

General Assembly

May 4, 2023, 10.00 a.m.
Bossard Arena, General-Guisan-Strasse 4
6300 Zug, Switzerland

Speech of the CEO

Check against delivery

Jan Jenisch, CEO

Thank you, Beat.

Dear fellow shareholders,

A warm welcome to Holcim's 2023 AGM!

It is an immense pleasure for us to be re-engaging with all of you face-to-face today, after three years of COVID restrictions.

Personally, I deeply missed our rich exchanges during this time, and am delighted that you have come to the Bosshard Arena today.

Before I go into this year's performance, I would like to share how extremely proud I am of our teams' resilience throughout the pandemic.

With our relentless focus on "Health, Cost and Cash", we successfully kept our people and communities safe, while playing an essential role to keep our customers and society running.

The crisis proved the strength of our decentralized business model, with empowered P&L leaders making the right decisions across our markets.

Looking at the company Holcim is today, we can safely say that we emerged stronger from the crisis.

We have reached a new level of performance, enabling us to responsibly navigate our world's continued challenges, from geopolitical uncertainty to inflationary pressures.

As you can see in the Bossard Arena today, a lot of exciting things have happened at Holcim since we last met in person, four years ago:

- We launched our new Group brand identity, symbolizing our vision to become the global leader in innovative and sustainable building solutions
- Our name is HOLCIM again - a Swiss industrial icon - which has never been stronger
- And with over 40% of our shareholders from Switzerland, we have a strong, Swiss identity
- We launched our Strategy 2025 - Accelerating Green Growth and have been executing it successfully at a fast pace,

...and we are delivering record results.

Looking at our results, 2022 was a year of record performance for Holcim for all our key metrics: net sales, Recurring EBIT, cash flow and leverage.

Looking at our financial results, Holcim has never been stronger.

This is giving us the freedom to invest in our future.

We are delivering profitable growth across our core markets, driven by high-value solutions, from ECOPact low-carbon concrete, to ELEVATE roofing and insulation systems, partnering with our customers to advance their sustainability goals.

A key driver of our performance is our successful transformation, led by the fast expansion of Solutions & Products, reaching 19% of net sales in 2022, on the way to 30% by 2025.

We became a USD 4 billion roofing company and the number two player in flat roofing systems in the USD 40 billion US market and EUR 20 billion European one.

Overall in 2022 we achieved 23 transactions, from divesting India, Brazil and Russia, to acquiring six iconic Solutions & Products brands from Malarkey in the USA to PRB in France, and completing 13 bolt-ons.

Our transformation was also led by accelerating profitable growth in our core markets. In particular, we reached 35% of net sales in the most attractive North America market in 2022.

Moving on to the third driver of our performance. It's sustainability, which is at the core of our strategy.

We accelerated climate action this year:

- We reduced our CO2 per net sales by 21% in 2022
- We upgraded our science-driven targets to be in line with the 1.5°C framework
- We achieved key green growth milestones, from our low-carbon concrete ECOPact reaching 13 percent of ready-mix net sales, to scaling up ECOPlanet low-carbon cement in 27 markets.

You can read about our progress on sustainability and our decarbonization goals and plans in great detail in our second Climate Report, which we are submitting for your vote today.

I am personally encouraged by the positive endorsement we received from key proxy advisors from ISS to Glass Lewis and Ethos. As we exchanged together, I would like to reiterate how grateful we are for your constructive feedback - it makes us stronger!

Going into 2023, we will continue to advance our leadership in sustainability:

- We will reduce our CO2 per net sales by over 10 percent this year.
- We will advance our mature portfolio of carbon capture utilization and storage projects, investing CHF 2 billion in our most promising projects by 2030. We are the only company in our sector to have received 2 grants from the EU Innovation Fund in this area, representing EUR 338 million, which confirms the viability and scalability of our technologies.
- Our latest innovation is ECOCycle, our circular technology platform that we launched at Bau München two weeks ago, to recycle construction demolition materials into new building solutions. This innovation actually started here in Switzerland, where we launched the world's first cement with 20 percent recycled construction demolition materials inside, as a decarbonized raw material. With ECOCycle we will scale up circular construction in all key metropolitan areas where we operate, to exceed our target of recycling 10 million tons of materials by 2025, building cities from cities.

In 2023 we are continuing the transformation of Holcim and the fast-paced execution of our strategy.

We already delivered 15 acquisitions year to date, including the highly synergistic acquisition of Duro-Last in the USA, completing our range of flat roofing systems.

We expect our growth momentum in North America to continue and our net sales in the region to reach 40 percent this year, with Recurring EBIT even above that. We are sold-out in this, our number one market, with strong demand trends, combined with government stimulus packages like the Inflation Reduction Act and the Buy Clean Bill, accelerating green demand.

Beyond North America, we will deliver broad-based profitable growth across all our core markets.

And when it comes to Solutions & Products, we are just getting started!

Based on this strong outlook, we raised our guidance at our Q1 trading update. The upgraded guidance is based on continued profitable growth in all our markets and sustained momentum for 2023.

Dear Shareholders,

Holcim's successes and the transformation of the company have only been possible thanks to you.

I extend my most sincere thanks to all of you for your continuous trust and support. This gives us the confidence to make all of this happen.

In addition, I would like to extend my warmest congratulations and appreciation to our 60,000 Holcim people around the world whose hard work and dedication have made all of this possible. Their entrepreneurial and passionate drive to build progress for people and the planet is making the difference.

Dear shareholders, once more, thank you for the trust you have placed in us. We look forward to continuing to build progress together.

I now hand it back over to our Chairman, Beat Hess.