

COMPENSATION VOTES

Items 1.2, 6.1 and 6.2 of the agenda

Shareholder information on the compensation votes
at the Annual General Meeting 2023

2022 WAS A RECORD YEAR FOR HOLCIM.

Dear shareholders,

2022 was a record year for Holcim. Net sales of CHF 29,189 million were up 12.9% on a like-for-like basis compared to the prior year. This increase was driven by the fast expansion of Solutions & Products, which grew by 54% compared to 2021. Recurring EBIT reached a record CHF 4,752 million for 2022, up 7.2% on a like-for-like basis compared to the prior-year period. This record result was enabled by very strong margins in the roofing business as well as positive price over cost for cement, aggregates and ready-mix combined. Holcim's net financial debt was CHF 6,032 million at the end of 2022 for a record-low leverage ratio of 0.9x. We continued to advance our leadership in sustainability and reduced CO₂ per net sales by 21% in 2022, with a target to reduce it by over 10% in 2023. We continue to expand green building solutions, with ECOPact low-carbon concrete reaching 13% of ready-mix concrete net sales in 2022, on target to reach 25% by 2025.

The Nomination, Compensation and Governance Committee (NCGC) continuously reviews and assesses the compensation system to ensure that it is fit for purpose and has concluded that it is well aligned with the business strategy and the long-term interests of our shareholders. Therefore, the compensation system as described in the Compensation Report 2022 will continue to apply for 2023.

As in previous years and in line with Article 735 of the Code of Obligations and our Articles of Incorporation, we are asking shareholders to vote on three compensation-related proposals at the upcoming Annual General Meeting:

Advisory vote on the Compensation Report 2022

Agenda item 1.2 relates to the advisory vote on the Compensation Report 2022, which can be found on pages 132 to 157 of the Integrated Annual Report 2022 (also available at www.holcim.com).

Binding votes on the maximum aggregate compensation amount of the Board of Directors and the Executive Committee

Agenda item 6.1 requires shareholders' approval of the maximum aggregate compensation amount of the Board of Directors for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024.

Agenda item 6.2 requires shareholders' approval of the maximum aggregate compensation amount of the Executive Committee for the financial year 2024.

The Compensation Report 2022 provides further information regarding our compensation system.

On behalf of the Holcim Ltd Board of Directors,
Respectfully,



DR. BEAT HESS

Chairman of the Board



**HANNE BIRGITTE
BREINBJERG SØRENSEN**

Chairwoman of the NCGC

COMPENSATION VOTES

AGENDA ITEM 1.2

Advisory vote on the Compensation Report 2022

Proposal of the Board of Directors: Shareholders are asked to approve the Compensation Report 2022 in an advisory vote.

Note: The Compensation Report describes the compensation system and programs as well as the governance framework related to the compensation of the Board of Directors and the Executive Committee. The report also informs shareholders about the compensation awarded to the members of the Board of Directors and the Executive Committee for 2022. The Compensation Report can be found on pages 132 to 157 of the Integrated Annual Report 2022 (also available at www.holcim.com).

AGENDA ITEM 6.1

Binding vote on the maximum aggregate compensation amount of the Board of Directors for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024

Proposal of the Board of Directors: Shareholders are asked to approve a maximum aggregate compensation amount of CHF 3,000,000 for nine members of the Board of Directors for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024.

Overview of the compensation system applicable to the Board of Directors for the period between the Annual General Meetings 2023 and 2024

In order to strengthen their independence in exercising their supervisory duties, members of the Board of Directors only receive fixed compensation. They are not entitled to any performance-based compensation and if they are insured in the occupational benefits plan, they finance the entire cost themselves. The compensation of the Board of Directors consists of an annual retainer, paid 50% in cash and 50% in Holcim Ltd shares that are subject to a five-year restriction period, committee fees in cash and an expense allowance in cash.

Considering that Dr. Beat Hess has decided not to seek re-election at the Annual General Meeting in May 2023, the Board of Directors proposes Jan Jenisch as its new Chairman. Subject to the vote at the Annual General Meeting, Jan Jenisch will succeed as the Chairman of the Board of Directors and continue as CEO of Holcim for a limited duration. The Board of Directors sees this double mandate as a transition period to safeguard Holcim's current transformation and the fast-paced execution of its Strategy 2025. This double mandate is for a limited duration and a CEO successor will be announced within the next twelve months.

While he holds a double mandate, Jan Jenisch will continue to receive his regular compensation for the CEO position and will not receive any additional compensation for his function as Chairman of the Board of Directors. To continue strong independent checks and balances, the Board of Directors has created a Lead Independent Director role, entrusting Hanne Sørensen, Vice-Chairwoman of the Board of Directors, with this responsibility. There will be no additional compensation for the role of Lead Independent Director.

The compensation model applicable to the Board of Directors for the period between the Annual General Meetings 2023 and 2024 remains unchanged compared to the previous term of office and is summarized in the following table.

Compensation model of the Board of Directors

Annual retainer (gross)	Cash compensation in CHF	Share-based compensation in CHF	Expense allowance in CHF
Board Chairperson ¹	0	0	0
Board Vice-Chairperson ²	200,000	200,000	10,000
Board member	100,000	100,000	10,000
Committee fees (gross)			
Audit committee Chairperson ²	160,000		
Other committees' Chairperson ²	125,000		
Committee member ²	40,000		

In exceptional circumstances, additional compensation may be paid to Board members for tasks that go beyond their regular function as Board members.

1 The CEO will not receive any compensation for his function as Chairman of the Board of Directors while he holds a double mandate.

2 The Board Vice-Chairperson is not eligible for committee fees.

Proposed maximum aggregate compensation amount of the Board of Directors for the period between the Annual General Meetings 2023 and 2024

The maximum aggregate compensation amount of CHF 3,000,000 for nine members of the Board of Directors is a decrease of 40.0% compared to the compensation amount approved for the previous compensation period. This is because the number of members of the Board of Directors will decrease from eleven (of which ten were remunerated) to nine (of which eight are remunerated) and because the CEO will not receive any compensation for his function as Chairman of the Board of Directors while he holds a double mandate.

The following table illustrates the maximum aggregate compensation amount of the Board of Directors for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024. The proposed amount has been calculated based on the structure of the compensation system described above and assumes a total of nine Board members.

1 The CEO will not receive any compensation for his function as Chairman of the Board of Directors while he holds a double mandate. Therefore, it was decided not to include any compensation for a Chairperson of the Board of Directors in the amount submitted to vote.

2 This amount includes mandatory employer contributions to the Swiss governmental social security system to the extent that they result in a future benefit entitlement, as well as a reasonable buffer for any potential increase in the number of committee members or

for any exceptional compensation for additional tasks going beyond the regular function as Board member. The amount does not include employer contributions to the Swiss governmental social security system that do not result in an increase of the benefit entitlement.

Compensation of the Board of Directors for the period between the Annual General Meetings 2023 and 2024

Annual retainer (gross)	Total in CHF	Expected number of members	Total in CHF
Board Chairperson ¹	0	1	0
Board Vice-Chairperson	410,000	1	410,000
Board member	210,000	7	1,470,000

Committee fees (gross)	Total in CHF	Expected number of members	Total in CHF
Audit committee Chairperson	160,000	1	160,000
Other committees' Chairperson	125,000	2	250,000
Committee member	40,000	9	360,000
Social security contribution and buffer ²			350,000

Proposed maximum aggregate compensation amount¹	9	3,000,000
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Maximum aggregate compensation amount approved for AGM 2022 to AGM 2023	11	5,000,000
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AGENDA ITEM 6.2

Binding vote on the maximum aggregate compensation amount of the Executive Committee for the financial year 2024

Proposal of the Board of Directors: Shareholders are asked to approve a maximum aggregate compensation amount of CHF 36,000,000 for ten members of the Executive Committee for the financial year 2024.

Overview of the compensation system applicable to the Executive Committee as of 2023

Holcim's compensation system is designed to support the company's strategy by attracting, motivating and retaining talented executives while aligning their interests with those of shareholders. It is built around the following principles:

- Drive sustainable and social impact
- Accelerate innovation
- Create shareholder value
- Pay for performance

The compensation system applicable to the CEO and the Executive Committee members for the financial year 2023 includes base salaries, pension contributions, benefits and perquisites as well as variable compensation delivered in the form of an annual incentive and a long-term incentive.

The variable compensation programs for the financial year 2023 are summarized in the following table.

Variable compensation

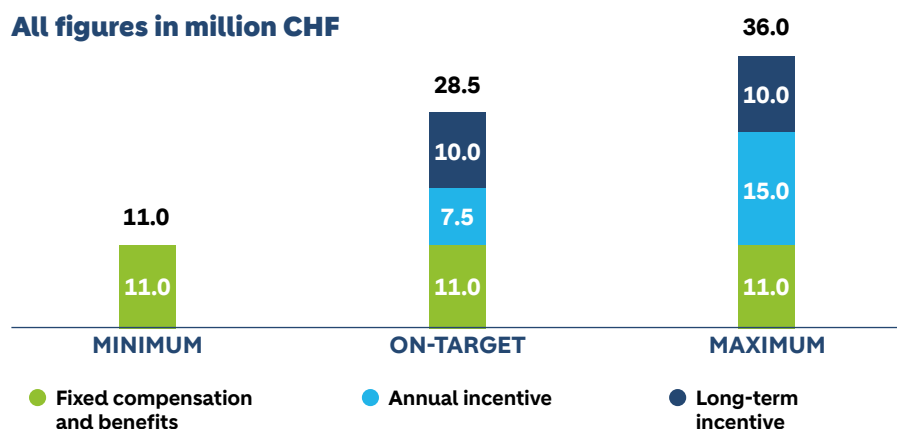
Element	Purpose	Structure	Quantum	Drivers
Annual incentive	Reward for annual performance	Variable annual amount paid in cash and in shares blocked for three years	Target incentive: CEO: 125% of salary ExCo: 75% of salary Maximum incentive: 200% of target	Group and regional annual performance including <ul style="list-style-type: none"> - Relative Group sales growth (15%) - Relative Group Recurring EBIT growth (15%) - Group or regional Recurring EBIT growth (20%) - Group or regional Free Cash Flow after leases (35%) - Health, Safety & Environment (15%)
Long-term incentive (LTI)	<ul style="list-style-type: none"> - Reward for long-term performance - Align with shareholders - Retain 	Performance shares: three-year vesting period	LTI grant size: CEO: 177.4% of salary ExCo: 96.3% of salary Maximum vesting: 200% for performance shares, 100% for performance options	Financial and sustainability performance over three years: <ul style="list-style-type: none"> - EPS: 33¹/₃% - ROIC: 33¹/₃% - Sustainability: 33¹/₃% Relative performance over five years: relative TSR

Looking ahead, the Board of Directors will continue to assess and review the compensation system and programs to ensure that they fulfill their purpose in line with the business strategy and context of the company.

Proposed maximum aggregate compensation amount of the Executive Committee for the financial year 2024

The proposed maximum aggregate compensation amount of CHF 36,000,000 for ten members of the Executive Committee for the financial year 2024 is a decrease of 15.3% compared to the maximum aggregate compensation amount approved at the last Annual General Meeting for financial year 2023. This is because the long-term incentive amount has been calculated based on the fair value at grant of the performance shares and performance options rather than on a mix of fair value for the performance options and face value for the performance shares. The fair value approach is in line with the methodology applied in the Compensation Report and allows the shareholders to directly compare the compensation awarded in a given fiscal year with the compensation amount approved by the shareholders at the AGM.

The following chart illustrates the potential outcome in terms of aggregate compensation for the Executive Committee members in three different scenarios:



In the “Minimum” scenario, only fixed compensation and benefits are paid out because the minimum performance thresholds under the incentive plans are not met, resulting in zero payouts under both the annual and the long-term incentive plans.

In the “On-Target” scenario, the achievements under the incentive plans correspond to the expected level of performance on all objectives.

In the “Maximum” scenario, all performance objectives under the annual incentive plan are outperformed. The long-term incentive is accounted for at fair value at grant. In the event that all performance objectives are outperformed the long-term incentive vests at maximum level, which corresponds to 200% for the performance shares and 100% for the performance options.

Several assumptions were used in the calculation of the maximum aggregate compensation amount:

- The Executive Committee comprises ten members, including the CEO. Pursuant to its Articles of Incorporation, the company is authorized to make payments to any member(s) who join(s) the Executive Committee during a period for which the Annual General Meeting has already approved the maximum aggregate compensation amount in cases where the approved amount is not sufficient, provided that any amount paid in excess of the approved amount does not exceed 40% of the maximum aggregate amount approved.
- The amount shown under fixed compensation includes the estimated annual base salaries, as well as the value of benefits provided in line with Holcim policy.
- Mandatory employer contributions to the governmental social security system are included to the extent that they result in a future benefit entitlement, while employer contributions that do not result in an increase of the benefit entitlement are excluded. Employer contributions to occupational pension plans are included.
- The annual incentive amount has been calculated assuming a maximum payout of 200%.
- The long-term incentive amount has been calculated based on the fair value at grant of the performance shares and performance options. The maximum vesting level corresponds to 200% for the performance shares and to 100% for the performance options.

- The impact of share price variations during the respective vesting period for the long-term incentive is not taken into account.
- The impact of future currency variations is not taken into account for those Executive Committee members who are paid in foreign currencies (currently USD).
- All amounts are calculated gross.

The split of total compensation into fixed compensation, annual incentive and long-term incentive is indicative and non-binding. However, the total compensation awarded will not exceed the maximum aggregate compensation amount proposed.

Please refer to the Compensation Report on pages 132 to 157 of the Integrated Annual Report 2022 for further information.

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