

Diversity & Inclusion

Additional diversity indicators - 2020

June 24 2021

Introduction

Holcim is an equal opportunity employer and does not discriminate on grounds of, including but not limited to: age, gender, race, national, indigenous or ethnic origin, language, religion, political or other beliefs, sexual orientation or physical ability.

Every year we collect comprehensive information from our operating units in our Human Resources questionnaire. The information gathered is used to inform our sustainability disclosures in our Annual Integrated Report and Sustainability Performance Report, as well as various ESG rating processes, such as the DJSI, MSCI and Sustainalytics.

The information collected in the questionnaire includes (amongst others) data on headcount by management band, gender, age, contract type and job function. It also gathers information on training conducted (by gender, topic and management level), performance management, staff turnover and retention, recruitment and labor relations. It additionally collects a number of diversity related indicators such as average salaries (by gender and management level), number of employees with a disability and maternity and paternity leave related data.

In 2020, data were gathered from 74 Group entities representing 99% of the total Group workforce and include majority owned entities and managed assets. The information included in this document reflects data gathered that are not currently reported in our Sustainability Performance Report.

Diversity by function

We gathered information on diversity by type of function and management level for the first time in the annual Human Resources questionnaire in 2020, across the following categories:

- **Support functions** (*Finance / HR / Legal / Communications / Health and Safety*)
- **Commercial / revenue generating functions** (*Sales / Marketing / General Management*)
- **Engineering functions** (*Maintenance / Production*)
- **Information technology functions**
- **Logistics functions**
- **Other functions**

The overall percentage of women in these functions is shown in the table below:

Function type	% female
Support functions	46%
Commercial / revenue generating functions	25%

Engineering functions	7%
Information technology functions	21%
Science, Technology, Engineering, Mathematics (STEM) functions (engineering and IT combined)	7%
Logistics functions	11%
Other functions	13%

In Q1 2021 the company confirmed the ambition to increase the representation of females in senior management positions to at least 25% by 2025.

Disability

We gather data on the number of disabled people in the Group in our annual Human Resources questionnaire. Results are shown in the table below:

Region	% employees with a disability
Asia Pacific	0.2%
Europe	1.4%
Middle East Africa	1.2%
Latin America	2.2%
North America	0.6%
Corporate offices and trading	1.1%
Total Group	1.0%

Recruitment

In the Human Resources questionnaire we gather data on external recruitment by gender as well as open positions filled by internal candidates, by gender.

In 2020, 34% of open positions were filled by internal candidates. Of the positions filled by internal candidates, 20% were filled by women,

Of the 6147 external hires, 1320 (21%) were women.

Gender pay indicators

We gather information on gender pay in our annual Human Resources questionnaire.

For 2020, the gender pay review was based on the average aggregated salaries of groups of job levels in the different countries, using the unweighted averages of those countries with both men and women in the job levels. We saw that the grouping of different levels of jobs created a distortion in the average salary level, making comparisons not representative, hence we did not provide broad publication of outcomes in our formal annual reporting.

Following the observation that the methodology followed was not providing relevant indications, we did a gender pay comparison for a selected group of operating companies (approx. 20 countries) based on the global job level structure to get a better indication of Gender Salary Gap for similar work levels. Whilst this provided a better indication, the approach provided a high-level comparison of salary only and the indicators did not take into account explainable factors for the salary gap (e.g. education, experience etc.).

Therefore in 2021, a project started to determine which methodology can be followed to allow local operating countries to do their pay equity analysis, relevant to their local compensation and job level framework.

The gender pay ratios as reported in the annual Human Resources questionnaire for 2020 are shown in the table below.

Management level	Gender pay ratio base salary	Gender pay ratio base salary + bonus
Executive level	0.80	0.80
Senior Management level	0.92	0.91
Management level /single contributor	0.93	0.92
Non-management level	1.04	1.00