the options for utilization and storage of CO₂ vary from one site to another, and the regulatory setting varies from one country to another.

WESTKÜSTE 100

CO₂ from our Lägerdorf plant in Germany will be transformed into green methanol and further on to a synthetic fuel through the WestKüste 100 project, to supply (for example) at nearby airports. This ten-company consortium is focused on the development of end-to-end sustainable business practices across industries to avoid waste in all sectors. This integrated approach is an industrial example for the required sector coupling in the energy transformation process.

>30 CCUS pilots around the world

As part of the HyScale100 consortium, the proposal has been officially designated as an ‘important project of common European interest’ (IPCEI).
BUILDING A GREENER WORLD

UNDERSTANDING OUR CO₂ FOOTPRINT

Holcim is among the first companies worldwide to set 2050 net-zero targets validated by the SBTi. With these goals, Holcim is establishing a new milestone for its industry as the first with: 2030 and 2050 net-zero targets validated by SBTi, and cutting across its operations and value chain, including Scope 1, Scope 2 and Scope 3.

Our targets cover the three ‘scopes’ of carbon emissions as established by the GHG Protocol to address both our direct and indirect impact.

**SCOPE 1**
Scope 1 includes all emissions released directly from our operations. They account for 75% of our footprint and are at the core of our emissions reduction strategy. A number of factors are involved in bringing our Scope 1 emissions to net zero:

- Alternative sources of materials, such as waste and byproducts from other industries can be used to replace some raw materials and reduce our CO₂ emissions.
- Clinker, the main component of cement, produces the most CO₂ emissions. Replacing it in our final cement products reduces carbon intensity.
- We also replace fossil fuels with biomass and other waste fuels to operate our cement kilns.
- Over time, the increasing importance of embodied carbon per m² of building/infrastructure will move the market to more carbon-efficient construction, leading to less materials used per m² of buildings and infrastructure.

The extension of Kunsthaus Zürich in Switzerland was built with Holcim’s Modero 3B green cement.
REDUCING OUR CARBON FOOTPRINT

<table>
<thead>
<tr>
<th>YR</th>
<th>SCOPE 1</th>
<th>SCOPE 2</th>
<th>SCOPE 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>576 BASELINE</td>
<td>38 BASELINE</td>
<td>-0% Kg CO₂ per ton of purchased clinker and cement</td>
</tr>
<tr>
<td>2021</td>
<td>553</td>
<td>34</td>
<td>-9% Kg CO₂ per ton of purchased fuels</td>
</tr>
<tr>
<td>2030</td>
<td>475 Kg CO₂ Net/t cementitious</td>
<td>13 Kg CO₂/t cementitious</td>
<td>-20% Kg CO₂ per ton of purchased clinker and cement</td>
</tr>
<tr>
<td>2050</td>
<td>GHG emissions across the value chain validated by SBTi</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Holcim’s 2050 Net-Zero Targets validated by SBTi:
- Holcim commits to reduce scope 1 and 2 GHG emissions by 95% per ton of cementitious materials by 2050 from a 2018 base year.*
- Holcim commits to reduce absolute scope 3 GHG emissions by 90% by 2050 from a 2020 base year.

* The target boundary includes land related emissions and removals from bioenergy feedstocks.

OUR ABSOLUTE SCOPE 1 + SCOPE 2 EMISSIONS PATHWAY

126 Mt CO₂

2021

2030

2050

- Efficiency gains in design + construction
- Efficiency gains in concrete
- Decarbonization electricity
- Less clinker in cement (clinker factor)
- Less CO₂ in clinker (TSR, ARM, efficiency)
- CCUS, other technologies
- Passive recarbonation

Holcim’s 2050 Net-Zero Targets validated by SBTi:
- Holcim commits to reduce scope 1 and 2 GHG emissions by 95% per ton of cementitious materials by 2050 from a 2018 base year.*
- Holcim commits to reduce absolute scope 3 GHG emissions by 90% by 2050 from a 2020 base year.

* The target boundary includes land related emissions and removals from bioenergy feedstocks.
BUILDING A GREENER WORLD

NATURE

We are committed to building a nature-positive future. The launch of our nature strategy in 2021 places us among the first 1% of the 500 largest global companies with science-driven biodiversity targets and the first in our sector with a freshwater replenishment commitment.

Our nature strategy sets out measurable 2030 targets to restore and preserve biodiversity and water, while at the same time bringing more nature into cities.

BIODIVERSITY

Our biodiversity targets are based on transformative rehabilitation plans and measured by a science-based methodology developed in partnership with the International Union for Conservation of Nature (IUCN).

Our commitments include:

- Global Biodiversity Indicator Reporting System (BIRS) baseline completed in all managed land by 2024
- Measurable positive impact on biodiversity by 2030 based on the BIRS

At the end of 2021, 93% of our quarries had rehabilitation plans in place and 94% of quarries of high biodiversity importance had Biodiversity Management Plans in place.

WATER

Water is essential to our operations. As water is a local resource, we tailor our solutions to local conditions and prioritize higher water-risk areas.

Currently, 30% of our sites are located in medium to high water-risk areas, which we assess using the World Resources Institute (WRI) Aqueduct tool.

By 2030 we commit to replenish freshwater in these water-risk areas, with:

- 75% of sites water-positive
- 100% of sites equipped with water recycling systems

We also commit to lowering water intensity across business lines, with:

- 33% reduction in Cement
- 20% reduction in Aggregates
- 15% reduction in Ready-Mix Concrete

We implement water stewardship actions in our own operations and outside our site boundaries (see graphic).

In 2021 we reduced specific freshwater withdrawal in our cement plants to 259 liters per ton of cementitious material.

“...We congratulate Holcim for its ambitious biodiversity and water goals as part of its nature-positive journey. Implementing Holcim’s nature strategy can drive scalable change both within the building materials sector and industry as a whole.”

EVA ZABEY
Executive Director,
Business for Nature

OUR OPERATIONS

- Improve water use efficiency and reduce pollution
  Optimize water use and implement strict standards to ensure discharge of high-quality treated water

- Shift to non-freshwater withdrawal
  Replace freshwater with sea or treated wastewater

- Maximize rainfall harvesting
  Use harvested rainwater to meet site water requirements

- Access to WASH
  Provide water, sanitation and hygiene for all employees and contractors (WASH pledge)

- Watershed protection and restoration
  Revitalize degraded wetlands, recharge of groundwater and promote reforestation to improve water flow back to basins

- Water for productive use
  Promote water-efficient irrigation and agriculture practices to help relieve water stress in watersheds

- Water access and sanitation
  Support communities with supply of potable water and installation of sanitation facilities to improve well-being of people and communities (WASH pledge)

* Projects are implemented within a local context and in consultation with relevant stakeholders, including communities and public infrastructure
**ADVOCACY & LEADERSHIP**

Holcim was selected as a member of the Taskforce on Nature-related Financial Disclosures (TNFD) to develop and deliver a risk management and financial disclosure framework to support a shift in global financial flows towards nature-positive outcomes. Holcim is also a signatory of the Call to Action of Business for Nature, which brings together influential organizations and forward-thinking businesses seeking to reverse nature loss. By signing the call we aim to positively influence international agreements on nature and climate change. Our Chief Sustainability & Innovation Officer, Magali Anderson, is a member of the Business for Nature’s Strategic Advisory Group. We are also a signatory of the CEO Water Mandate and the WASH pledge, strengthening our water stewardship commitments.

**OUR MITIGATION HIERARCHY**

**AVOID**

- Avoid creating negative impacts from the outset. We commit not to open new sites or explorations within protected areas declared under World Heritage, IUCN I and IUCN III.

**MINIMIZE**

- Reduce duration, intensity and/or extent of impacts that cannot be completely avoided. Effective minimization can eliminate some negative impacts. We minimize and reverse fragmentation of habitats, reducing damage to important habitats.

**REHABILITATE/RESTORE**

- Improve degraded ecosystems following exposure to impacts that cannot be completely avoided or minimized. We rehabilitate/restore all quarries we operate by implementing progressive, transformative actions.

**OFFSET**

- Compensate for any residual, adverse impacts after full implementation of the previous three steps of the mitigation hierarchy. Where legally required or when not possible to reverse impacts locally, we may offset.

**HOW WE CALCULATE A SITE BIODIVERSITY INDEX WITH BIRS**

**QUANTITY**

- Identify and measure extent of all habitat types

**QUALITY**

- Assess ecological condition and suitability for biodiversity

**IMPORTANCE**

- Assess uniqueness and ecological importance

**PRODUCT INNOVATION FOR NATURE**

Holcim provides a number of solutions to our customers that have a positive impact on freshwater ecosystems. We also promote innovations where nature is embedded into the built environment. We are driving the nature-based approach in our products and solutions to bring nature into cities, tackling societal challenges such as biodiversity loss, water pollution, soil and air quality and the urban heat island effect. We are deploying solutions such as permeable concrete, bioactive concrete and green roof systems for more livable urban environments.
BUILDING A GREENER WORLD

PEOPLE

We are committed to respect human rights and to empower people and communities to build a better future. In 2021, Holcim announced its 2030 people strategy to continue creating shared value and uplifting the well-being of communities worldwide.

The strategy focuses on three pillars: bridging the world’s housing and infrastructure gap, improving livelihoods and upholding the highest standards of human rights. We committed to contributing CHF 500 million to create positive social impact by 2030.

THRIVING COMMUNITIES

Holcim’s commitment builds on its legacy of positive social impact, having benefited 30 million people with more than CHF 200 million in social investment over the last five years. In 2021, we invested CHF 43 million, a 19% increase compared to the previous year, in accelerating access to adequate housing and infrastructure and in continued support to communities, from health and education to skills development. Building on our long tradition of working closely with our communities and promoting their health and well-being, our teams continue to be mobilized to implement an extraordinary range of measures at country level to support people and communities during the COVID-19 pandemic (see page 69.

As part of our focus on affordable housing and infrastructure, we use innovation, technology and market-based approaches to create positive impact at increasing scale and speed. In 2021, through our social initiatives, we invested in building and renovating more than 3,200 buildings, from houses to schools and hospitals, working closely together with communities from Ecuador to Algeria. We helped build the world’s first 3D-printed school in Malawi (pictured left). The school was built by 14Trees, our joint venture with CDC, the UK’s development finance arm, to accelerate the provision of affordable housing and schools in Africa.

The world’s first 3D-printed school, built by our joint venture, 14Trees.
In India, the Ambuja Cement Foundation’s Women Empowerment Program focuses on inclusive growth to harness the collective power of women as breadwinners, community leaders and changemakers.

**HUMAN RIGHTS**

We strengthened our commitment to human rights in 2021, adopting new and updated policies, and receiving strong endorsement from top management globally.

We implemented a new Human Rights and Social Policy, as well as a Human Rights Directive in 2021, setting out our aims, methodology and processes as well as salient risks (see graphic and page 112). These guidelines, developed after extensive consultation with a broad range of stakeholders including global managers, employees, external human rights experts, civil society and community representatives, are aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Holcim is committed to respecting and promoting human and labour rights in our operations, business activities and relationships, and in the communities where we work. Launching a group-wide awareness-raising campaign of the new policy, CEO Jan Jenisch reaffirmed that upholding human rights is at the core of our business model and success.

Human rights due diligence and global training are key to our efforts to improve performance. Human Rights Impact Assessments, which are part of our Human Rights Approach and due diligence work, have been carried out for the past decade, led either by group-level experts or at a country level. This work continued in 2021, despite travel restrictions caused by the pandemic, with 100% of the countries where we operate having a human rights assessment process in place and have defined action plans to address risks based on our methodology. Under our country and Group-level programs, we have trained more than 16,000 employees, contractors, community members and other stakeholders on human rights topics.

Our policy and approach are further steps in the process of embedding respect for human rights in our business activities.

---

**KENYA’S MVULE GARDENS**

Building on the success of the world’s-first 3D-printed school in Malawi that we developed through 14Trees, our joint venture with the UK’s CDC, we have now started 3D-printing Mvule Gardens, a 52-unit housing project in Kilifi, Kenya. Over three billion people are expected to need affordable housing by 2030. This issue is most acute in Africa, with countries like Kenya already facing an estimated shortage of two million houses. We are proud that our TectorPrint 3D printing ink is part of the solution.
DELIVERING WHAT WE PROMISED
Sport Hall Dolni Brezany, Czech Republic built with Firestone’s UltraPly TPO waterproofing membrane.

“It is not enough to simply talk about better or more efficient steps to take within the existing systems; it is time for a real paradigm shift.”

LORD NORMAN FOSTER
Speaking at the Rematerializing Housing Workshop sponsored by the Holcim Foundation
“Strategy 2022 – Building for Growth” was introduced in 2018 to drive profitable growth and simplify our business to deliver resilient returns and attractive value to stakeholders. The strategy played to our unique strengths as a company and in full view of the trends in our marketplace. The strategy laid out four value drivers – Growth, Simplification & Performance, Financial Strength and Vision & People – which have delivered record results ahead of plan.

GROWTH
Switching gears to growth was the most fundamental principle of Strategy 2022. Through this value driver, we aimed to utilize our strong asset base to invest in markets with greater opportunities while being more selective in other markets. At segment level we executed more aggressive strategies for Aggregates and Ready-Mix Concrete alongside the already strong Cement business while building our fourth business segment, Solutions & Products. Pursuing a diverse array of agile, country-based growth strategies, we achieved 28 value-enhancing bolt-on acquisitions over the next four years to leverage scale and margins.

The Solutions & Products segment has been fully established as the growth engine of our company and the cornerstone of “Strategy 2025 – Accelerating Green Growth”. Growth is on a new trajectory, with net sales over the target period growing at an average annual rate of over 3% like-for-like, while Recurring EBIT grew over-proportionally at over 9%.

SIMPLIFICATION & PERFORMANCE
The value driver Simplification & Performance created a cost-disciplined operating model and a corporate-light structure. We put a greater focus on countries, with local markets empowered and fully profit and loss accountable. Through the target period we delivered continuous savings in non-operational costs. By 2021 our net financial expenses were down nearly 40% compared to 2017, and corporate costs were down by one-third.

In 2021 we over-achieved the financial targets of “Strategy 2022 – Building for Growth” one year in advance, with record profitability.
FINANCIAL STRENGTH
We also pursued an agenda of Financial Strength to ensure disciplined value creation. Growth was largely funded through divestments of selected assets worth CHF 3.1 billion. Capex remained well below CHF 2 billion per annum and excess free cash flow was used to pay attractive annual dividends. By the end of 2021 our leverage ratio was at 1.4x (compared to 2.4x at the end of 2017 pre-IFRS 16) and return on invested capital was up from 5.8% for 2017 to 8.9% for 2021.

VISION & PEOPLE
The value driver Vision & People helped us to further develop our company values of trust and integrity, our commitment to Health & Safety and the desire to be at the forefront of sustainable construction solutions and innovation. We have fostered these values with an entrepreneurial leadership style and a focus on Holcim’s long-term success. These successful efforts are symbolized under the new Holcim name and identity, which reflects our shared purpose to build progress for people and the planet.

Research Engineer and Lab Technician performing a concrete slump test at Holcim’s R&D center in Lyon, France
LEADING CEMENT'S GREEN TRANSFORMATION

Following our pledge to net zero, our ambition is to lead the industry in reducing carbon emissions and shifting towards low-carbon construction – focusing on our core business of cement.

We are setting the pace of green transformation in the cement industry, becoming the first company in our industry to set 2050 targets validated by the Science Based Targets initiative. We will reach net zero largely through adaptations to our key cement segment while maintaining market-leading positions and strong profitability.

ECOPlanet, our global range of green cement, delivers at least 30% lower carbon footprint with equal to superior performance compared to ordinary (CEM I/OPC) cement to enable low-carbon construction at scale.

Holcim’s green cements contain less clinker and emit less CO₂ while achieving a high level of mechanical performance and great workability. They can contribute to the achievement of world-class environmental certifications (LEED®, BREEAM® and HQE®), for all types of constructions and infrastructure, including large structures with very specific requirements, such as stadiums, bridges, dams and high-rise buildings.

In Switzerland, for example, our Susteno cement is made with recycled construction & demolition waste, which we process into a high-quality cement additive, leaving a smaller environmental footprint. For more details on how we are leading cement’s green transformation, see the upcoming 2021 Climate Report, available on our website in April 2022.

GREEN CEMENT FOR AMAZON HEADQUARTERS

With ECOPlanet – our global range of green cements – we enable low-carbon construction, making cities greener around the world. A good example is its use in Amazon’s new headquarters in Seattle, USA – a LEED Gold-certified project at the cutting edge of sustainable building.

Our ECOPlanet solution with an 80% lower CO₂ footprint and high performance profile connects majestic glass spherical domes together, enabling a luminous rainforest atmosphere inside. This inspirational space offers people a natural environment to live and work while surrounded by 40,000 plants.
ATTRACTIVE BUSINESS FUNDAMENTALS

Our aggregates business offers tremendous growth and circular construction opportunities, with high recycling rates.

We are continuously expanding our reach to strengthen our position in this segment to best respond to rising urbanization trends with sustainable solutions.

Expanding our reach we completed seven bolt-on acquisitions this year to fuel our growth in this attractive business segment.

This is underpinned by our commitment to developing more innovative and sustainable solutions (see box), and to continuously invest to strengthen our footprint and margins.

FASTCARB

We are progressing well on FastCarb, a research project on which we are playing a key role in collaboration with the French Government.

FastCarb’s objective is twofold. Firstly, to improve the properties of recycled aggregates so they can be used more widely. This is achieved via a process called mineral carbonation, where CO₂ is reacted with the calcium in the recycled materials to produce an inert, high-quality aggregate.

The second element of FastCarb relates to the CO₂ needed for the carbonation reaction. We are working to capture it from our facilities with pilots in France, Canada and Austria which further decarbonizes our solutions.

Over its lifetime, concrete will soak up >20% of the CO₂ emitted during cement production. FastCarb can potentially add 30% reabsorption to this in just a few hours. It therefore represents a significant opportunity to build a greener and smarter world.

Zurich North America’s headquarters, which achieved LEED Platinum® certification with our True Lite Lightweight Aggregate™ and NewCem® cement.
THE GREEN CONCRETE COMPANY

Concrete is the most-consumed man-made product in the world. We are making it net zero to build a world that works for people and the planet.

INTRODUCING DYNAMAX

The latest global concrete innovation coming out of Holcim’s R&D Center is DYNAMax: a sustainable, high-performance concrete, delivering strength, rigidity and durability. Launched in 2021, DYNAMax is the ultimate performance concrete for demanding construction projects.

With optimal material use, it allows more usable space and greater variability in floor plans. Its durability minimizes the maintenance and lifecycle costs of a building.

And its sustainable footprint is driven by reduced material use, local production and short transport routes, as well as its circular and fully recyclable profile. In 2022, DYNAMax will be launched in markets across Asia Pacific, Europe, Latin America and North America.

Concrete is the building material for a growing, urbanizing world. No other material matches its performance benefits. It is resilient, protecting our cities and infrastructure from natural disasters such as effects from flooding. It is durable, fire- and quake-resistant as well as versatile, affordable, insulating and available everywhere. It is infinitely recyclable and, with our green concrete, we are making it low-carbon. Acting as a carbon sink, it reabsorbs >20% of the CO₂ emitted in its production throughout its lifespan.

Today we offer the industry’s broadest range of green concrete with ECOPact, delivering high-performing, sustainable and circular benefits, with no compromise on performance.

ECOPact green concrete is sold at a range of low-carbon levels, with a 30% lower carbon footprint than a local industry benchmark for conventional concrete. Its sustainability profile is driven by low-emission raw materials and decarbonized operations, including the use of alternative fuels. As part of “Strategy 2025 – Accelerating Green Growth” and our commitment to leading the way with our green building solutions, we aim for ECOPact to account for 25% of our ready-mix concrete sales by 2025.

Miro, the BREEAM-excellence certified office complex in Bucharest will be built with DYNAMax, the Ultimate Performance Concrete.
As the world’s most vital resource, we focus on preserving water through our nature strategy – but also through our product innovation, with solutions like Hydromedia, permeable concrete.

More than a product, Hydromedia is a water management system that rapidly absorbs rainwater off streets, parking surfaces, driveways and walkways. Hydromedia helps to recharge groundwater and reduce the risk of flooding.

In Aubervilliers, France, Hydromedia also helps fight hot summers. The studio Fieldwork Architecture used Hydromedia to fight the heat-island effect by providing the community with a quality public space that brought nature into the city (pictured above).

Studies conducted over the summer revealed the combination of Hydromedia and surrounding vegetation lowered the felt temperature by –2.5 °C on average over 24 hours.
EXPANDING POSSIBILITIES
“Circularity must underpin every step of the construction process.”

DIRK E. HEBEL
Karlsruher Institut für Technologie, Germany and member, Holcim Foundation Academic Committee
“Strategy 2022 – Building for Growth” set the foundation for our transformation to become the global leader in innovative and sustainable building materials and solutions.

Under that strategy we embarked on an ambitious journey of portfolio transformation, using key strategic divestments to fund a series of value-enhancing acquisitions (see map). Most of the bolt-on acquisitions have been in Ready-Mix Concrete and Aggregates, primarily located in mature markets.

In 2021 we crossed a new milestone in our transformation with the acquisition of Firestone Building Products (see box), a leader in commercial flat roofing systems, ranging from cool to green roofs. This acquisition advances our goal to expand Solutions & Products to reach 30% of net sales by 2025. Adding to this ambition we recently announced our agreement to acquire Malarkey Roofing Products in the US (see next page), a leader in the complementary residential roofing space. Growing closer to our customers, the Solutions & Products business will expand its range of integrated solutions and systems from construction and energy efficiency to repair and refurbishment.

We continue to pursue strategic acquisitions to expand our Solutions and Products portfolio, such as the recently announced agreement to acquire PRB Group, a leader in specialty building solutions with advanced technologies ranging from energy-efficiency to renovation (see page 3).
OFF TO A FAST START

The 2021 acquisition of Firestone Building Products kicked off our ambitions to become a global leader in roofing. It is also the foundation for our Solutions & Products business to reach 30% of net sales by 2025.

The flat roofing market is driven by several key long-term trends, including population growth, urbanization and sustainable construction. Cool roofs, green roofs and solar roofs in particular are helping to solve urbanization challenges through design by providing thermal insulation for more energy-efficient buildings, all the way to reducing the urban heat island effect.

With Firestone, we have also gained a highly motivated team that is already achieving growth at record pace with double-digit sales this year, driven by innovative and sustainable products, with 18% of sales generated from products introduced in the last five years. Building on this strong platform, our ambition is to double net sales in roofing systems to USD 4 billion by 2025.

In 2021 we leveraged our existing distribution channels by expanding the Gaco brand of roofing systems in Latin America. Further geographical expansion will follow.
We are off to a strong start to our “Strategy 2025 – Accelerating Green Growth” with the acquisition of Malarkey Roofing Products, expanding our Solutions & Products business to become a global leader in roofing systems.

In December 2021 we signed an agreement to acquire Malarkey Roofing Products, a leading company in the US residential roofing market with projected 2022 net sales of USD 600 million and projected 2022 EBITDA of USD 120 million. Malarkey Roofing Products has a track record of double-digit growth in the highly profitable USD 19 billion US residential roofing market. Malarkey is fully complementary to Firestone Building Products’ leadership in the commercial segment, positioning us as a full roofing provider. Malarkey’s strong brand recognition is driven by its leadership in innovation and sustainability with a highly circular business model.

Malarkey Roofing Products provides complete solutions for residential roofing needs from roofing shingles to ice and water barriers. With production facilities in Oregon, California and Oklahoma, Malarkey Roofing Products has a strong presence from the West to the South of the US that is highly complementary with Firestone Building Products’ footprint.

The acquisition advances “Strategy 2025 – Accelerating Green Growth” with the goal to expand our Solutions & Products business to 30% of Group net sales by 2025, entering the most attractive construction segments, from roofing and insulation to repair and refurbishment.
In January 2022 we further accelerated the expansion of our Solutions & Products business by entering into an agreement to acquire PRB Group, France’s biggest independent manufacturer of specialty building solutions with 2022 estimated net sales of EUR 340 million. PRB Group offers a broad range of high performance building solutions, from coatings and insulations to adhesives and flooring systems with advanced energy-efficiency and renovation solutions.

With its leadership in sustainability and eco-design, PRB Group is a leading partner to support France’s new regulation (RE2020) advancing energy-efficiency in buildings. PRB Group’s products and solutions are highly complementary to Holcim’s and expand our reach in the high growth repair & refurbishment market. PRB Group’s broad footprint covers the entire French market with more than 700 people and state-of-the-art facilities, including its Research & Development (R&D) Center, five manufacturing sites and 26 warehouses, as well as 1,300 distributors.
EXPANDING POSSIBILITIES

THE FUTURE OF BUILDING

We are pushing the boundaries of innovation to shape the future of building to make it work for people and the planet. To make a bigger difference, we’re partnering with the brightest minds in our sector.

We operate in an open innovation ecosystem, working with hundreds of start-ups, like-minded companies and leading academic institutions. It all begins in the Switzerland Technology Center and our industry-leading Research and Development Center in Lyon with over 210 researchers. To spread innovation across our markets, they work in close collaboration with our six regional innovation hubs, from Mumbai to Montreal, as well as with our network of over 20 technical centers worldwide. Together with our commercial teams, they support our customers for all their building needs from concept to creation. Our experts cut across all fields of building, from advanced engineering and material science, to artificial intelligence and data mining, all the way to masons.

AT THE FOREFRONT OF GREEN BUILDING SOLUTIONS

We are putting our innovation to work to make sustainable building possible at scale around the world with a range of solutions from low-carbon materials to water-efficiency systems, with no compromise on performance.

With our ECOPact green concrete and ECOPlanet green cement, we offer the world’s broadest ranges of low-carbon building materials, starting at 30% lower CO₂ than standard materials and going as far as carbon neutral. We keep on innovating to expand our industry-leading green product formulation expertise by investing in innovative low-emission raw materials from Calcined Clay to Construction and Demolition Waste to keep on expanding our range of low-carbon solutions.

CALCINED CLAY

Holcim is investing EUR 30 million in proprietary calcined clay technology to advance green cement production in France. With this solution, Holcim will produce near-zero emissions calcined clay using decarbonized energy in its production process. This clay reduces the carbon footprint of cement by up to 40% when used as a substitute for clinker. Naturally available worldwide, calcined clay is one of the most scalable solutions for delivering low-carbon cement globally.
START-UP SPOTLIGHT: TIMBERROC

We are partnering with CCB Greentech in France on a breakthrough solution, TimberRoc, that actually removes CO₂ from the atmosphere. TimberRoc combines timber with cement in a unique formulation to make carbon-negative concrete for precast applications.
DRIVING CIRCULAR CONSTRUCTION

We are driving circular construction with the vision to recycle materials in every new building so that we can close the construction loop, building more new from the old. With concrete being infinitely recyclable, just like glass, we are scaling up our capabilities to recycle 100% of concrete-based construction & demolition waste into new value added products, from substitutes to virgin aggregates to low emission raw materials in the formulation of our green cement and green concrete. We are developing proprietary technologies and systems from advanced crushing for a clean separation of materials, to digital systems for material mapping and management, all the way to smart recycling hubs and logistics to scale up circular construction.

ORIS

We are developing technologies to scale up circular construction. One critical focus is enabling optimal material flows. To advance our expertise in this area we developed ORIS together with IBM, a digital material management platform that is focused on roads. ORIS can assess road design for each project with a holistic view, from construction to maintenance. Analyzing parameters such as local resources, expected traffic and weather conditions, ORIS offers a whole set of design solutions that take into account carbon footprint, use of local resources, lifespan and costs.

WORLD’S FIRST GREEN CEMENT WITH 20% RECYCLED CDW INSIDE

In Switzerland, we launched the world’s first green cement, Susteno, with 20% recycled construction & demolition waste inside. We know we can go much further than this with higher recycling rates across our solutions with no compromise on performance. To make this possible at scale, we are engaging with public authorities to evolve building norms and procurement standards, based on reliable scientific evidence to specify more recycled content in building materials.
COBOD

COBOD International is a globally leading 3D construction printing company, a self-identified disruptor of the construction industry and a Holcim partner for years. Together we have been making headlines for pathbreaking projects such as 3D-printed windmill tower bases (pictured), the world’s first 3D-printed school, and most recently Africa’s largest 3D-printed affordable housing project.

BUILDING AT THE CUTTING EDGE

At the HiLo innovation unit at NEST (Next Evolution in Sustainable building Technologies) in Switzerland, we have developed a new lightweight floor system that reduces material use by 50% and embodied CO₂ by up to 80%.

The project was developed alongside our academic partners at the Block Research Group (BRG) of the Swiss Federal Institute of Technology (ETH-Zurich). The system also embraces low-carbon and circular construction principles by using our ECOPact Plus green concrete and Susteno green cement, which contains 20% recycled construction and demolition waste.

This combination of smart design and green building materials is a powerful demonstration of how sustainable construction could be accelerated at scale. We are now developing the system into a precast solution, targeting industrialized construction in 2023.

BRUSSELS’ GARE MARITIME

Once Europe’s largest railway freight station, the monumental Gare Maritime in Brussels, Belgium, has been reinvigorated into an impressive office, retail and recreational space. About 4,000 m² of Firestone’s RubberGard EPDM membrane have been used in the project.

In a quest to operate entirely on non-fossil fuel energy, solar panels were included in the street-facing facade and installed on the roof. Rainwater is collected to water the inner gardens.

The Gare Maritime project is one of the laureates of the Europa Nostra Awards 2021, which recognizes outstanding heritage conservation initiatives. We are proud that Firestone Roofing Products could help extend its lifespan.

SMART SYSTEMS AND DESIGN

We are continuously expanding our range of smart building solutions to make buildings more energy efficient, resilient and durable from foundation to rooftop, from new buildings to renovating old ones.

For instance with the acquisition of Firestone Building Products, we are becoming a global leader in roofing systems with a broad range of solutions from green to solar roofs. Firestone Building Products is an established leader in the United States in flat roofing systems for commercial applications, broadly used from data centers to logistics warehouses and more. To complement Firestone’s leadership, we are acquiring Malarkey Roofing Products in the United States, a leader in residential roofing. To further expand our Solutions & Products business, in line with our goal to reach 30% of net sales by 2025, we acquired PTB-Compaktuna, a market leader in Belgium and are in the process of acquiring PRB Group, the number one independent specialty building solutions producer in France.

In addition to roofing we offer a range of advanced solutions to make buildings more energy efficient and long lasting, from Airium for insulation to our Tector specialty building materials range for finishings all the way to repair and renovation applications.
EXPANDING POSSIBILITIES

MAGMENT

We’re partnering with German startup Magment to advance magnetizable concrete technology for road surfaces, enabling electric vehicles to recharge wirelessly while in motion. Known as “inductive charging,” this breakthrough concrete-based solution reduces the need for charging stations, while saving time. Other applications under development include the electrification of industrial floors to recharge robots and forklifts as they work.

BREAKTHROUGH CARBON CAPTURE SOLUTIONS

We’re working with Eni, the Italian energy company, to capture CO₂ from our plants into a mineral called olivine. Experts at our innovation center are exploring how carbonated olivine can then replace limestone as a low-emission raw material for our green cement. Together with Eni we are currently looking for the best site in Europe to conduct an industrialscale pilot of this breakthrough solution.

DEVELOPING NEXT GENERATION TECHNOLOGIES

We partner for impact to advance next generation technologies from carbon capture utilization and storage (CCUS) all the way to inductive charging systems that use concrete as a driver of renewable energy.
HackZurich

Through our open innovation platform, Holcim MAQER, we invited the world’s most talented tech minds to participate in our sustainability challenge at HackZurich, Europe’s largest hackathon. Hackers were invited to use data collected from over 60,000 construction sites through ConcreteDirect and Struxhub, two of our smartphone customer apps. Over 48 hours, Hackathon participants worked in teams to develop prototypes that could help alleviate construction ‘chaos’ – noise, pollution and waste – to support Holcim’s mission to build progress for people and the planet.

Digitalization and Artificial Intelligence

We are putting digitalization and artificial intelligence to work to augment our business from our plants and products, all the way to our customer experience.

In our Plants of Tomorrow program we are rolling out >800 projects from predictive maintenance to remote plant management to increase our operational efficiency. Across our product range we are driving solutions such as sensors in concrete and cement to monitor and increase their performance, while also reducing unnecessary product waste for an optimized footprint.

>500
Startups assessed in 2021 by Holcim MAQER

Greener Startups...

such as our partner whose new process could permanently store CO₂ captured from the atmosphere in the concrete we produce.

Smarter Startups...

such as our partner who helps us analyze news and social media data using machine learning to monitor our supply chain for risks and anomalies.

Cleaner Startups...

such as our partner whose app guides our plant employees through the inspection process to make sure we manage air, water and waste properly.

Digitalization and Artificial Intelligence

Greener Startups...

Smarter Startups...

Cleaner Startups...
EMPOWERING OUR PEOPLE

From promoting diversity in our teams to respecting human rights in our communities, we put people at the heart of everything we do. In 2021, that commitment only got stronger.

MEET HOLCIM’S CHANGEMAKERS

“ECOPlanet, and the sustainability initiatives by Holcim, help us to build a greener city, a cleaner city and a better world for me, for my kids and for future generations to have a better place to live in. I’m honored to lead the global roll-out of ECOPlanet green cement and be part of this transformational journey.”

EMMANUEL ILABOYA
Group Senior Product Manager

“Ancient Indian culture has circularity and sustainability embedded deeply in its core. That is exactly why as an Indian woman, I feel so proud to be associated with Holcim where progress is circular. Especially to work on a project that helps Holcim decarbonize its products! It is inspiring to be collaborating with colleagues coming from different cultures, backgrounds and technical expertise!”

MADHURA JOSHI
R&D Engineer

“What I am most proud of is that Holcim Switzerland was the first in the world to use 20% construction and demolition waste inside our cement. This helps keep materials in use for as long as possible and allows us to use only what is needed to preserve nature. To me, that’s building progress for the people and the planet.”

DENNIS SCHNEIDER
Regional Manager
THE PEOPLE AT HOLCIM
Our employees continued to deliver extraordinary results despite another year of challenging circumstances due to the COVID-19 pandemic. We made sure that health and safety remained our number one priority throughout. Our business resilience teams kept our work environments safe and supported employees with initiatives including vaccination programs, remote work plans and mental health assistance. Diversity and inclusion (D&I) has also remained top of mind. As a Group we continued to make progress toward our goal of senior management that is 25% female by 2025, in addition to improving gender balance in sales and operational roles. We saw success in this area with the expansion of our recruitment and education programs targeted to women, notably Ecuador, where 52% of employees at our flagship aggregates plant in Loma Alta are now female.

We grew our Senior Leaders Group by 12% in 2021, mostly through internal promotions. Their development is a key priority, and initiatives like the Holcim Business School — which entered its fourth year — ensure all our senior leaders continue to grow in their careers. We also continued with our Early Career Leadership Program in 2021, focusing on the development of next-generation leaders.

SUPPORTING OUR PARTNERS ON THE ROAD
We continued working closely with our 20,000 transport suppliers to ensure a safe journey for the 90,000 drivers who travel approximately 1.7 billion kilometers for us each year. Since starting the program, road fatalities have decreased from 60 in 2016 to ten in 2021. Although we won’t be satisfied until we reach zero, the program is clearly making a difference for our partners and communities.

In collaboration with our suppliers we expanded our Women on Wheels program which is now implemented in eight countries. The latest country to launch its Women on Wheels program is Kenya, where Bamburi Cement set up a collaboration with a truck manufacturer, a defensive driving organisation and the Kenyan Transporter Association. The program will sustainably recruit at least 100 women each year, resulting not just in job placements but also the breaking down of barriers to women entering the industry.

PROMOTING HUMAN RIGHTS
Holcim is committed to respecting and promoting human and labor rights in our operations and in the communities where we work. As a company working across 2,300 sites in 60 countries, upholding human rights is at the core of our business model and success.

In 2021, we rolled out a new Human Rights and Social Policy as well as a Human Rights Directive, setting out our aims, methodology, processes and risks. These guidelines, developed after extensive consultation with global managers, staff, external human rights experts and civil society and community representatives, are aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

We continued to conduct human rights due diligence and training around the world, including regular individual training for all country CEOs. Altogether, we trained more than 16,000 people in human rights in 2021.

In July 2021, Holcim was represented by seven young leaders from across Europe at the One Young World Summit in Munich. This annual event convenes the brightest young minds from every country and sector, working to accelerate positive social impact.

COMPOSITION OF SENIOR MANAGEMENT (%)

- Male: 82%
- Female: 18%
HEALTH, SAFETY & ENVIRONMENT

Excellence in Health, Safety and Environment (HSE) demands more than allocating resources and ensuring compliance – real progress in HSE requires strategy.

Health and Safety is a core value at Holcim and is top of mind every day across all our operations to reach our Ambition “0”. This year we reported steady progress on this journey, and have reduced the Lost Time Injuries by 62%. Our Lost Time Incident Frequency Rate (LTIFR) reached 0.39, down 22% vs. 2020. 98.3% of our sites and 48.5% of our countries had no lost-time injuries (LTIs), up from 95.9% and 42% in 2020, respectively.

Sadly, during this same period, two employees and two contractors lost their lives. Eliminating fatalities remains our top priority. Since the launch of Ambition “0” we have divided their rate by five but we will never rest until we reach zero.

In 2021 we made good improvements on environmental indicators, with dust emissions per ton of clinker reduced by 18%, as well as NOx by 7%. Our SO2 emissions increased by 1%, mainly due to local constraints in accessing low-sulfur raw materials, but we continue to be one of the best performers in the sector.

ROAD SAFETY AWARD IN THE CATEGORY FLEET SAFETY

We were recognized this year as a global leader in road safety with the “Prince Michael International Award” in the category “Fleet Safety.” This is testimony to our drivers’ relentless focus on safety, which resulted in our second consecutive year with zero road fatalities within our own fleet.

Founded in 1987, this award is recognized as the ‘Nobel Prize’ in road safety, awarding the most outstanding achievements in road safety world-wide.
OPERATING DURING A PANDEMIC

Our resilience and support response to the COVID-19 pandemic began in January 2020. More than 50 new protocols, visual guidance and checklists have been developed and implemented worldwide. The new HSE Minimum Requirements for Operating During COVID-19 has been put in place, partnering with trusted third parties and in line with best scientific information and local regulations. In 2021, we maintained this focus, ensuring protocols were maintained. Additionally, we launched our new Well-being framework to further expand our HSE program and ensure we have a world-class health program. Building on our long tradition of working closely with our communities, we also invest in social initiatives to promote their health and well-being.

To accelerate our progress and focus, Holcim introduced a new HSE operating model based on the three pillars: critical risk management, workforce engagement and continuous improvement. Our focus on these key areas is setting a new standard for HSE.

CRITICAL RISK MANAGEMENT
In 2021, we launched our Critical Risk Management program. After careful review and analysis of past serious incidents we established a quarterly process in which these critical controls are verified at all sites around the globe using an app. In Q4 2021, we completed 12,866 control verifications globally and 25,135 coaching and feedback sessions with employees to adequately cover these controls. This pillar of the operating model will ensure serious injury and fatalities are eliminated.

WORKFORCE ENGAGEMENT
Our goal is simple: to engage all employees and contractors on Health, Safety and Environment daily. One of the biggest workforce engagement milestones of 2021 was the worldwide roll-out of Boots on the Ground. Our digital application to support the program continues to evolve to manage field presence and improve employee access to management with new features to drive overall engagement and provide managers with the right tools in the field to protect the environment and support the safe and healthy execution of the job. This marks our first-ever global implementation of an app developed entirely in-house: with 14,000 users across 1,200 sites and growing daily – more than triple the amount in 2020 – who have used the system to log a total of 2.8 million hours of presence in the field engaging our employees and contractors.

CONTINUOUS IMPROVEMENT
The Continuous Improvement pillar represents our commitment to making progress on HSE Management Systems. 2021 has been the year of the integration of Environment with Health & Safety. We now have a Group Management system compliant to ISO 14001 and 45001 and validated by Lloyd’s Register. Every country completed fugitive dust assessments and reduction efforts. More than 3,200 site assessments were executed and over 250 improvement projects completed. An excellent example – Nicaragua invested CHF 60,000 to complete two projects eliminating measurable inhalable dust emissions at several locations.

We further developed digital with a goal to reach all workers; seven new modules were released in iCare, Holcim’s digital reporting platform, to support Audit, Process Safety, Critical Control management, Environment Programs and a new HSE Performance dashboard. Our Audit and Process Safety digital tools allow field assessments to be performed and tracked – more than 1,000 findings were closed worldwide.

To accelerate our progress and focus, Holcim introduced a new HSE operating model based on the three pillars: critical risk management, workforce engagement and continuous improvement. Our focus on these key areas is setting a new standard for HSE.

CRITICAL RISK MANAGEMENT
In 2021, we launched our Critical Risk Management program. After careful review and analysis of past serious incidents we established a quarterly process in which these critical controls are verified at all sites around the globe using an app. In Q4 2021, we completed 12,866 control verifications globally and 25,135 coaching and feedback sessions with employees to adequately cover these controls. This pillar of the operating model will ensure serious injury and fatalities are eliminated.

WORKFORCE ENGAGEMENT
Our goal is simple: to engage all employees and contractors on Health, Safety and Environment daily. One of the biggest workforce engagement milestones of 2021 was the worldwide roll-out of Boots on the Ground. Our digital application to support the program continues to evolve to manage field presence and improve employee access to management with new features to drive overall engagement and provide managers with the right tools in the field to protect the environment and support the safe and healthy execution of the job. This marks our first-ever global implementation of an app developed entirely in-house: with 14,000 users across 1,200 sites and growing daily – more than triple the amount in 2020 – who have used the system to log a total of 2.8 million hours of presence in the field engaging our employees and contractors.

CONTINUOUS IMPROVEMENT
The Continuous Improvement pillar represents our commitment to making progress on HSE Management Systems. 2021 has been the year of the integration of Environment with Health & Safety. We now have a Group Management system compliant to ISO 14001 and 45001 and validated by Lloyd’s Register. Every country completed fugitive dust assessments and reduction efforts. More than 3,200 site assessments were executed and over 250 improvement projects completed. An excellent example – Nicaragua invested CHF 60,000 to complete two projects eliminating measurable inhalable dust emissions at several locations.

We further developed digital with a goal to reach all workers; seven new modules were released in iCare, Holcim’s digital reporting platform, to support Audit, Process Safety, Critical Control management, Environment Programs and a new HSE Performance dashboard. Our Audit and Process Safety digital tools allow field assessments to be performed and tracked – more than 1,000 findings were closed worldwide.
The Holcim Foundation for Sustainable Construction promotes approaches to sustainable design and construction that demonstrate how the built environment can best contribute to net zero, circularity, biodiversity and social equity objectives across the globe.

**HOLCIM AWARDS**
The Holcim Awards competition brings together independent expert juries and inspires change by highlighting innovative approaches in practice. More than 320 projects from over 70 countries have received Holcim Awards prizes since the competition began in 2003.

In 2021, the Global Awards jury was headed by Hashim Sarkis, Dean of Architecture, Massachusetts Institute of Technology, and Curator of the 17th International Architecture Exhibition, La Biennale di Venezia. Critical themes addressed by the 54 winners included circular flows for building materials, wetland remediation on the urban fringe, preserving local culture, local materials and vernacular architecture, community recovery, and combining energy efficiency and aesthetics.

**MENTORING RESEARCH**
The Holcim Foundation recognizes the critical importance of encouraging future architects, engineers and urban planners to develop the visionary design concepts and bold ideas required to meet the sustainability challenges in the construction industry. Through its Research in Practice Grants, the Foundation mentors and enables young practitioners in conducting ground-breaking research for a two-year period. Three projects are currently being supported: an artificial intelligence-based tool to optimize building component circularity in the USA; a housing project inspired by indigenous vernacular architecture in Brazil; and a vernacular river sanitation system upgrade in Indonesia.

“We gain confidence with hybrid construction methods by testing new techniques and sharing experience.”

**WOLFGANG KESLING**
Transsolar Energietechnik, Germany – Global Holcim Awards Commendation winner 2021, Atlassian Central in Sydney, Australia
“We can extend the life cycle of buildings by designing alternatives to demolition.”

RE-MATERIALIZING HOUSING WORKSHOP
Scholar presentation at a Norman Foster Foundation workshop supported by the Holcim Foundation

NEXT GENERATION WORKSHOP
In 2021, the Holcim Foundation joined forces with the Norman Foster Foundation to support a workshop dedicated to housing. Ten scholarships were awarded to students following an open call shared by hundreds of universities and institutions. The workshop created a platform for the scholars to meet a panel of international experts in a week-long laboratory to explore how to rematerialise housing by addressing issues including emissions, energy consumption, raw material use, and waste associated with the built environment. The students applied the insights of the seminars to case study projects from Argentina, India, and the USA.

For more information: www.holcimfoundation.org
SUMMARY
FINANCIAL
INFORMATION

INSIDE THIS SECTION
CAPITAL MARKETS 74
CONSOLIDATED STATEMENTS 78

The High Line,
New York City, USA

The average trading volume amounted to approximately 1.8 million shares per day on the SIX Swiss Exchange while trading volumes on the Euronext Paris were not significant.

The Holcim share price decreased by 4.3% to CHF 46.5. In the same period, the Swiss Market Index (SMI) posted a gain of 20.3%. Holcim’s share price increased by 0.2% on the Paris stock exchange, while in comparison, the CAC 40 increased by 28.9%.

<table>
<thead>
<tr>
<th>Index</th>
<th>Weighting in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMI, Swiss Market Index</td>
<td>2.03</td>
</tr>
<tr>
<td>SPI, Swiss Performance Index</td>
<td>1.44</td>
</tr>
<tr>
<td>SPI ESG, Swiss Performance Index ESG</td>
<td>1.52</td>
</tr>
<tr>
<td>SLI, Swiss Leader Index</td>
<td>2.91</td>
</tr>
<tr>
<td>SXI Swiss Sustainability 25 PR</td>
<td>2.87</td>
</tr>
<tr>
<td>STOXX Europe 600 Construction</td>
<td>6.64</td>
</tr>
<tr>
<td>STOXX Europe Large 200</td>
<td>0.30</td>
</tr>
<tr>
<td>STOXX Europe 600</td>
<td>0.23</td>
</tr>
<tr>
<td>STOXX Global 1800</td>
<td>0.05</td>
</tr>
<tr>
<td>FTSE4Good Europe Index</td>
<td>0.29</td>
</tr>
</tbody>
</table>

Sources: SIX, STOXX, FTSE as of year-end 2021
CHF 46.5
CLOSING PRICE
AT 31 DECEMBER 2021
-4.3%

CHF 28.6BN
MARKET CAPITALIZATION
AT 31 DECEMBER 2021
2020: CHF 29.9 BILLION

CHF 2.20
DIVIDEND 2021²
² For the 2021 financial year, the Board of Directors is proposing a cash dividend of CHF2.20 per registered share, subject to approval by the shareholders at the Annual General Meeting on 4 May 2022. The dividend will be fully paid out of the foreign capital reserves from tax capital contributions.

A DIVERSIFIED SHAREHOLDER BASE
(31 DECEMBER 2021, IN % OF SHARES OUTSTANDING)

ADDITIONAL DATA

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Security code number</th>
<th>SIX code</th>
<th>Bloomberg code</th>
<th>Thomson Reuters code</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIX, Zurich</td>
<td>CH0012214059</td>
<td>1221405</td>
<td>HOLN SW</td>
<td>HOLN.S</td>
</tr>
<tr>
<td>Euronext, Paris</td>
<td>CH0012214059</td>
<td>1221405</td>
<td>HOLN FP</td>
<td>HOLN.F</td>
</tr>
</tbody>
</table>
HOLCIM Integrated Annual Report 2021

SUMMARY FINANCIAL INFORMATION

CAPITAL MARKET INFORMATION CONTINUED

LISTINGS
Holcim is listed on the SIX Swiss Exchange and on Euronext Paris. The Group is a member of the main large indexes on the SIX Swiss Exchange (SMI, SLI and SPI). Holcim is also included in the socially responsible investment index, SNI Switzerland Sustainability 25. Holcim has been included in the new ESG indexes ‘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 and the Euronext stands at 92%.

DIVIDEND POLICY
Dividends are distributed annually. For the 2021 financial year, the Board of Directors is proposing a dividend payout in the amount of CHF 2.20 per registered share, subject to approval by shareholders at the annual general meeting. The payout is scheduled for 12 May 2022, to be paid out of the foreign capital reserves from tax capital contributions, not subject to Swiss withholding tax.

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, 33⅓, 50, or 66⅔ % 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.

SIGNIFICANT SHAREHOLDERS
Information on significant shareholders can be found on page 277 of our complete 2021 Integrated Annual Report.

KEY DATA HOLCIM REGISTERED SHARES

<table>
<thead>
<tr>
<th></th>
<th>Par value CHF 2.00</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
</tr>
<tr>
<td>Number of shares issued</td>
<td>615,929,059</td>
</tr>
<tr>
<td>Number of treasury shares</td>
<td>7,919,042</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>58</td>
<td>54</td>
<td>54</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Low</td>
<td>43</td>
<td>28</td>
<td>40</td>
<td>39</td>
<td>51</td>
</tr>
<tr>
<td>Average</td>
<td>51</td>
<td>43</td>
<td>49</td>
<td>50</td>
<td>56</td>
</tr>
<tr>
<td>Market capitalization (billion CHF)</td>
<td>28.6</td>
<td>29.9</td>
<td>33.1</td>
<td>24.6</td>
<td>33.3</td>
</tr>
<tr>
<td>Trading volumes (million shares)</td>
<td>458.7</td>
<td>774.2</td>
<td>602.8</td>
<td>625.3</td>
<td>574.6</td>
</tr>
<tr>
<td>Earnings per share (EPS) in CHF</td>
<td>3.73</td>
<td>2.74</td>
<td>3.69</td>
<td>2.52</td>
<td>(2.78)</td>
</tr>
<tr>
<td>EPS before impairment and divestments in CHF</td>
<td>3.96</td>
<td>3.07</td>
<td>3.37</td>
<td>2.63</td>
<td>2.35</td>
</tr>
<tr>
<td>Cash earnings per share in CHF</td>
<td>8.26</td>
<td>7.54</td>
<td>7.97</td>
<td>5.01</td>
<td>5.04</td>
</tr>
<tr>
<td>Dividend per share in CHF</td>
<td>2.20¹</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
<td>2.00</td>
</tr>
</tbody>
</table>

¹ Cash EPS calculated based on cash flow from operating activities divided by the weighted-average number of shares outstanding.
² 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.
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 Shareholders General Meeting (the exact date is communicated in the invitation to the Shareholders 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/investor-relations

CURRENT RATING (25 FEBRUARY 2022)

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Long-term rating</th>
<th>Short-term rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard &amp; Poor’s Ratings Services</td>
<td>BBB, outlook positive</td>
<td>A-2</td>
</tr>
<tr>
<td>Moody’s Investors Service</td>
<td>Baa2, outlook positive</td>
<td>P-2</td>
</tr>
</tbody>
</table>

FINANCIAL CALENDAR

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Quarter 2022 Trading Update</td>
<td>22 April 2022</td>
</tr>
<tr>
<td>Dividend payment date</td>
<td>12 May 2022 (ex-dividend date 9 May)</td>
</tr>
<tr>
<td>Annual General Meeting</td>
<td>4 May 2022</td>
</tr>
<tr>
<td>Last trading day with entitlement to receive the dividend</td>
<td>6 May 2022</td>
</tr>
<tr>
<td>Half-Year Results 2022</td>
<td>27 July 2022</td>
</tr>
<tr>
<td>Third Quarter 2022 Trading Update</td>
<td>28 October 2022</td>
</tr>
</tbody>
</table>
### SUMMARY FINANCIAL INFORMATION

#### CONSOLIDATED STATEMENT OF INCOME OF HOLCIM

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>3.3</td>
<td>26,834</td>
<td>23,142</td>
</tr>
<tr>
<td><strong>Production cost of goods sold</strong></td>
<td>4.3</td>
<td>(15,298)</td>
<td>(13,453)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td></td>
<td>11,536</td>
<td>9,689</td>
</tr>
<tr>
<td><strong>Distribution and selling expenses</strong></td>
<td></td>
<td>(6,232)</td>
<td>(5,558)</td>
</tr>
<tr>
<td><strong>Administration expenses</strong></td>
<td></td>
<td>(1,377)</td>
<td>(1,207)</td>
</tr>
<tr>
<td><strong>Share of profit of joint ventures</strong></td>
<td>6.4</td>
<td>474</td>
<td>446</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
<td>4,401</td>
<td>3,371</td>
</tr>
<tr>
<td><strong>Profit on disposals and other non-operating income</strong></td>
<td>5.2</td>
<td>36</td>
<td>15</td>
</tr>
<tr>
<td><strong>Loss on disposals and other non-operating expenses</strong></td>
<td>5.3</td>
<td>(231)</td>
<td>(60)</td>
</tr>
<tr>
<td><strong>Share of profit (loss) of associates</strong></td>
<td>6.9</td>
<td>(7)</td>
<td>15</td>
</tr>
<tr>
<td><strong>Financial income</strong></td>
<td>7.2</td>
<td>96</td>
<td>101</td>
</tr>
<tr>
<td><strong>Financial expenses</strong></td>
<td>7.3</td>
<td>(652)</td>
<td>(723)</td>
</tr>
<tr>
<td><strong>Net income before taxes</strong></td>
<td>8.2</td>
<td>(963)</td>
<td>(717)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td></td>
<td>2,681</td>
<td>2,002</td>
</tr>
</tbody>
</table>

Net income attributable to:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2,298</th>
<th>1,697</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders of Holcim Ltd</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td></td>
<td>383</td>
<td>305</td>
</tr>
</tbody>
</table>

Earnings per share in CHF

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>3.73</th>
<th>2.74</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per share</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully diluted earnings per share</td>
<td>9</td>
<td>3.72</td>
<td>2.74</td>
</tr>
</tbody>
</table>

The non-GAAP measures used in this report are defined on page 282 of our complete 2021 Integrated Annual Report on [https://annual-report.holcim.com/](https://annual-report.holcim.com/)
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF HOLCIM

### Million CHF

<table>
<thead>
<tr>
<th>Category</th>
<th>Note</th>
<th>31 December 2021</th>
<th>31 December 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>14.3</td>
<td>6,682</td>
<td>5,190</td>
</tr>
<tr>
<td>Short-term derivative assets</td>
<td>14.5</td>
<td>186</td>
<td>30</td>
</tr>
<tr>
<td>Current financial receivables</td>
<td>12.3</td>
<td>261</td>
<td>247</td>
</tr>
<tr>
<td>Trade accounts receivable</td>
<td>10.2</td>
<td>2,677</td>
<td>2,305</td>
</tr>
<tr>
<td>Inventories</td>
<td>10.3</td>
<td>2,608</td>
<td>1,983</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>10.4</td>
<td>1,178</td>
<td>1,017</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>13.2</td>
<td>104</td>
<td>114</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>13,696</td>
<td>10,886</td>
</tr>
<tr>
<td>Long-term financial investments and other long-term assets</td>
<td>12.2</td>
<td>968</td>
<td>859</td>
</tr>
<tr>
<td>Investments in associates and joint ventures</td>
<td>6.4, 6.9</td>
<td>3,714</td>
<td>3,473</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>11.2</td>
<td>24,441</td>
<td>24,220</td>
</tr>
<tr>
<td>Goodwill</td>
<td>11.3</td>
<td>13,954</td>
<td>12,413</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>11.3</td>
<td>1,446</td>
<td>533</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>8.4</td>
<td>783</td>
<td>513</td>
</tr>
<tr>
<td>Pension assets</td>
<td>15.3</td>
<td>823</td>
<td>257</td>
</tr>
<tr>
<td>Long-term derivative assets</td>
<td>14.5</td>
<td>59</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>46,188</td>
<td>42,338</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>59,885</td>
<td>53,224</td>
</tr>
</tbody>
</table>

### Million CHF

<table>
<thead>
<tr>
<th>Category</th>
<th>Note</th>
<th>31 December 2021</th>
<th>31 December 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade accounts payable</td>
<td>10.5</td>
<td>4,059</td>
<td>3,351</td>
</tr>
<tr>
<td>Current financial liabilities</td>
<td>14.4</td>
<td>2,391</td>
<td>2,064</td>
</tr>
<tr>
<td>Current income tax liabilities</td>
<td></td>
<td>484</td>
<td>473</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td></td>
<td>2,398</td>
<td>1,967</td>
</tr>
<tr>
<td>Short-term provisions</td>
<td>16.2</td>
<td>413</td>
<td>323</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>9,746</td>
<td>8,178</td>
</tr>
<tr>
<td>Long-term financial liabilities</td>
<td>14.4</td>
<td>14,514</td>
<td>11,710</td>
</tr>
<tr>
<td>Defined benefit obligations</td>
<td>15.3</td>
<td>735</td>
<td>1,091</td>
</tr>
<tr>
<td>Long-term income tax liabilities</td>
<td>8.6</td>
<td>389</td>
<td>348</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>8.4</td>
<td>2,320</td>
<td>1,885</td>
</tr>
<tr>
<td>Long-term provisions</td>
<td>16.2</td>
<td>1,707</td>
<td>1,389</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>19,666</td>
<td>16,422</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>29,411</td>
<td>24,600</td>
</tr>
<tr>
<td>Share capital</td>
<td>17.2</td>
<td>1,232</td>
<td>1,232</td>
</tr>
<tr>
<td>Capital surplus</td>
<td></td>
<td>20,386</td>
<td>21,597</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>17.2</td>
<td>(381)</td>
<td>(197)</td>
</tr>
<tr>
<td>Reserves</td>
<td></td>
<td>6,449</td>
<td>3,439</td>
</tr>
<tr>
<td><strong>Total equity attributable to shareholders of Holcim Ltd</strong></td>
<td></td>
<td>27,685</td>
<td>26,071</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>2.5</td>
<td>2,788</td>
<td>2,553</td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td></td>
<td>30,473</td>
<td>28,625</td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders' equity</strong></td>
<td></td>
<td>59,885</td>
<td>53,224</td>
</tr>
</tbody>
</table>
ABOUT HOLCIM
Holcim builds progress for people and the planet. As a global leader in innovative and sustainable building solutions, Holcim is enabling greener cities, smarter infrastructure and improving living standards around the world. With sustainability at the core of its strategy Holcim is becoming a net zero company, with its people and communities at the heart of its success. The company is driving the circular economy as a world leader in recycling to build more with less. Holcim is the company behind some of the world’s most trusted brands in the building sector including ACC, Aggregate Industries, Ambuja Cement, Disensa, Firestone Building Products, Geocycle, Holcim and Lafarge. Holcim is 70,000 people around the world who are passionate about building progress for people and the planet through four business segments: Cement, Ready-Mix Concrete, Aggregates and Solutions & Products.

More information is available on www.holcim.com

PHOTO CREDITS
Cover & Page 50: NBBJ
Pages 1, 32–33: Studio NAARO PHOTO
Pages 1, 46–47: Sporadical Photography
Pages 1, 3, 5, 14, 17, 39, 54–55, 59, 61, 62, 64: Image databases
Page 2: Courtesy of Slade Roofing
Page 5: KPMB Architects
Pages 9, 24–25: Sandra Gadient
Page 14: Ryoji Iwata (Unsplash)
Page 14: Pedro Lastra (Unsplash)
Page 14: Nigel Young Foster + Partners
Pages 15, 21, 48, 57: Firestone Building Products
Page 15: John Sturrock
Pages 15, 63: Roman Keller
Page 15: Photo courtesy Gruppo CAP
Page 16: Hufton and Crow
Page 18: Walter Luttenberger
Pages 24–25: Elisabeth Real, Karen Richard
Page 36: Keith Hunter
Pages 11, 38: Chiara Becattini
Page 40: Noshe
Pages 43, 53: Fieldwork architecture
Page 52: Speedwell
Page 73: Getty Images

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 2021.

On the CDP’s prestigious ‘A List’ for tackling climate change in 2021.

First in building industry with 2050 net-zero roadmap endorsed by SBTi
