BUILDING PROGRESS FOR A SUSTAINABLE FUTURE





HOLCIM NATURE STRATEGY 2024

INTRODUCTION

CEO'S FOREWORD

At Holcim we understand our responsibilities and the critical role that the construction sector plays in society's development. We also understand the realities of the nature crisIs and that our potential impact is significant. We are therefore committed to playing our part in a nature positive future to help achieve a sustainable future for our communities, for our industry and for the world.

Our nature strategy sets out what we are doing today and what we will do by the end of 2026 on our journey to contribute towards a nature-positive future by 2030. Our business has the potential to affect nature, both positively and negatively, and you have my personal commitment that I will drive this strategy forward in everything we do and how we do it.

We know that nature is in crisis, with an unprecedented loss in biodiversity affecting the ability of ecosystems to function, placing the foundations on which human life depends at risk. This is why one of our most important tasks is to protect and, where we can, enhance the natural environment associated with our operations.

We also understand that climate change and nature are intrinsically linked. So, alongside our climate commitments, this Nature Strategy sets out how we are working towards our joint objective to contribute to a Nature Positive Future by 2030 while achieving Net Zero emissions before 2050'.

OUR NATURE COMMITMENTS ARE BASED AROUND THREE WORKSTREAMS:

- Reduce our negative impact on nature
- Restore nature
- Advocate Nature Positive

This holistic approach will help us to ensure we take all of our direct and indirect nature impacts into account within our plans relating to biodiversity, land, oceans and freshwater.



LEE SLEIGHT CEO, HOLCIM

> WE ARE COMMITTED TO PLAYING OUR PART IN A NATURE POSITIVE FUTURE TO HELP ACHIEVE A SUSTAINABLE FUTURE FOR OUR COMMUNITIES, FOR OUR INDUSTRY AND FOR THE WORLD.

WHO WE ARE

At Holcim UK our aim is to make sustainable construction a reality. Part of the global Holcim group, a world leader in innovative and sustainable construction solutions.

WE ARE PROGRESSIVE

We're at the frontline of the construction industry, producing and supplying an array of construction materials. Our solutions are driven by innovative thinking, consistent learning and development, and an unwavering commitment to championing sustainability across our industry.

WEARE RELIABLE

We're able to supply our high-quality products and services and to incorporate sustainable solutions to suit any project or vision.

WE ARE COLLABORATIVE

Based on a deep understanding of their needs, we provide solutions built on shared sustainability commitments, to meet and exceed our customers' expectations.



WHAT WE DO

Holcim is home to everything from aggregates, asphalt and cement to ready-mixed concrete & pre-cast concrete products.

WE PRODUCE, IMPORT AND SUPPLY CONSTRUCTION MATERIALS, EXPORT AGGREGATES AND CARRY OUT NATIONAL ROAD SURFACING AND CONTRACTING SERVICES.

We are transforming our business and driving our growth, through sustainable thinking. We already offer a range of low carbon solutions which promote the circular economy. We are committed to building on our success by investing in Research & Development and innovation, and by working in collaboration with sustainabilityminded stakeholders. We are about building progress and embedding sustainability in the future of construction.

WE WILL BE THE UK LEADER IN INNOVATIVE AND SUSTAINABLE BUILDING SOLUTIONS AND THE ACCELERATION OF THIS JOURNEY HAS ALREADY STARTED.

JOIN US ON OUR JOURNEY

This Nature Strategy describes how we will contribute towards a Nature Positive future. The strategy sets out the way in which nature is positioned centrally within our broader approach to sustainability, and the robust plans we have in place to achieve our intended performance level.

WHAT IS THE NATURE CRISIS?

Nature loss and climate change are inter-related threats that drive each other and need to be tackled together.

"Nature is in crisis, placing human and planetary health at risk. This decade must be the turning point where we recognise the value of nature, place it on the path to recovery and transform our world to one where people, economies and nature thrive." Nature Positive¹.

Nature is synonymous with the term 'biodiversity', which relates to all of the different kinds, and genetic diversity, of species in an area – i.e. the variety of animals, plants, fungi, and microorganisms that make up our natural world. Protecting biodiversity involves joined-up action to preserve freshwater resources, regenerate land, and secure healthy oceans, in co-ordination with broader action to stabilise the Earth's climate.

Ecosystems describe the interactions between species - the greater the biodiversity within an area, the healthier, more resilient and productive the ecosystem.

Ecosystem services' contribution to human society are wide ranging, for example²:

- Regulation of air quality, climate, ocean acidification, freshwater quantity, location and timing of climatic hazards and extreme events.
- Formation, protection and decontamination of soils and sediments.
- Provision of energy, food and feed, materials and medicinal, and genetic resources.

Human society, and the goods and services on which our economies depend, rely on ecosystems to function. An analysis of 163 industry sectors and their supply chains by the World Economic Foundation³ found that over half of the world's GDP is highly or moderately dependent on nature. "Ultimately, humanity and the whole economy are dependent on the essential services that nature provides." WWF⁴

Ecosystems degradation and biodiversity loss are taking place at alarming rates.

Globally, over 1 million species face extinction⁵. The abundance of native species in most landbased habitats has fallen by at least 20% since 1900. In the UK, 40% of species are in decline, and a quarter of mammals are threatened with extinction⁶, which has led to the UK becoming one of Earth's most nature-depleted nations.

For the aggregates and cement sector, biodiversityloss and the continued degradation of nature can present significant business risks. These include⁷:

- Operational disruptions resulting from scarcity and increased cost of raw materials.
- Business impacts and higher insurance premiums that may be associated with increased prevalence of natural hazards and disasters linked to nature-loss.
- Changing market conditions and demand for more-sustainable products and materials.
- Operational restrictions and costs relating to legislation, taxes and charges.
 - 1 Nature Positive Web Site
 - 2 IPBS Global Assessment Report on Biodiversity and Ecosystem Services
 - 3 Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy, WEF
 - 4 WWF: Nature in Transition Plans
 - 5 Nature Positive Summary Report 2030, Nature Positive
 - 6 Nature Positive Summary Report 2030, Nature Positive
 - 7 Biodiversity Management in the Cement and Aggregate Sector

PLANTING A WOODLAND AT GLENSANDA QUARRY

We have planted a 64 hectare woodland at our Glensanda Quarry which is located on the North Shore of Loch Linnhe. This 105,000 tree plantation is located in a remote and environmentally under-recorded part of Scotland. It also builds on a previous much smaller 14 hectare scheme that we planted in 2014.

The planting was completed in May 2024 and consists of Upland Oak, Upland Birch and Wet Woodland. These trees will mature to recreate a part of the temperate rainforest which was once abundant in this part of Scotland. In doing so they will also create priority woodland habitat for a wide varierty of birds, mammals and insects including Wood Warblers, Chequered Skippers and Otters, to name a few!

We see this as just one example of the work that we can do to restore habitats that have been in decline over the last few decades. It also shows the work that we can play in wider landscape restoration projects.



BEST RESTORATION PROJECT 2022

Having invested over £24 million in restoration activity over the last five years, our commitment was recognised by the European Aggregates Association (UEPG), who awarded Holcim the Best Restoration Project in 2022.

Representing aggregates producers across 25 countries, the triannual UEPG Sustainable Development Awards are the most important event for the European Aggregates industry. They encourage projects that go beyond what is required by regulators, set new standards of excellence, and provide inspiration for peers.

Holcim, in partnership with Yorkshire Wildlife Trust and the local community were awarded the Best Restoration Award for their outstanding quality restoration at Ripon City Quarry. This involved the transformation of the former quarry into a nature reserve which provides a haven for wildlife. By adding to existing nature reserves along the River Ure corridor, Ripon City Quarry contributes to the development of the Wildlife Trusts' 'Living Landscape' scheme, which aims to create bigger, better managed and more joined up wildlife habitats.





OUR NATURE STRATEGY FRAMEWORK

When we talk about nature, as well as the value of biodiversity on the land that we manage, we also consider how we interact with land, oceans and freshwater throughout our value chain.

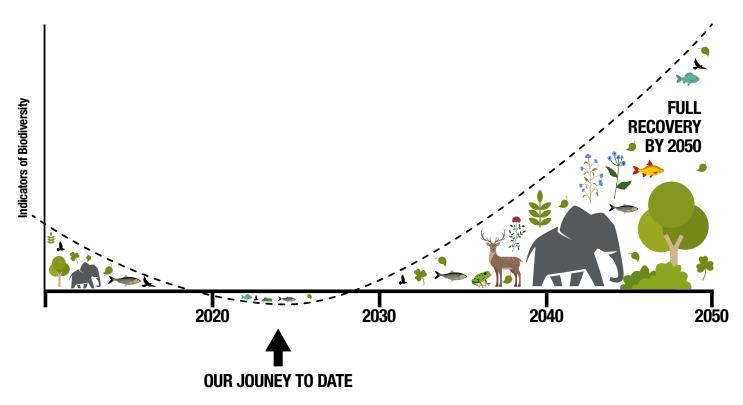
We have adopted the Science Based Target Network's framework for Nature⁸ to describe how we interact with nature. This is illustrated below. We do of course focus our actions on those areas where can have the biggest impact, most notably biodiversity, freshwater and land.



NATURE STRATEGY FRAMEWORK

NATURE POSITIVE BY 2030

Holcim has adopted the Global Goal for Nature, which describes what is needed to become Nature Positive by 2030, and for nature to recover so that thriving ecosystems and nature-based solutions continue to support future generations by 2050, as illustrated in the diagram below.⁹



Our strategy sits within the context of the global and national nature policy.

Our Nature Strategy is consistent with the International Union for Conservation of Nature 's (IUCN) Nature Positive definition, that:

"We, as a society, halt and reverse the loss of nature, measured from its current status, reduce future negative impacts, and restore and renew nature, to put both living and non-living nature measurably on the path to recovery." IUCN^{10.}

Our strategy is underpinned by three guiding principles:

 Setting targets and evaluating progress in line with the science-based methods for measuring biodiversity.

- Building on ours and our parent company, Holcim's track record of valuing collaboration and pursuing global and local partnership working.
- Pursuing nature-based solutions that reflect the interactions within the natural world and between economic and social systems, and evolving technologies, innovations and policy solutions.
 - 8 Science Based Targets Network Web Site
 - 9 Nature Positive Web Site
 - 10 Towards an IUCN nature positive approach a working paper, IUCN

OUR NATURE RECORD TO DATE

As a supplier to the built environment and infrastructure sectors, we have been managing how our activities interact with nature since 1998.

We understand that the natural environment is fundamental to the health of society, and for the long-term success of our business.

We have a track-record of effective biodiversity management. Holcim group recently published a Nature Positive commitment within its first Nature Strategy¹¹, which includes measurable biodiversity and water targets for 2030. Alongside this, we have a global legacy of partnership working with nature-based organisations. This includes working with the IUCN¹² to establish industry frameworks to assess biodiversity value, and being one of 17 companies worldwide to be selected by the Science Based Targets Network to pilot the world's first science-based targets for nature of which we are an active participant in the UK.

"We are taking significant steps to improve our biodiversity and water stewardship in a measurable and science-driven way. Building on our net zero commitment, our nature-based solutions play a vital role in reducing the impact of climate change and increasing our business' resilience." Holcim

11 Holcim Nature Positive Strategy, 2030 12 Biodiversity Management in the Cement and Aggregate Sector

LITTLE PAXTON QUARRY

Holcim has been quarrying at Little Paxton since 2000 but its history dates back to 1930's. During Holcim ownership, an extensive and progressive restoration programme has been developed which has included the delivery of two new lakes covering over 67 hectares and over 3 kilometres of wetland shoreline.

Part of the former quarry workings are now designated as a Site of Special Scientific Interest (SSSI) in recognition of the important habitat that has developed for priority species.

Integral to the success of Little Paxton has been the close collaboration with Huntingdonshire District Council and local stakeholders, including the Friends of Paxton Pits, who currently manage a 78 hectare Local Nature Reserve at the site. By working with local stakeholders and the landowners it has now been agreed that this will further develop into a 285 hectare nature reserve as the quarry's life comes to an end and final restoration takes place.



OUR COMMITMENT

We will accelerate our contribution towards a nature positive future by achieving a number of commitments by 2026. Our experiences will then support further development of our commitments to 2030.

We will begin by baselining all metrics and targets set out within this Nature Strategy including the biodiversity value of our quarry sites and associated landholdings. This will then allow us to measure and report the biodiversity benefit that we will have across these sites.

The biodiversity value of the land in scope will be measured through a two-step process based on:

- Step 1: Surveying the habitat and species that exist within the boundary of the landholding, and the connecting land.
- Step 2: Measurement of the biodiversity value of the landholding

We will pursue our nature targets through three workstreams:

- Reducing future negative impacts on nature.
- Restoring, renewing and enhancing nature.
- Advocating Nature Positive.

Our commitments are categorised via a management hierarchy, based upon Control, Guide and Influence.

Control:	The primary focus of Holcim's Nature Strategy lies within the parts of its value chain that we can directly control. This includes the majority of Holcim's extracted materials and nature-related impacts associated with extracting, processing and distributing.
Guide:	A secondary focus of Holcim's Nature Strategy lies within the parts of its value chain that we can guide by contracts and agreements that we specify. This covers the products, sundry materials and services that Holcim sources from third parties.
Influence:	A further focus of Holcim's Nature Strategy lies within the parts of its value chain that we can influence through our approach to advocacy and engagement. This includes the use of Holcim's products and services by customers, along-side nature-based impacts relating to leased and restored land.

BY 2026 WE WILL

CONTROL

Reduce future negative impact on nature

Action	Biodiversity, Land, Oceans, Freshwater	When
100% of quarries to have biodiversity management and rehabilitation plans in place	Biodiversity	Ongoing
Create a 'Place for Nature' at 200 Holcim Sites	Biodiversity	2025
Establish a policy to prioritise new developments at sites with a lower-ecological-value where development options exist	Biodiversity	2024
Reduce freshwater withdrawal intensity by: – 30% for Cement – 3.9% for Readymix	Biodiversity, Freshwater	2025
Increase use of Construction and Demolition Materials from 1.1m to 3 million tonnes	Land	2025

Restore renew & enhance

Action	Biodiversity, Land, Oceans, Freshwater	When
Develop a programme of woodland and other nature based projects	Biodiversity, Land	2024
Develop a habitat policy to create and enhance habitat for priority species	Biodiversity, Land	2025
Evaluate the nature opportunities presented at inactive sites.	Biodiversity, Land	2025

Advocating nature positive

Action	Biodiversity, Land, Oceans, Freshwater	When
Establish Biodiversity Indicator Reporting System (BIRS) baseline roadmap	Biodiversity, Land	2024
Complete LEAP Assessment component of Taskforce for Nature-related Financial Disclosures	Biodiversity, Land, Oceans, Freshwater	2026
Deliver and report on funding for nature through Holcim Wildlife Fund.	Biodiversity, Land, Oceans, Freshwater	Annually
Quantify and publicly report investment in restoration projects	Biodiversity, Land, Freshwater	Ongoing

BY 2026 WE WILL

GUIDE

Reduce future negative impact on nature

Action	Biodiversity, Land, Oceans, Freshwater	When
Establish protection of nature as a requirement within our supplier evaluation	Biodiversity, Land, Oceans, Freshwater	2025
Produce a heat map to understand the suppliers that have the greatest potential nature impact	Biodiversity, Land, Oceans, Freshwater	2025
Undertake nature impact assessment on procurement of five high-nature- impact products	Biodiversity, Land, Oceans, Freshwater	2026

Advocating nature positive

Action	Biodiversity, Land, Oceans, Freshwater	When
Maintain engagement with Wildlife Trusts and other key nature-based NGOs in all regions where Holcim has an active presence	Biodiversity, Land, Oceans, Freshwater	Ongoing

INFLUENCE

Advocating nature positive

Action	Biodiversity, Land, Oceans, Freshwater	When
Publish guidance for third party landholders to encourage positive nature values post-lease	Biodiversity, Land	2026
Hold nature positive workshop for Holcim supply chain	Biodiversity, Land, Oceans, Freshwater	2025

MONITORING AND EVALUATION

Monitoring progress in achieving Holcim's nature goal and targets, and the strategy commitments, will take place via the establishment of a bi-annual Nature Steering Committee, reporting in to ExCo and their inclusion in the annual sustainability report, which is externally verified.



WOULD YOU LIKE TO KNOW MORE?

GET IN TOUCH.

Visit us at: holcim.co.uk

Email us on: sustainability@holcim.co.uk

