



ECOPact, green concrete - one of Holcim's green building solutions

FY 2022 RESULTS

RECORD PERFORMANCE

SUCCESSFUL TRANSFORMATION

JAN JENISCH | CEO

GÉRALDINE PICAUD | CFO

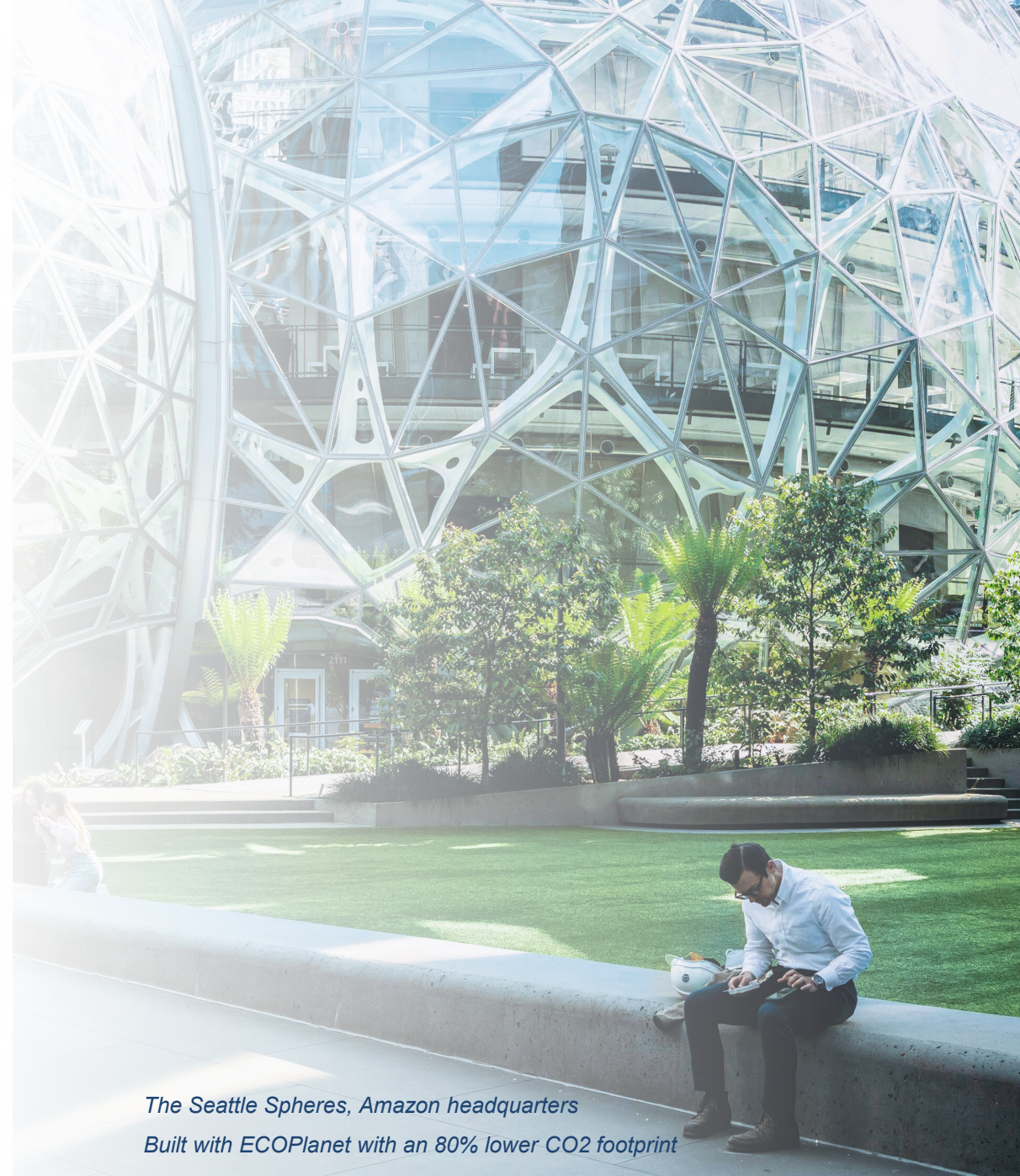
FEBRUARY 24, 2023



01.

HIGHLIGHTS AND KEY DEVELOPMENTS

JAN JENISCH | CHIEF EXECUTIVE OFFICER



*The Seattle Spheres, Amazon headquarters
Built with ECOPlanet with an 80% lower CO2 footprint*

2022 HIGHLIGHTS

RECORD PERFORMANCE, SUCCESSFUL TRANSFORMATION

Record performance

Net Sales of CHF 29'189 m, +12.9% LFL
Recurring EBIT of CHF 4'752 m, +7.2% LFL

EPS¹ of CHF 4.96 per share², up 25%
ROIC of 9.5%, +0.6pp

Free cash flow of CHF 3.5 bn²
Leverage of 0.9x

Outlook 2023

Continued profitable growth and on-going successful transformation

Successful Transformation

Solutions & Products driving profitable growth
Reaching 19% of Group's Net Sales

Expansion in the most attractive North American market, 35% of Group's Net Sales

6 value accretive acquisitions in Solutions & Products; 13 highly synergistic bolt-ons in Aggregates and Ready-mix concrete

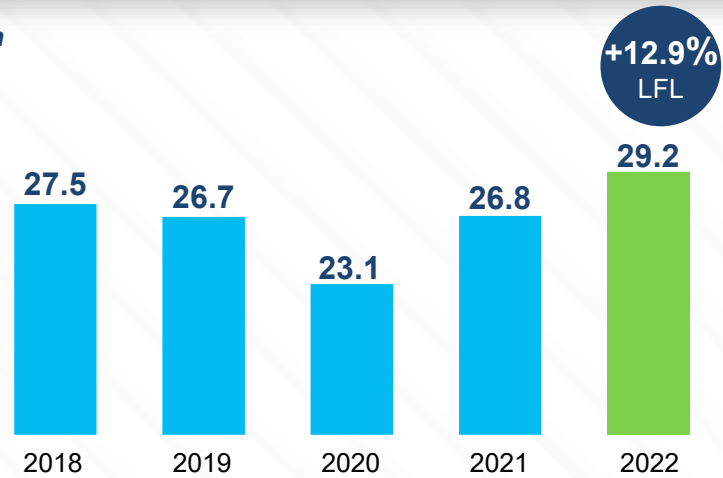
Accelerated reduction of CO2 per Net Sales by 21%

2022 RESULTS

RECORD PERFORMANCE

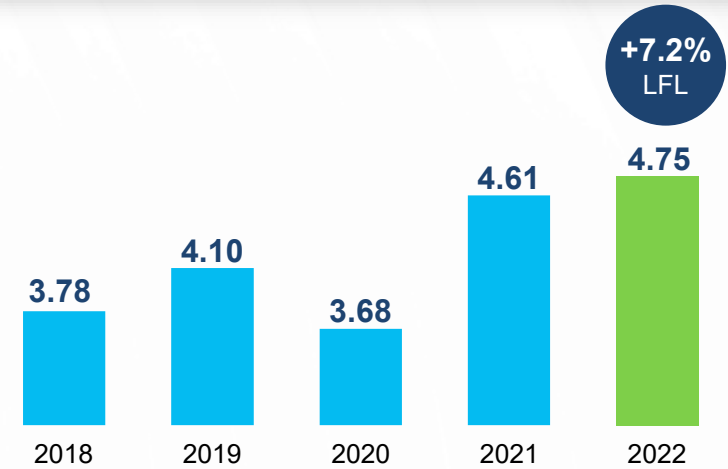
NET SALES

CHF bn

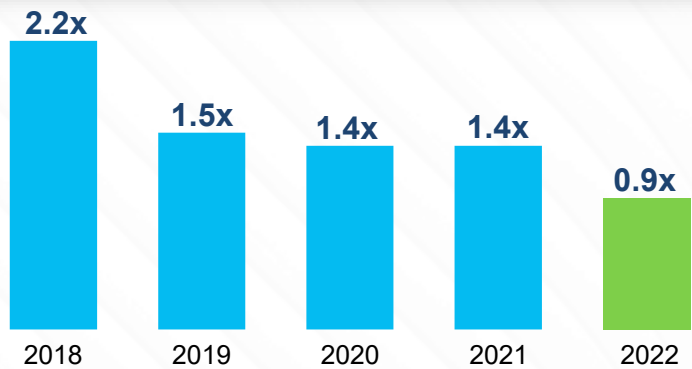


RECURRING EBIT

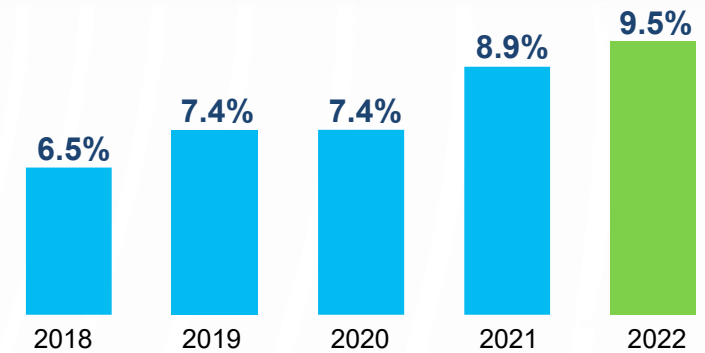
CHF bn



NET DEBT LEVERAGE



ROIC



SUCCESSFUL TRANSFORMATION VALUE ACCRETIVE ACQUISITIONS IN SOLUTIONS & PRODUCTS

6 acquisitions in Solutions & Products

Total spend: **CHF 2.3 bn**
EV/EBITDA ~11x

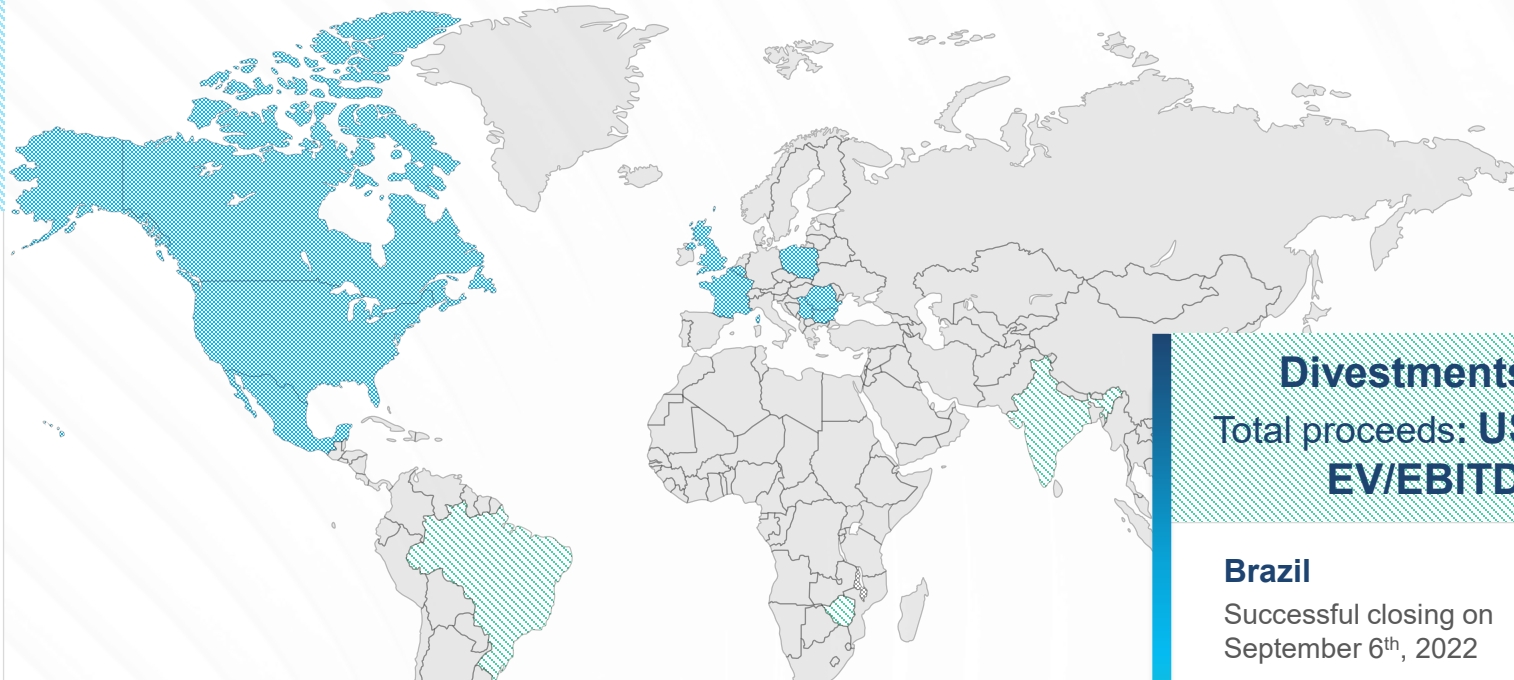
US: Roofing & Insulation



Europe: Specialty Building Solutions



13 Bolt-on acquisitions
in Aggregates and Ready-mix concrete



Dynamic start of the year - 7 transactions in the first 2 months of 2023

- 3 acquisitions in Solutions & Products
- 4 bolt-ons in Aggregates and Ready-mix concrete

Divestments closed
Total proceeds: **USD 7.3 bn**
EV/EBITDA >15x

Brazil

Successful closing on
September 6th, 2022


India

Successful closing on
September 15th, 2022

Zimbabwe

Successful closing on
December 1st, 2022

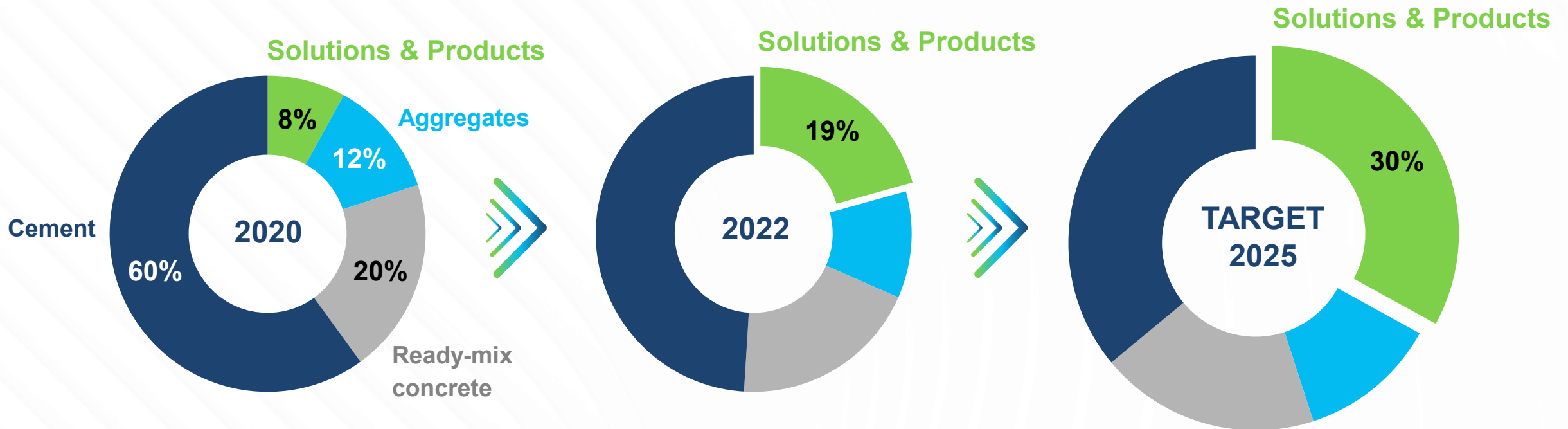
SUCCESSFUL TRANSFORMATION SOLUTIONS & PRODUCTS DRIVING PROFITABLE GROWTH

	 CEMENT	 AGGREGATES	 READY-MIX	 SOLUTIONS & PRODUCTS	TOTAL GROUP 2022
					
NET SALES¹	14'859	3'102	5'711	5'518	29'189
	-2.0%	+4.3%	+11.4%	+54.2%	+8.8%
	-296	+129	+583	+1'939	+2'355
RECURRING EBIT	3'301	646	137	668	4'752
	-8.0%	+4.4%	-11.5%	+165.6%	+3.0%
	-286	+27	-18	+417	+140

CHF m

SUCCESSFUL TRANSFORMATION RAPID EXPANSION IN SOLUTIONS & PRODUCTS

NET SALES BY BUSINESS SEGMENT



SOLUTIONS AND PRODUCTS

HIGHER PROFITABILITY WITH ABOVE MARKET GROWTH



Technologies and innovation offering **sustainable** and **energy efficient solutions**



Growing and resilient demand from **repair** and **refurbishment**



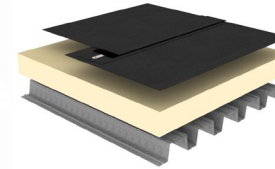
High profitability through **system** and **specification selling**



Excellent **brand recognition** with long-lasting customer loyalty

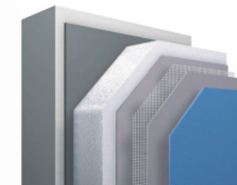


Attractive margins, high cash conversion and **low capital intensity**



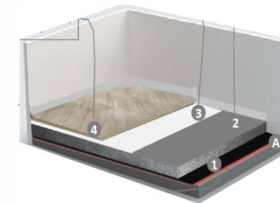
Roofing

From commercial flat roofs to residential roofs



Insulation

Thermal insulation systems for energy efficiency & green retrofitting



Tile adhesives

Advanced systems, decorative and functional



Facade

Internal and external wall systems from decoration to protection

SUCCESSFUL TRANSFORMATION DURO-LAST, A HIGHLY SYNERGISTIC STRATEGIC FIT



2023 E



NET SALES

USD **540** M



SYNERGIES

USD **~60** M



EMPLOYEES

~840



HIGHLIGHTS

- ✓ **Commercial** roofing systems
- ✓ **90% of sales in re-roofing**
- ✓ **Highly regarded brand with strong customer loyalty**

HIGHLY SYNERGISTIC ACQUISITION

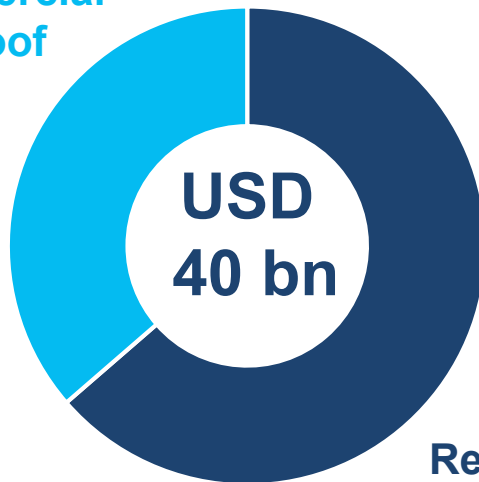
- ✓ **Completing** Holcim's commercial **roofing systems portfolio** with leading innovative and sustainable solutions
- ✓ Providing **access to new sales channels** and **new customer base**
- ✓ **Strong in-sourcing opportunities** for insulation boards & installation systems
- ✓ Significant **cost optimization** through globalized sourcing
- ✓ **Excellent market positions** in North America with 8 production facilities



SUCCESSFUL TRANSFORMATION ON-GOING EXPANSION IN HIGHLY ATTRACTIVE ROOFING BUSINESS

NORTH AMERICAN ROOFING MARKET

Commercial
Flat Roof



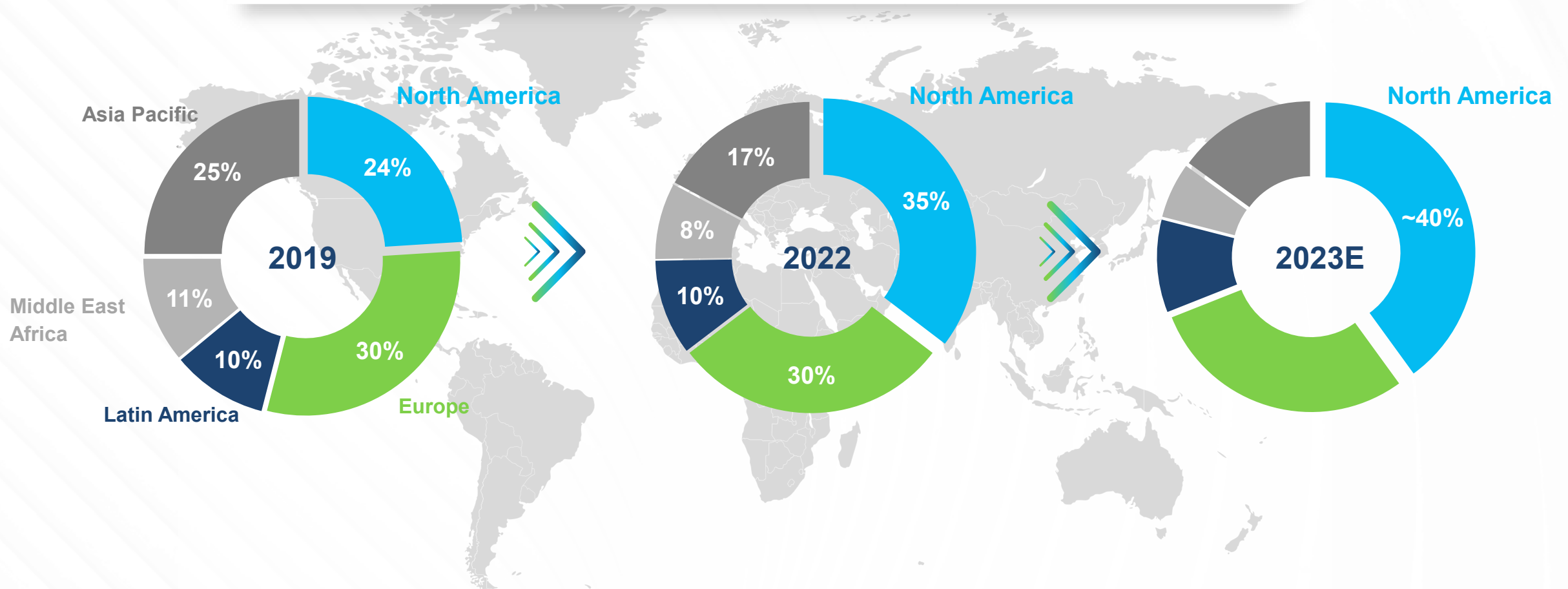
Residential
Pitched Roof

HIGHLY ATTRACTIVE ROOFING BUSINESS

- **Attractive and large building materials segment** expected to **grow over-proportionally**
- Holcim to **reach USD 4 bn Net Sales proforma in 2023**
- **> 70% of Holcim sales in re-roofing**, non-discretionary expense
- **80% of sales in systems selling**
- **Successful integration of acquisitions**; significant profitability increase in roofing leading to a **2022 EV/EBITDA of 7x**

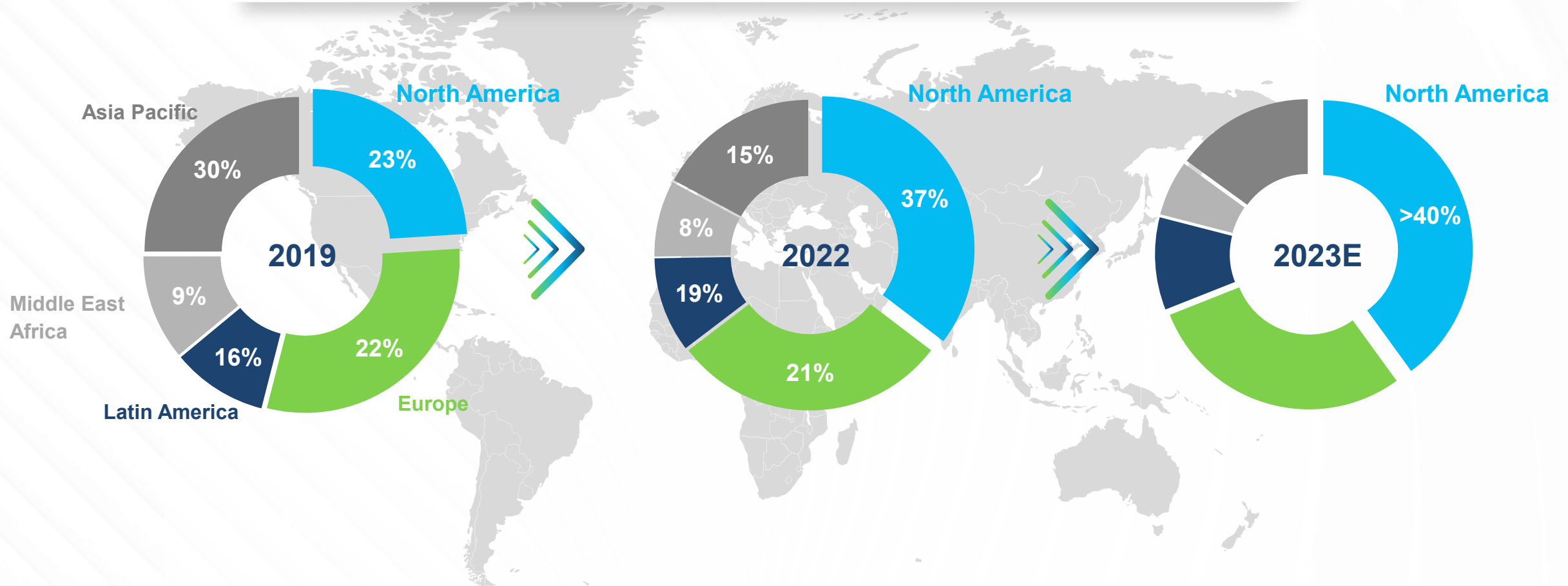
SUCCESSFUL TRANSFORMATION EXPANSION IN THE MOST ATTRACTIVE NORTH AMERICAN MARKET

NET SALES BY REGION



SUCCESSFUL TRANSFORMATION STRENGTHENED EARNINGS PROFILE

RECURRING EBIT BY REGION

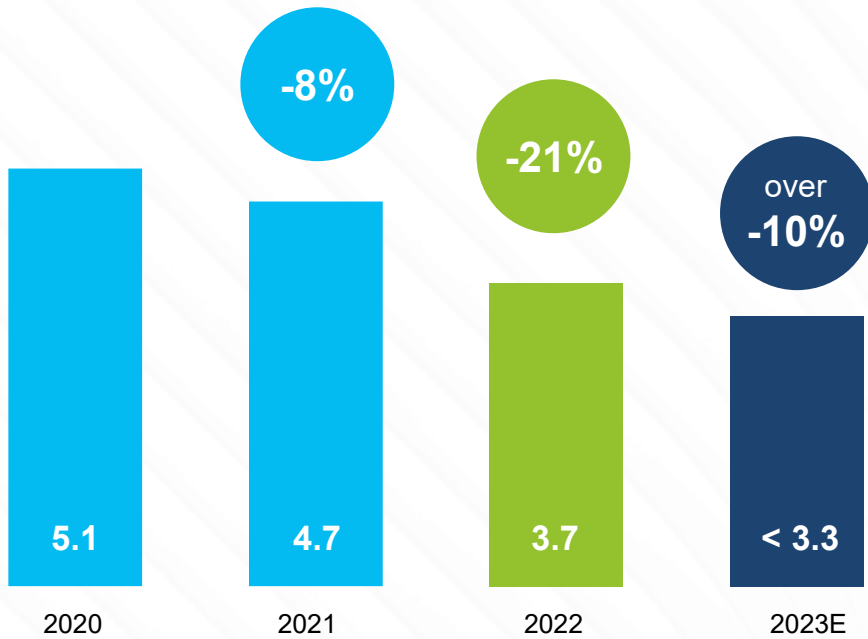


SUCCESSFUL TRANSFORMATION

21% REDUCTION IN CO2 PER NET SALES IN 2022

CO2 PER MILLION OF NET SALES¹

000 tons



*StriatuS, first-of-its-kind 3D concrete printed bridge, Venice, Italy
Built with Holcim proprietary TectorPrint 3D printing ink*

SUCCESSFUL TRANSFORMATION LEADER IN SUSTAINABILITY



ECOPact

Already **13%** of Ready-Mix Net Sales

ECOPlanet

Launched in **27** markets



EU Innovation Fund

Grant of EUR 328 m
to fund 2 carbon capture projects in:

- Carbon2Business – Germany
- GO4ECOPLANET – Poland



MSCI
ESG RATINGS



CLIMATE WATER

Leader in ESG ratings:

Moody's: 1st in the sector with
A1+ rating and a score of **71/100**

CDP: 1st in the sector with **A** rating for
climate & water security management



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2030 Climate
targets upgraded, in
line with **SBTi 1.5° C**



GREEN CAPEX
AT HOLCIM

CHF 403 m allocated to
green CAPEX, up **15%**
vs 2021



DECARBONIZING BUILDING

from our operations to our
products to buildings in use

Launch of Europe's **first**
calcined clay low carbon
cement operation

SUCCESSFUL TRANSFORMATION DELIVERING ON STRATEGY 2025 “ACCELERATING GREEN GROWTH”

BECOMING THE GLOBAL LEADER IN INNOVATIVE AND SUSTAINABLE BUILDING SOLUTIONS

GROWTH

- Rapid expansion in **Solutions & Products**
- **Highly synergistic bolt-ons** in Aggregates and Ready-mix concrete
- Expansion in most **attractive North American** market
- **Growing demand for sustainable & innovative solutions**

SUPERIOR PERFORMANCE

- **Record results in 2022**
- New level of **sustainable Free Cash Flow** generation
- Strong balance sheet with fire-power for future **M&A**
- **Capital allocation** focusing on **profitable Growth & Shareholder Returns**

LEADER IN SUSTAINABILITY

- **Accelerated reduction of CO2 per Net Sales**
- Leader in **low carbon products & solutions** and **circular construction**
- **Scaling up Carbon Capture projects**
- **The partner of choice to decarbonize building**

02.

FINANCIAL HIGHLIGHTS

GÉRALDINE PICAUD | CHIEF FINANCIAL OFFICER



*Renovation of Gasholders residential development, London, UK
Built with Ductal® Ultra High Performance Concrete*

2022 PERFORMANCE HIGHLIGHTS

RECORD RESULTS

 NET SALES

+12.9% LFL
+8.8% VS 2021

CHF 29'189 m

 RECURRING EBIT

+7.2% LFL
+3.0% VS 2021

CHF 4'752 m

 EPS¹
Before impairment & divestments

CHF
4.96
PER SHARE

+25%

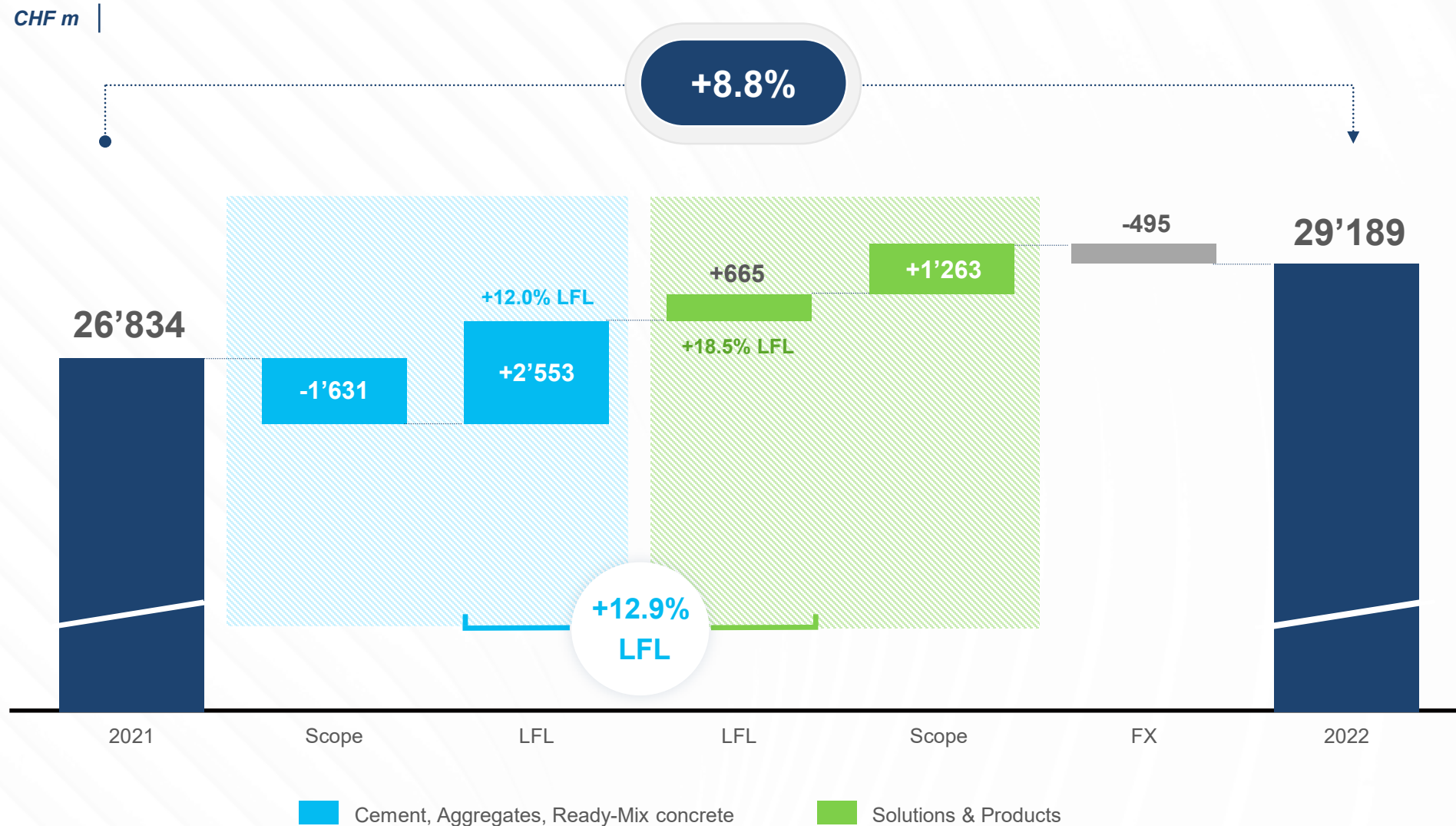
 FREE CASH FLOW¹ After leases

CHF
3'544 m

Cash conversion: 54%

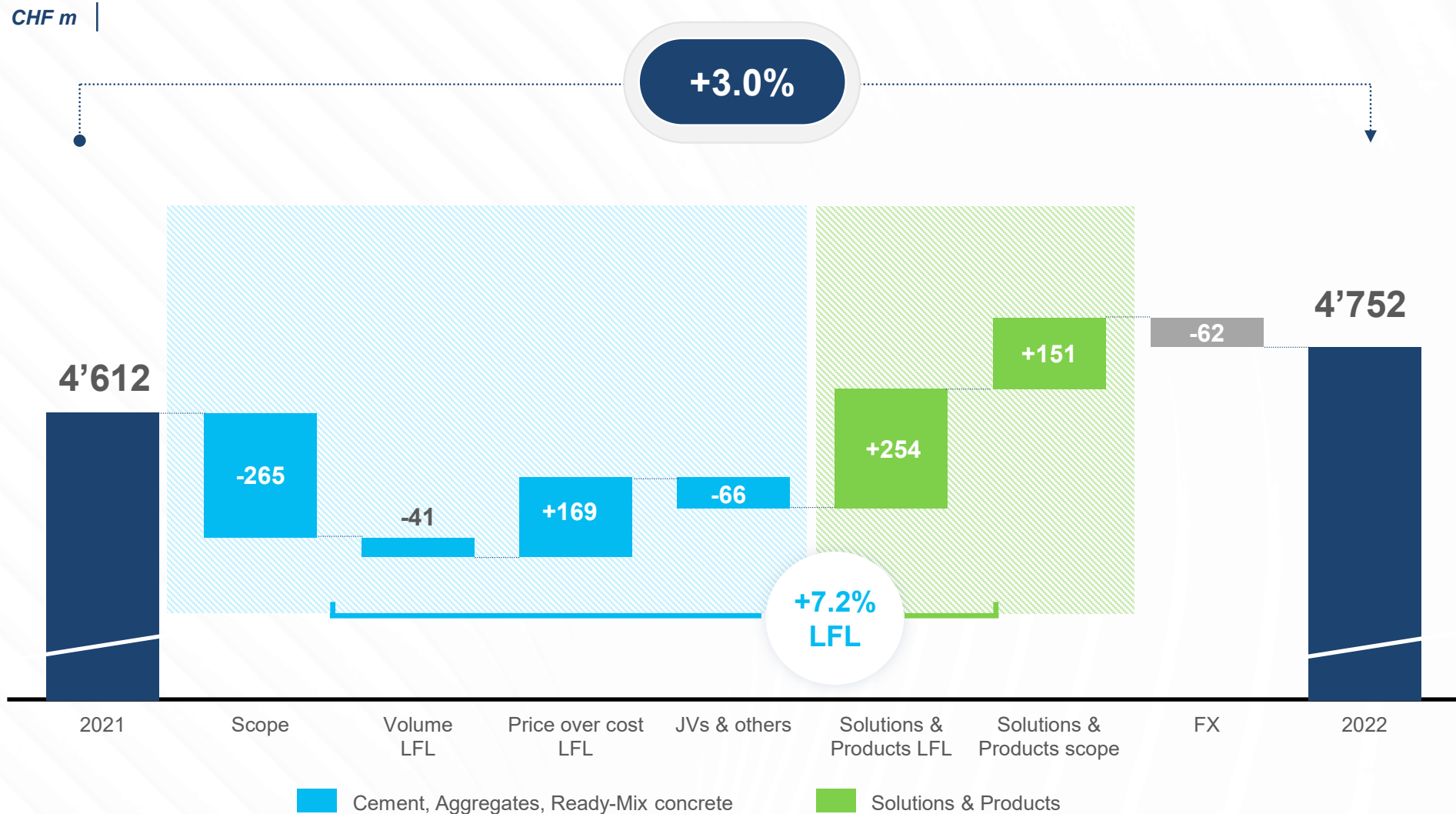
2022 NET SALES BRIDGE

RECORD NET SALES ABOVE CHF 29BN, GROWTH OF +12.9% LFL



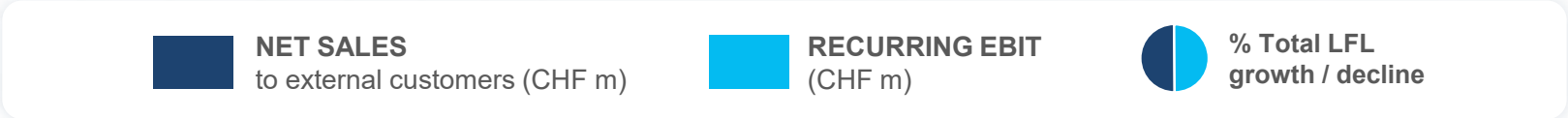
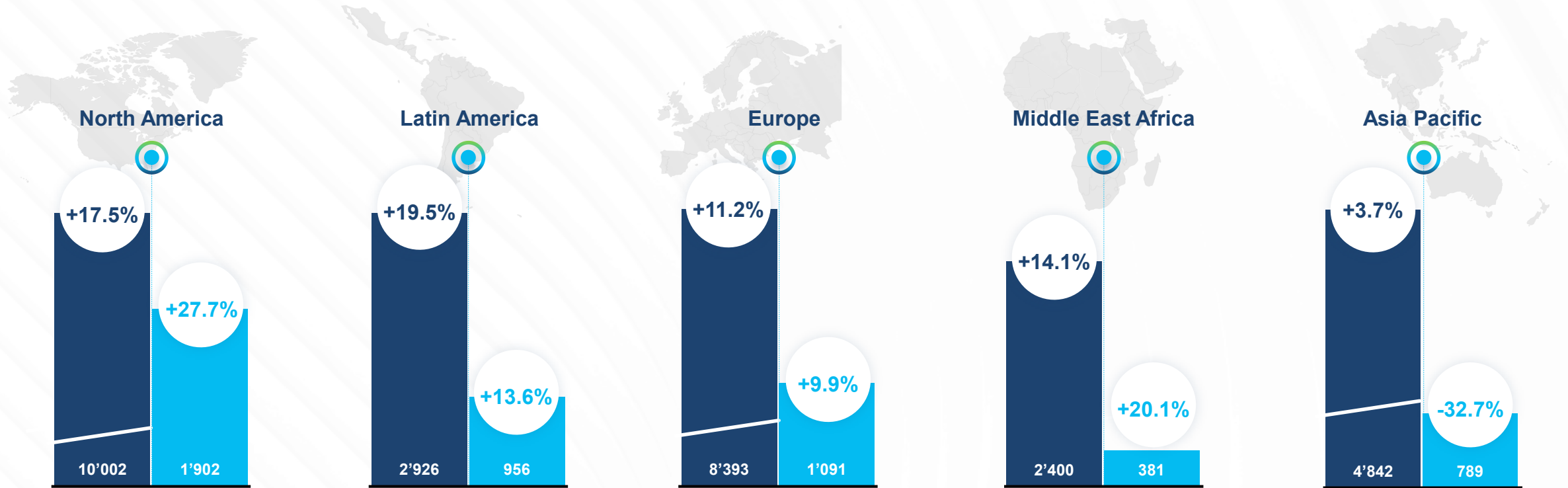
2022 RECURRING EBIT BRIDGE

RECORD RECURRING EBIT ABOVE CHF 4.7 BN, GROWTH OF +7.2% LFL

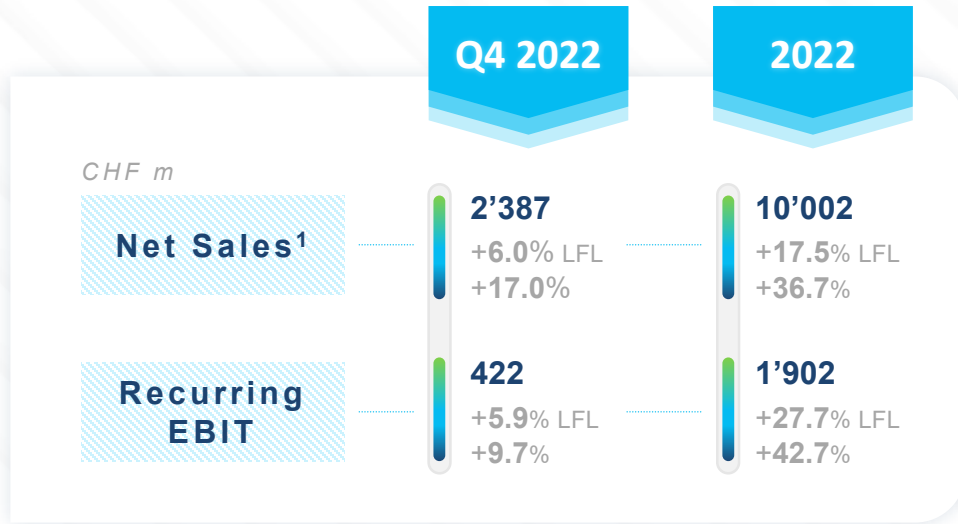


2022 REGIONAL PERFORMANCE

BROAD-BASED PROFITABLE GROWTH



NORTH AMERICA OUTSTANDING PERFORMANCE, SUCCESSFUL TRANSFORMATION



¹ Net Sales to external customers



Growth driven by Solutions & Products



Over-proportional recurring EBIT growth



Strong market demand



Accelerating shift towards **low carbon building products**



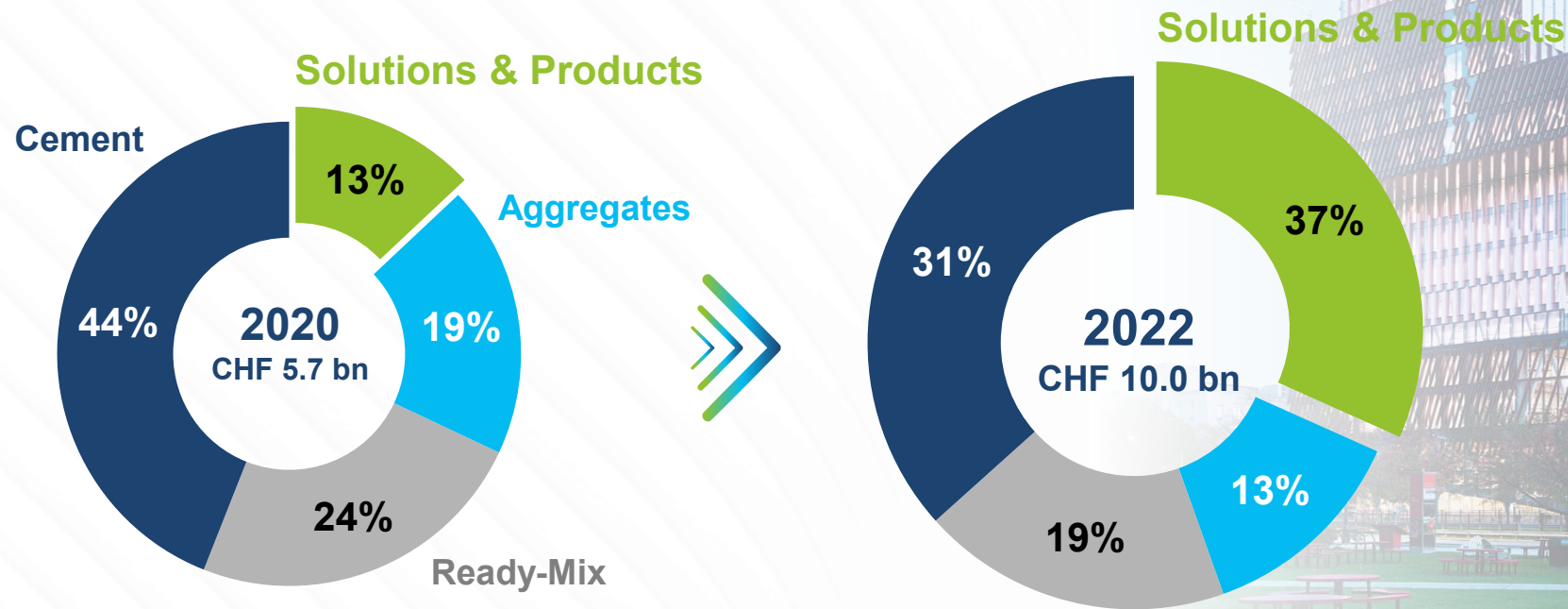
M3 Tower, M City, Canada

Built with Dynamax, the Ultimate Performance Concrete



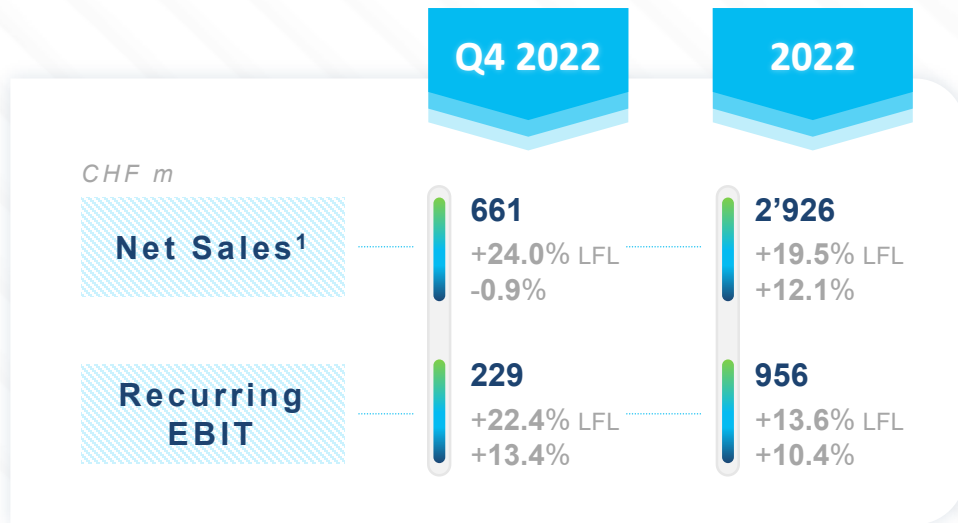
SUCCESSFUL EXPANSION IN THE ATTRACTIVE NORTH AMERICAN MARKET WITH SOLUTIONS & PRODUCTS ALREADY OUR NUMBER ONE SEGMENT

NORTH AMERICA NET SALES BY BUSINESS SEGMENT



Boston University, Center for Computing & Data Sciences, the largest carbon neutral building in Boston built with ECOPact green concrete - KPMB Architects

LATIN AMERICA STRONG PROFITABLE GROWTH



¹ Net Sales to external customers

Good performance in Mexico, Colombia & El Salvador

Excellent pipeline of infrastructure projects

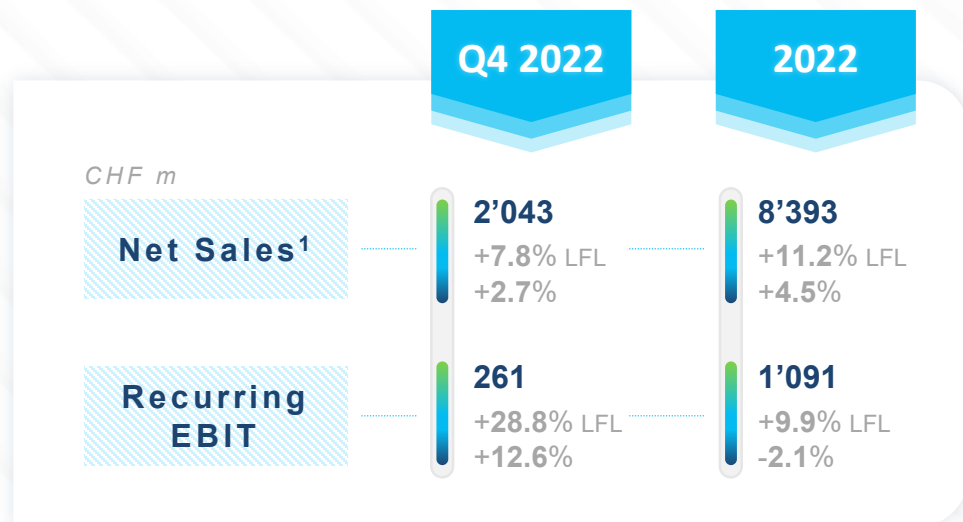
Strong growth in ready-mix

Significant increase in materials recycling & alternative fuels use



Parque La Mexicana, Mexico
Built with Fuerte high strength cement

EUROPE DELIVERING STRONG RESULTS



¹ Net Sales to external customers

Good profitability despite softer volumes

Positive price over cost

High demand for low carbon products

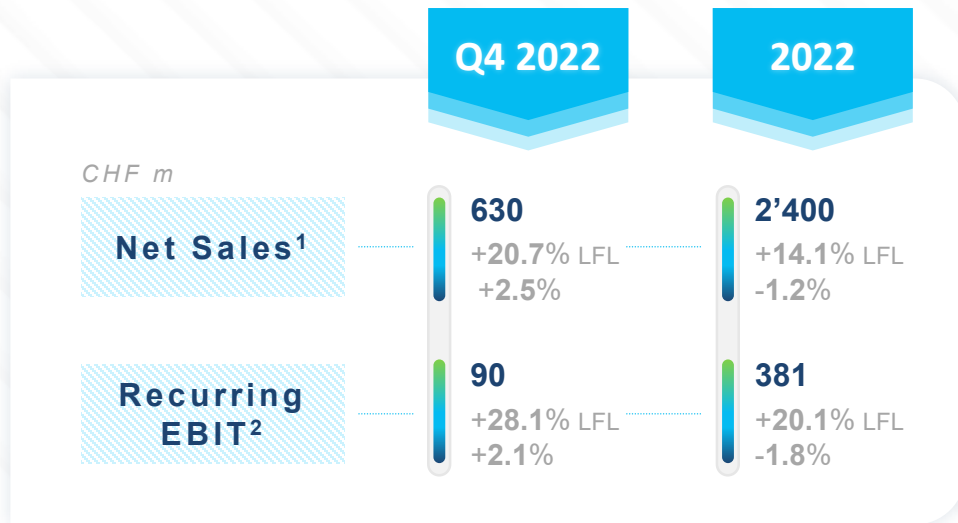
Acceleration of decarbonization efforts



Pian-Médoc School, France

Built with ECOPact, 90-115 kg lower CO2 footprint per m³

MIDDLE EAST AFRICA OVER-PROPORTIONAL RECURRING EBIT GROWTH



¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 41 m in 2022 vs. CHF 61 m in 2021

- Good demand in key markets
- Positive price over cost markets
- Successful divestment of Zimbabwe
- Increase in alternative fuels use

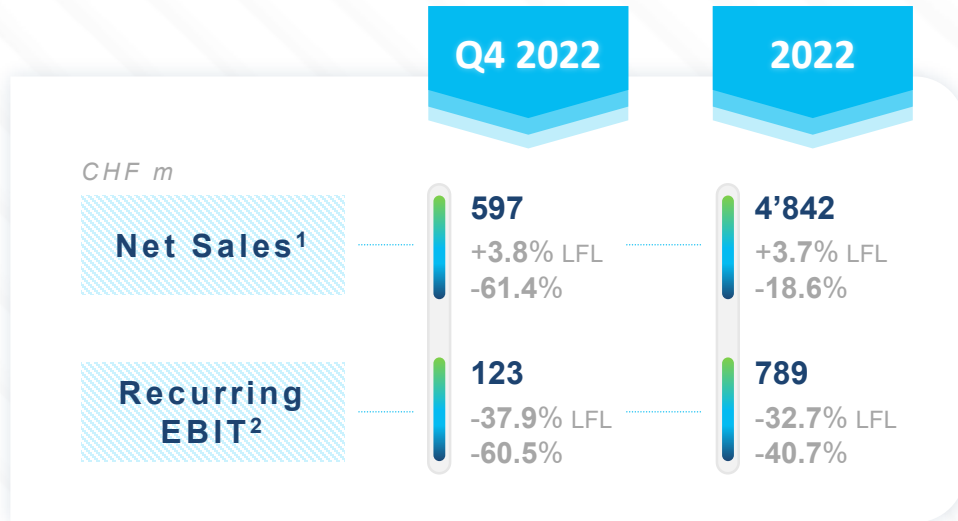


Iconic Tower, Egypt

Built with ECOPlanet with a 60% lower CO2 footprint



ASIA PACIFIC CHALLENGING MARKETS IN INDIA AND CHINA



¹ Net Sales to external customers

² Contribution from share of net income from JVs: CHF 244 m in 2022 vs. CHF 387 m in 2021



Good performance in Australia



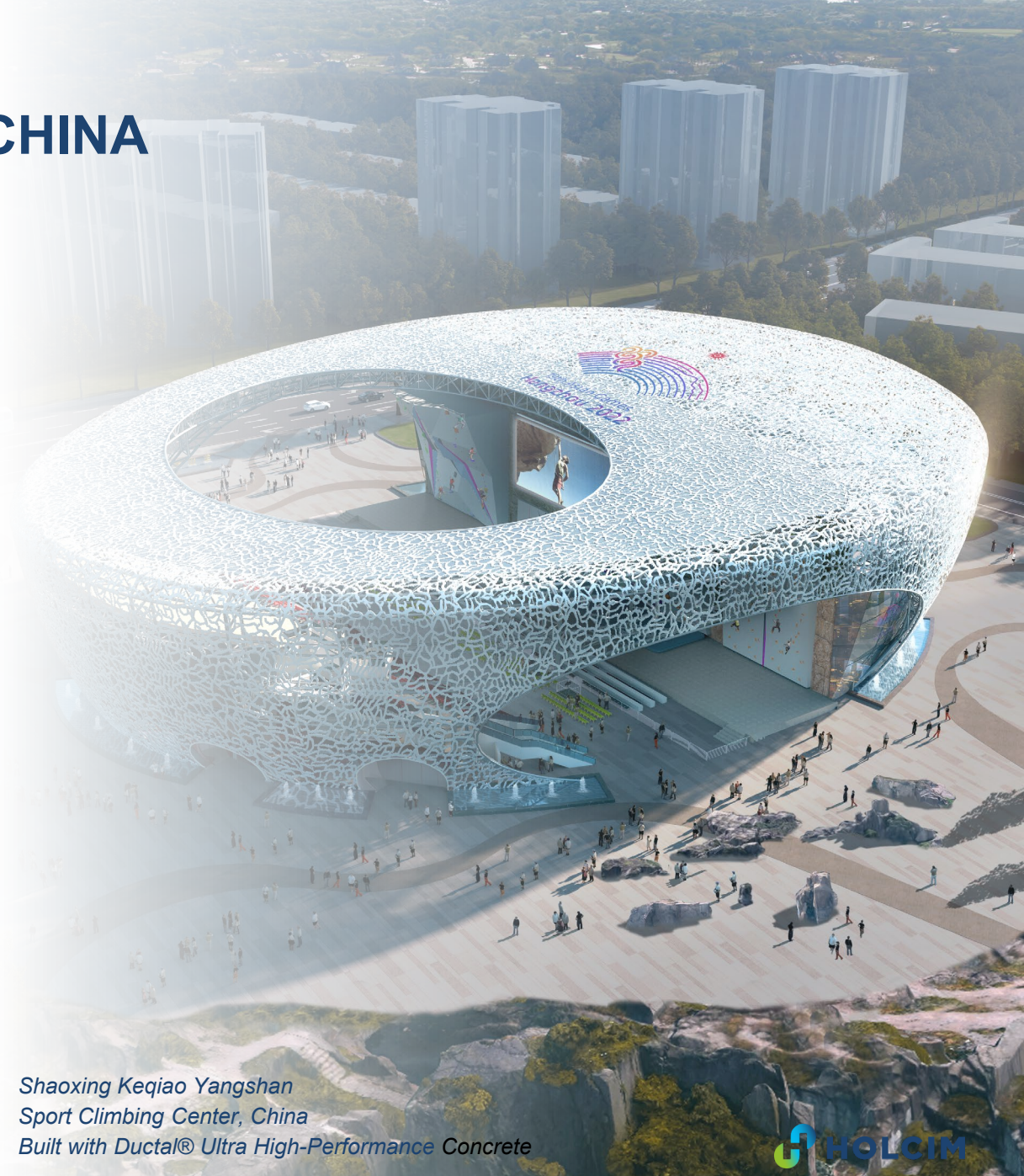
Challenging cost inflation in India



Softer demand in China, amid COVID lockdowns



Accelerated increase in alternative fuels use



Shaoxing Keqiao Yangshan
Sport Climbing Center, China
Built with Ductal® Ultra High-Performance Concrete



FOCUS ON SOLUTIONS & PRODUCTS OUTSTANDING RESULTS



¹ Net Sales to external customers

Net Sales & recurring EBIT of Solutions & Products are reported within the regions

Significant profitability increase in roofing, recurring EBIT margin of 19%

Continued strong margin and price over cost

Growing and resilient demand in repair and refurbishment

Further successful acquisitions



Thammasat University Rooftop Farm (TURF)
Asia's largest rooftop farm
Built with Elevate UltraPly TPO



2022 FINANCIAL PERFORMANCE

EPS AT CHF 4.96, UP 25%

CHF m

	2021	2022	CHANGE
<i>Before impairment & divestments</i>			
Net Sales	26'834	29'189	2'355
RECURRING EBIT	4'612	4'752	140
Restructuring, litigation and others	-194	-846	-652
OPERATING PROFIT (EBIT)	4'419	3'906	-513
Profit/loss on disposals and other non-operating items	-60	48	108
Share of profit of associates	-7	17	24
Net financial expenses	-556	-459	97
NET INCOME BEFORE TAXES	3'795	3'513	-282
Income taxes	-966	-1'067	-101
Effective Tax Rate (ETR)	25%	30%	
NET INCOME	2'830	2'446	-384
Net Income, Non-controlling interests	382	228	-154
NET INCOME GROUP SHARE	2'448	2'218	-230
<i>EPS (CHF per share)</i>	3.98	3.66	-0.32
<i>Reconciliation items</i>			
<i>Impairment</i>	-15	-673	-658
<i>Divestments (net capital (loss) / gain)</i>	-135	+1'764	1'899
REPORTED NET INCOME GROUP SHARE	2'298	3'308	1'010
REPORTED EPS	3.73	5.48	+1.75

+9%

+3%

Operating profit of
CHF 4'686 m, up 6%
before resolution with DOJ

Record EPS of
CHF 4.96 (+25%)
before resolution with DOJ

2022 FREE CASH FLOW

RECORD FREE CASH FLOW OF CHF 3.5 BN¹

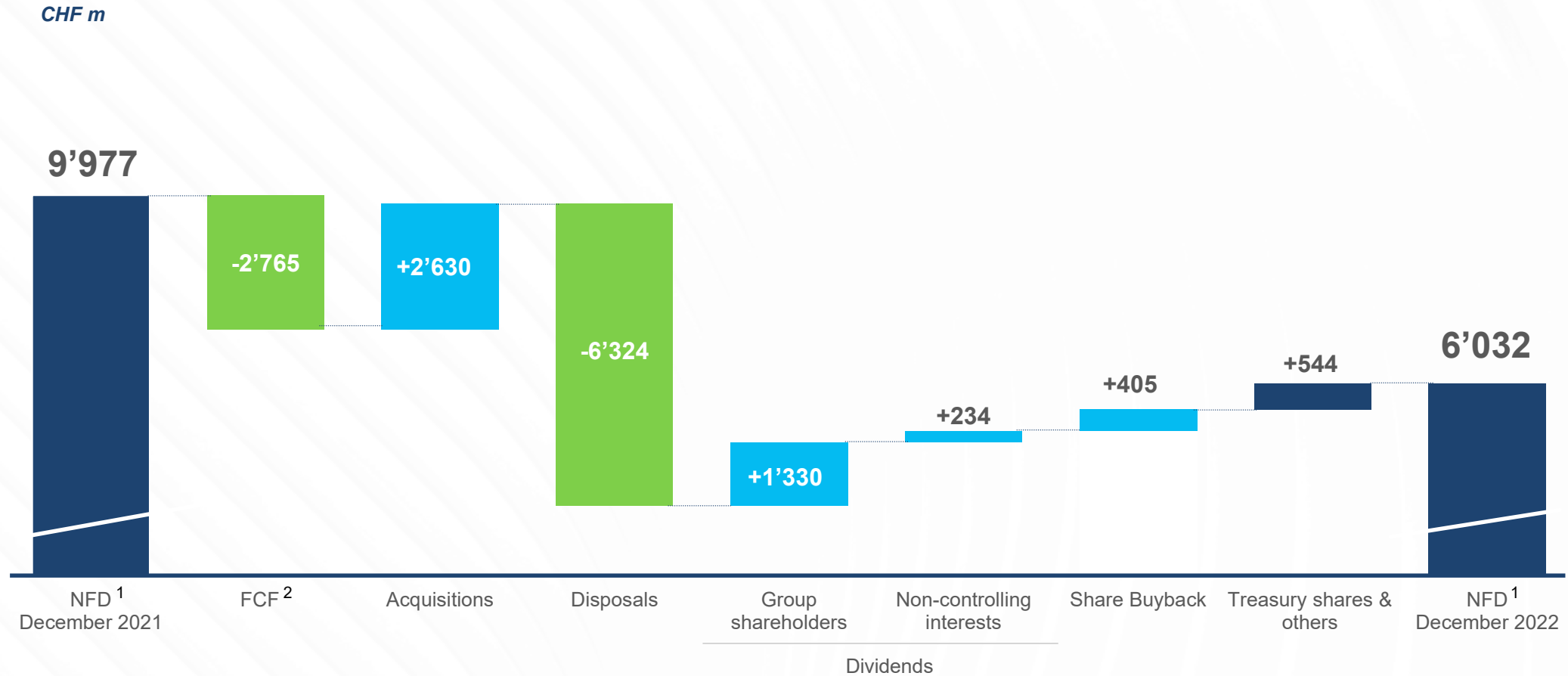
CHF m

	2021	2022	CHANGE
RECURRING EBITDA after leases	6'562	6'554	-7
Right of use assets	370	358	-12
Change in net working capital	-40	-325	-285
Income taxes paid	-828	-802	25
Net financial expenses paid & FX	-423	-424	-1
Share of profit of JVs, net of dividends received	-209	46	255
Others incl. employee benefits	-388	-66	322
CASH FLOW FROM OPERATING ACTIVITIES	5'045	5'341	296
CAPEX net	-1'420	-1'435	-15
Repayment of long-term lease liabilities	-362	-362	0
FREE CASH FLOW after leases (excl. DOJ)	3'264	3'544	280
Resolution with DOJ		-779	-779
FREE CASH FLOW after leases	3'264	2'765	-499

Cash conversion of 54%¹

2022 NET FINANCIAL DEBT BRIDGE

VALUE ACCRETIVE TRANSFORMATION, NET DEBT REDUCED BY 40%



¹ Excluding hybrid bond

² After leases

CAPITAL ALLOCATION INVESTING IN GROWTH, DRIVING ATTRACTIVE SHAREHOLDER RETURNS

1 PROFITABLE GROWTH AND VALUE ACCRETIVE M&A

2 STRONG BALANCE SHEET

3 ATTRACTIVE RETURNS TO SHAREHOLDERS

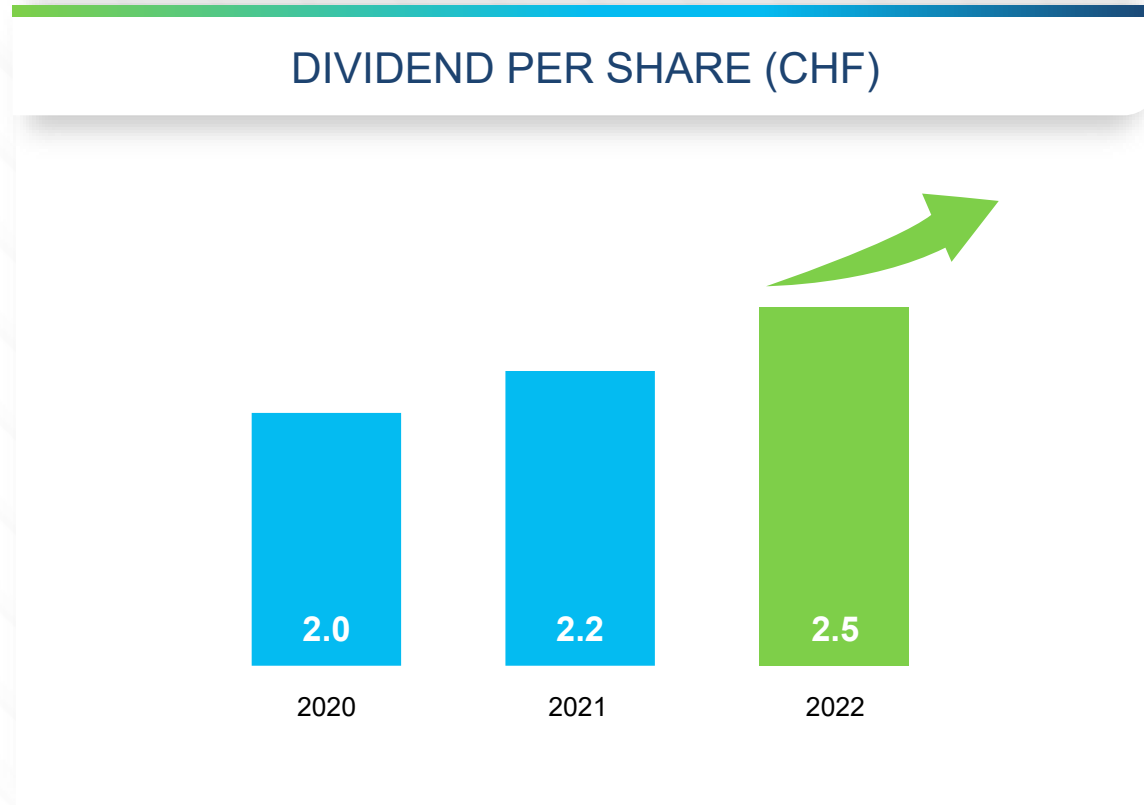
- **14% increase in dividend to CHF 2.5 per share** to be proposed at AGM on May 4, 2023
- **Share buyback** program of up to **40 million shares** or a **maximum amount of CHF 2 bn; shares cancellation** to be approved at the AGM, on **May 4, 2023**



Heydar Aliyev Centre, Baku
with Elevate's roofing systems

2022 DIVIDEND

DIVIDEND OF CHF 2.5 PER SHARE PROPOSED

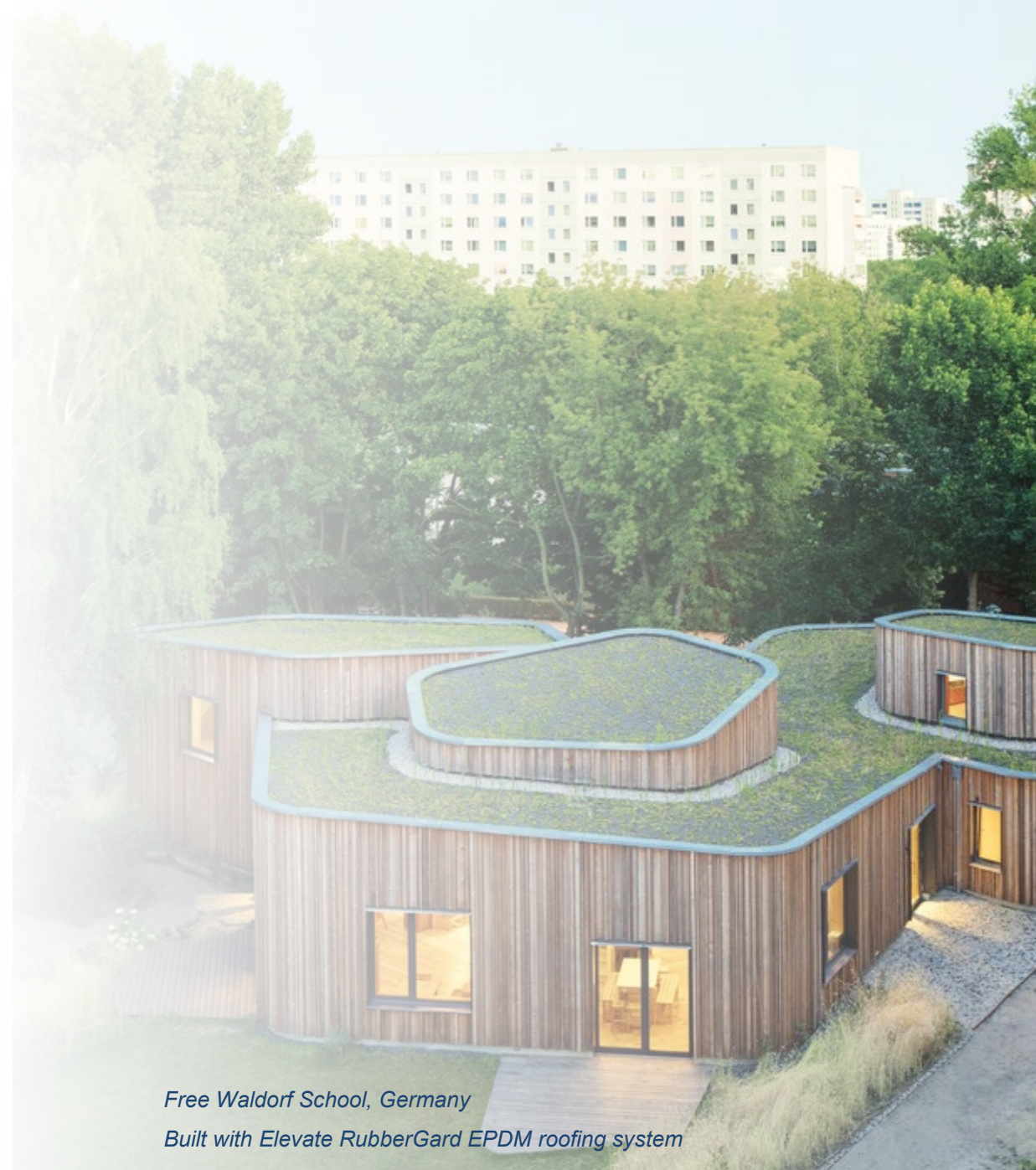


- **14% increase in dividend to CHF 2.5 per share** to be proposed at AGM on May 4, 2023
- Dividend to be paid out of foreign capital contribution reserve and is **not subject to Swiss withholding tax**

03.

OUTLOOK AND GUIDANCE 2023

JAN JENISCH | CHIEF EXECUTIVE OFFICER



Free Waldorf School, Germany

Built with Elevate RubberGard EPDM roofing system

OUTLOOK AND GUIDANCE 2023

CONTINUED PROFITABLE GROWTH AND ON-GOING SUCCESSFUL TRANSFORMATION



Net Sales growth of **3 to 5% LFL**


Over proportional growth in recurring EBIT LFL

Free Cash Flow of **around CHF 3 bn**

Reduction of CO2 per Net Sales **by over 10%**

*55 H Street, Georgetown University, Washington
Built with ECOPact with a 40% lower CO2 footprint*

UPCOMING EVENTS



APRIL 21, 2023	Q1 2023 Trading Update
MAY 4, 2023	Annual General Meeting
JULY 27, 2023	Half Year 2023 Results
OCTOBER 27, 2023	Q3 2023 Trading Update

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