

Annual General Meeting

May 8, 2024, 9.00 a.m.
Bossard Arena, General-Guisan-Strasse 4
6300 Zug, Switzerland

Speech by the Chief Executive Officer

Check against delivery

Miljan Gutovic, Chief Executive Officer

Good morning everyone.

It is a pleasure to stand before you, dear shareholders, as the new CEO of Holcim. Your support and commitment are fundamental to our company's success, and your trust in Holcim's vision, strategy and management team is essential. We are deeply grateful for your continued investment in our growth journey.

Firstly, I have a few words for you, Jan. Your exceptional leadership since 2017 has made Holcim the company it is today. You have led the company's transformation: we are best-in-class when it comes to financial performance, sustainability, innovation and branding. During your time as CEO, Holcim became a global leader in innovative and sustainable building solutions, accelerating growth in the most attractive markets with our advanced branded solutions and disciplined, highly value-creative M&A strategy.

We have executed more than 100 transactions since 2018, including the milestone acquisition of Firestone Building Products, which we built upon to become a global leader in advanced roofing systems in just three years. That was one bold strategic move.

Another was our announcement this January of the planned U.S. listing of our North American business, to unleash a new chapter of profitable growth.

Holcim has become a leader in sustainability as well, making decarbonization and circular construction drivers of profitable growth and building new from old in major metropolitan areas around the world.

These accomplishments and the new level of financial performance we reached led to us achieving Strategy 2025 two years ahead of plan. As a company Holcim is stronger than ever, delivering record results and a superior earnings profile with industry-leading margins and a strong balance sheet.

On behalf of all of us Jan, thank you.

Dear shareholders,

Building on these strong foundations, I am committed to deliver another year of record results for Holcim with a focus on continued execution of our strategy:

- With industry-leading financial performance
- Continued M&A execution to grow in the most attractive markets
- Accelerating innovation in advanced branded solutions to deliver more value for our customers
- Leading in sustainability with decarbonization and circular construction as drivers of profitable growth

Holcim is best positioned to capitalize on the opportunities ahead. We expect continued profitable growth in 2024 with organic net sales growth of over 4%, plus additional growth of more than 2% from M&A.

Building on our growing momentum with 28 acquisitions in 2023 alone, we have made five acquisitions in Q1 of this year, and our successful M&A machine continues to drive growth as well as value creation.

We expect over-proportional growth in recurring EBIT, which will further improve our EBIT margin. Holcim's industry-leading EBIT margin of 17.6% in 2023 was driven by our shift from volume to value, and growth in the most attractive markets. Our commitment is to reach 18% or more in 2024.

Free Cash Flow will continue to be above CHF 3 billion, which is important because it allows us to invest in profitable growth and create value for you as shareholders.

In summary, Holcim will continue to deliver superior performance as the leader in innovative and sustainable building solutions.

Let's talk more about what we do, and also why we do it. Everyone at Holcim is driven by our purpose as we decarbonize building at scale.

I am enthusiastic about the prospects for decarbonization and circularity. Both are central to our strategy and we will continue to invest in these areas – because it makes good business sense, and because it is the right thing to do.

Together we want to use our advanced building solutions to help our customers build the kind of cities and the kind of world that we all want to live in.

We reduced CO₂ per net sales by 20% in 2023, and by a total of 42% since 2020, as we take decisive action to become a net zero company by 2050. Decarbonizing concrete and cement is at the core of Holcim's pathway to net zero, and we are accelerating the decarbonization of our formulations and energy mix.

Carbon capture, utilization and storage is a game changer. We have an industry-leading decarbonization roadmap in progress, with 17 flagship projects worldwide. Six of these have been selected for funding by the European Union, and our commitment to Europe alone is to capture five million tons of CO₂ per annum by 2030. This will make net-zero cement a reality within this decade, allowing us to offer eight million tons per annum by 2030.

Demand has increased for our low-carbon brands as well. In Q1 2024, ECOPact reached 26% of net sales in ready-mix and ECOPlanet accounted for 26% of net sales in cement.

If decarbonization is one profitable growth opportunity for Holcim then circular construction is another. To seize it we are scaling up our presence in cities worldwide, both organically and through M&A, to ensure that we can recycle construction demolition materials (CDM) in the metropolitan areas where we operate.

For example, in 2023 we acquired Sivyer Logistics, a leading producer of construction demolition materials in London, Europe's largest urban mine. Tens of millions of tons of construction and demolition materials are generated here each year and most go to landfill.

By recycling these valuable resources we can reduce our dependence on primary materials. Thanks to our advanced technologies, recycled construction demolition materials can be used in everything from cement and ready-mix to aggregates.

Holcim now has 135 recycling centers globally, and we expect 20% growth in recycled construction demolition materials this year to reach 10 million tons, as we ramp up our proprietary ECOCycle® circular technology platform.



At the same time, repair and refurbishment is a global megatrend. 80% of the buildings that stand today will still be in use by 2050. Solutions & Products – which focuses on advanced roofing and insulation systems as well as tile adhesives, facades and mortars – is seeing strong demand as a result. It complements our materials business, allowing Holcim to offer customers a ‘one-stop-shop’ for advanced, sustainable building solutions.

We have touched on growth opportunities. Now I want to talk about our company’s biggest asset, the 63,448 people who work for Holcim. Every one of them matters to me and I am proud to call them my colleagues.

Having visited more than 40 of the markets where we operate, and spoken with so many of our people, I have seen Holcim’s team spirit first-hand. We have a deeply embedded performance culture with more than 500 talented, dedicated P&L leaders.

Holcim is a place where we put our people and their health and safety first, where talent is nurtured, performance is recognized and innovation is encouraged. I want us to continue building the best workplace, where everyone is respected and diversity and inclusion are celebrated.

This is because the success of our people will determine the success of Holcim across all our markets, as we drive sustainable growth with integrity, and deliver superior value for customers and shareholders.

Together we will challenge the status quo and push the boundaries of innovation to put sustainability at the core – as we continue building a business that is stronger than ever for you to invest in.

Dear shareholders. You can trust us. Team Holcim will deliver.

Thank you very much.