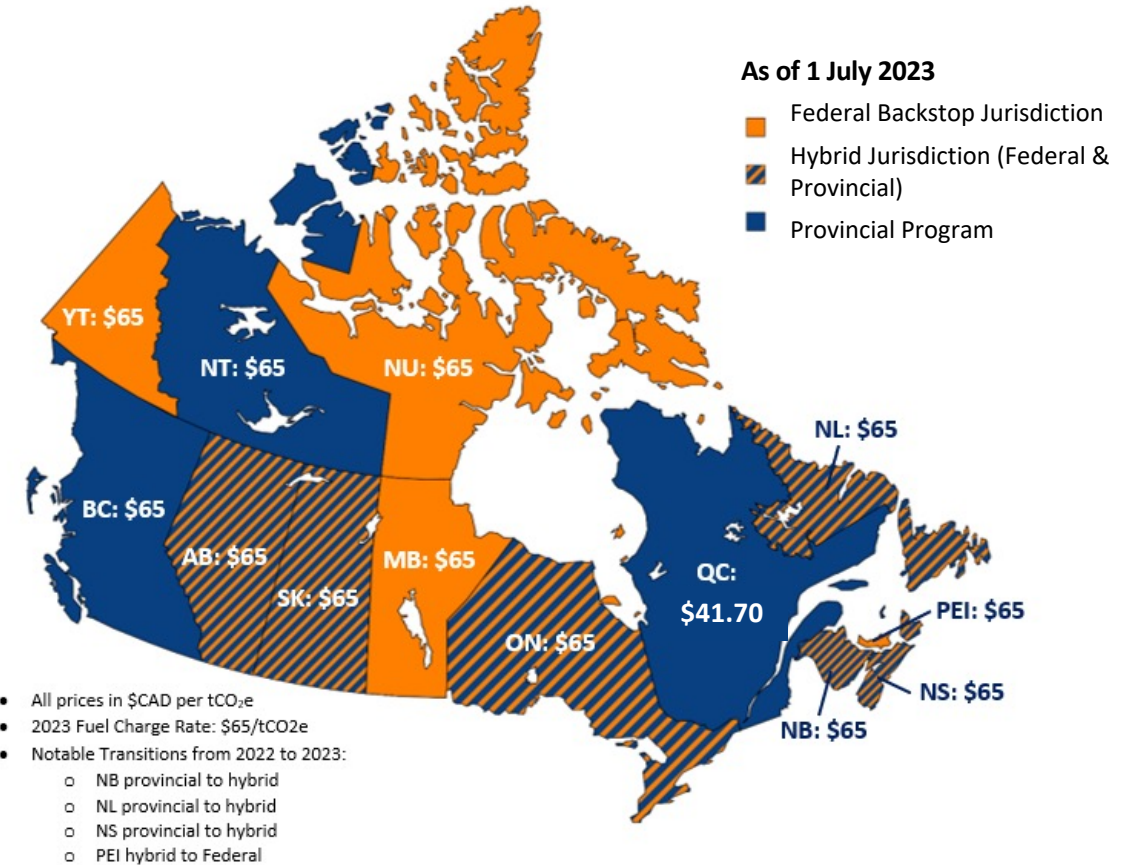




# Pan-Canadian Approach to Carbon pricing

## A Year in Review

- **Federal government revised the carbon pricing benchmark** used to assess the stringency and equivalency of each provincial carbon pricing program post-2022
- All carbon pricing programs underwent a program review for 2023-2030
  - Federal OBPS amendments still in draft form
  - BC OBPS currently in development for April 2024
- New carbon price trajectory – \$170 by 2030 confirmed for all direct carbon pricing programs
  - Increasing by \$15 per tonne starting in 2023





# Carbon Pricing Outlook

## Pricing Movements to 2030

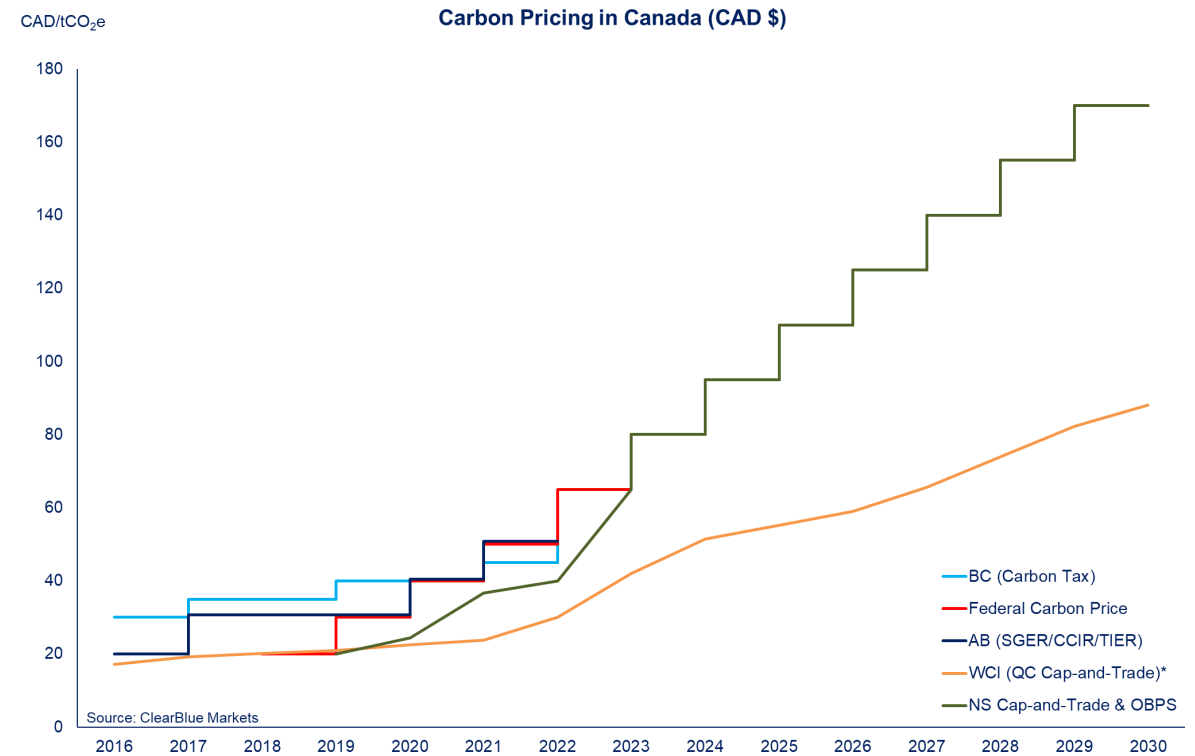
New carbon price trajectory – \$170 by 2030 confirmed for all direct carbon pricing programs:

- Federal Backstop Jurisdictions
- Ontario Emissions Performance Standards (EPS)
- Alberta Technology Innovation and Emissions Reduction (TIER)
- Saskatchewan Output-Based Performance System (OBPS)
- New Brunswick Output-Based Pricing System (OBPS) and Carbon Tax
- BC Carbon Tax (OBPS April 2024)
- New Nova Scotia OBPS

Cap-and-Trade programs can maintain their market-based system

- Quebec (forecasted 2030 price: \$88.09)

Year	Carbon Price
2019	\$20
2020	\$30
2021	\$40
2022	\$50
2023	\$65
2024	\$80
2025	\$95
2026	\$110
2027	\$125
2028	\$140
2029	\$155
2030	\$170

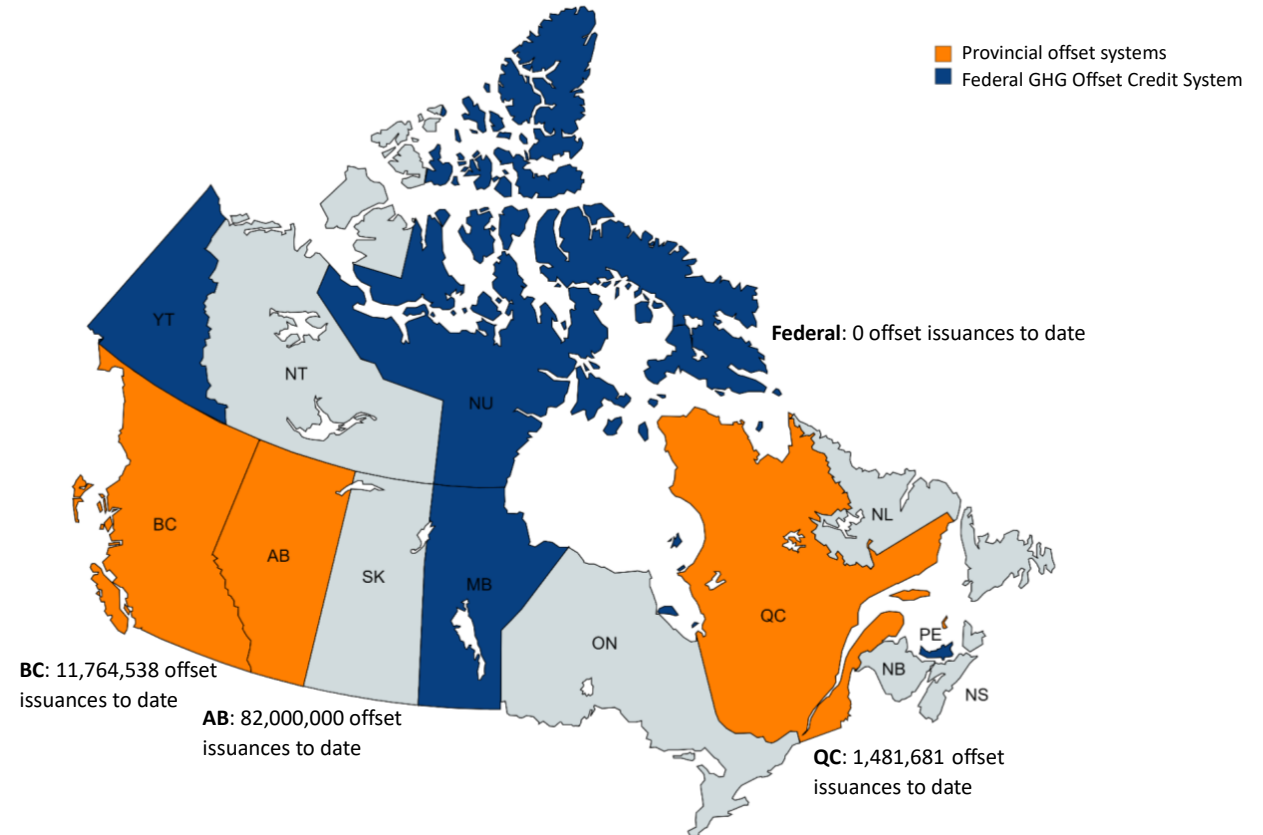




# Compliance Offset Markets

## North American Programs

- Federal GHG Offset Program **applies across Canada** except in provinces where the same protocol already exists
- Manitoba, Yukon and Nunavut are covered under the Federal OBPS and can use federal offsets for **compliance purposes**
- Federal offsets can also be used for **voluntary purposes**
- **BC, Alberta and Quebec** have their own provincial offset systems used for compliance flexibility





# CDR MARKETS OVERVIEW

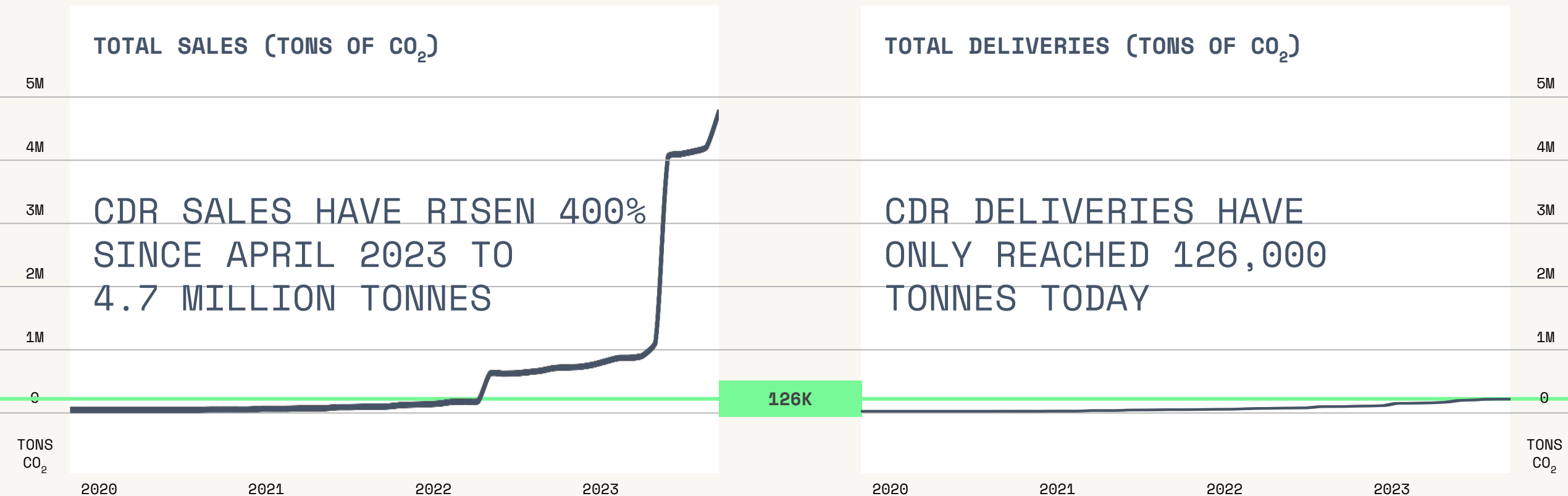
October 2023

# Massive imbalance in CDR Supply/Demand

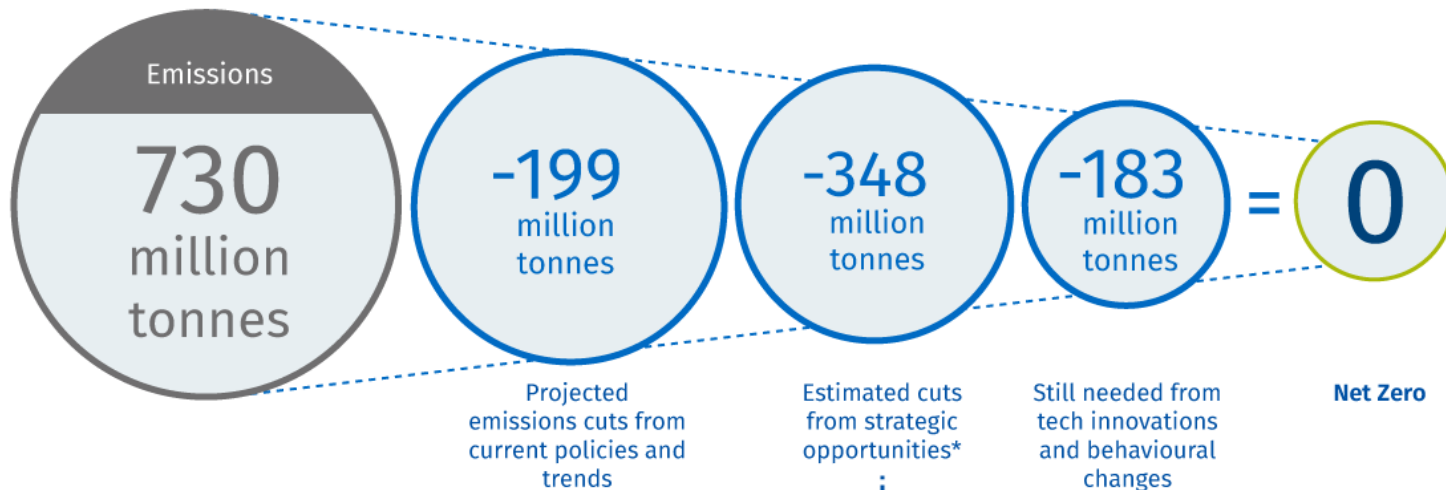
Demand for premium carbon removal credits is about **to grow exponentially**.

Yet demand currently outstrips supply by **40:1** ratio.

Investment needs to be ramped up by **>20x** factor just to meet current commitments.



2020 ..... 2030 ..... 2040 ..... 2050



Electricity	Oil & Gas	Buildings	Transportation	Heavy Industry	Agriculture	Waste and Other Industries
-11	-92	-65	-93	-35	-31	-21



# HOLCIM CCUS INITIATIVES

Fathesha Sheikh  
October 2023



# HOLCIM GROUP

Building progress for people and the planet

## GLOBAL LEADER IN BUILDING MATERIALS



**70**  
countries



**2,300**  
operating sites



**60,000**  
employees



**29.2BN**  
net sales CHF

## DECARBONIZING BUILDING FOR A NET-ZERO FUTURE



**NET-ZERO**  
engagement



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**Upgraded 1.5°C**  
aligned 2030 targets,  
validated by SBTi

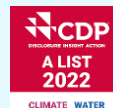
**-21%**  
**REDUCTION**

of CO<sub>2</sub> per net sales  
compared to 2021

**2.0BN**  
**CCUS CAPEX by**  
**2030**  
cumulative in CHF

## RECOGNIZED CLIMATE LEADERSHIP

MOODY'S



Leader in ESG ratings

EU  
Innovation  
Fund



**Grants of EUR 328m**  
to fund two carbon capture  
project in Germany and Poland

TCFD

TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES

Signatory since  
2017

**AA**

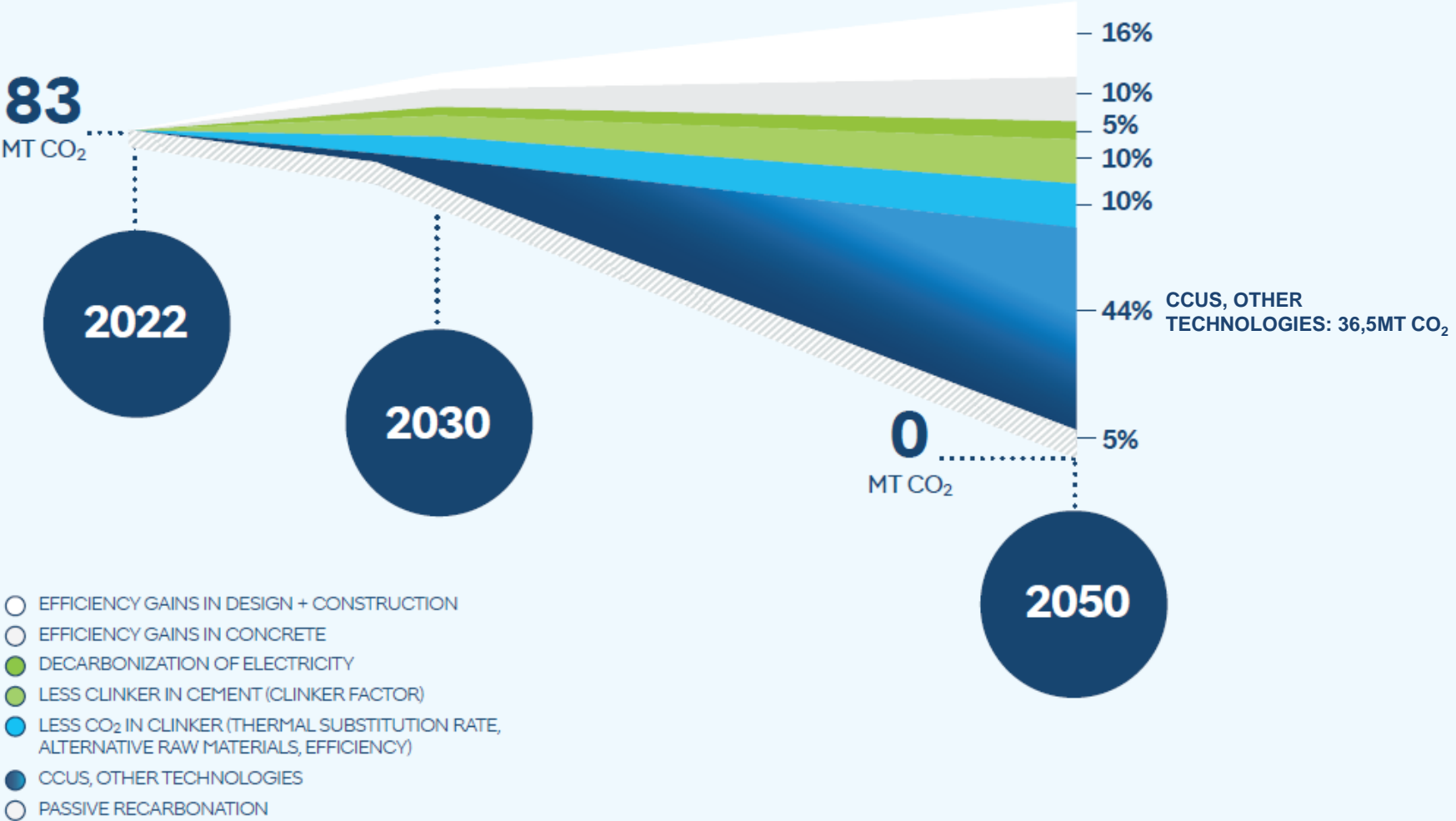
CDP LIST FOR  
CLIMATE  
WATER



# HOLCIM'S PATHWAY TO NET-ZERO: CCUS IS KEY

CCUS will have to be applied in all of our cement plants before 2050

## OUR ABSOLUTE SCOPE 1 + SCOPE 2 EMISSIONS PATHWAY

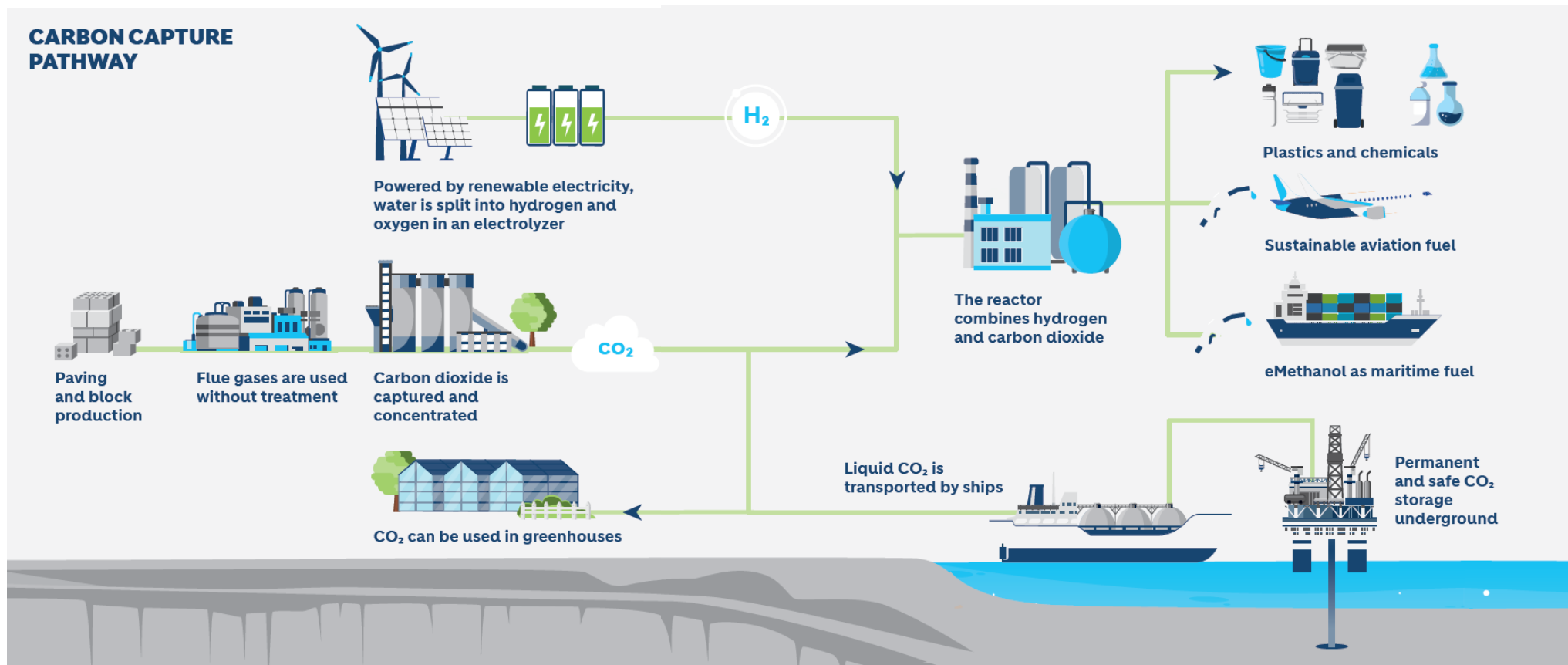


# GETTING READY FOR CARBON CAPTURE

Today the Group is working on more than 50 CCUS projects

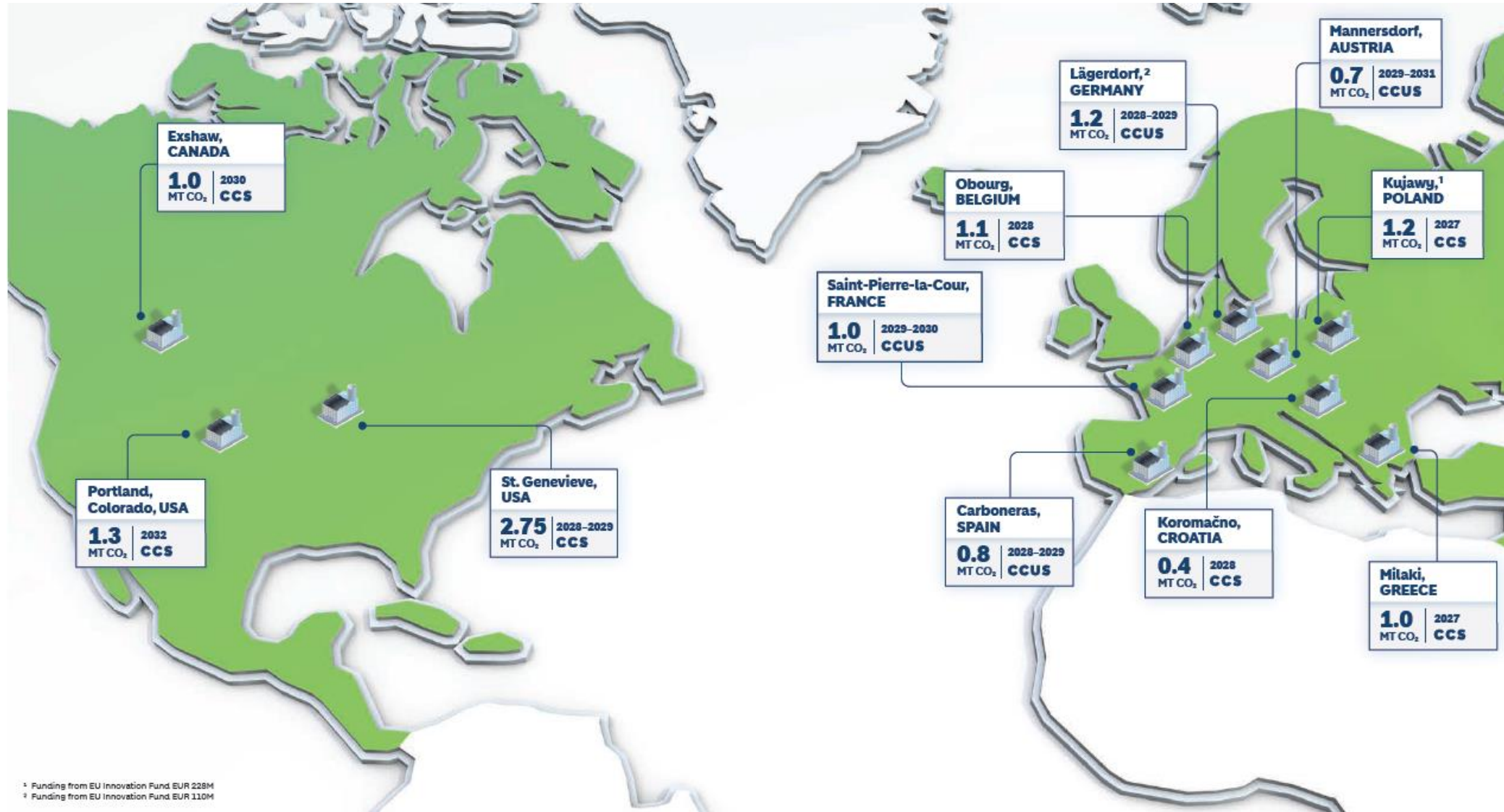
CCUS CAPEX: CHF 2.0 billion by 2030 | CO<sub>2</sub> Capture 5 Mtpa before 2030

Holcim's current projects will require a cumulative CAPEX investment of circa CHF 2.0 billion by 2030 on top of expected public funding. These investments will enable Holcim to reach a total CO<sub>2</sub> capture capacity of more than 5 million tons per year before 2030.



# CARBON CAPTURE, UTILIZATION AND STORAGE

## FLAGSHIP PROJECTS



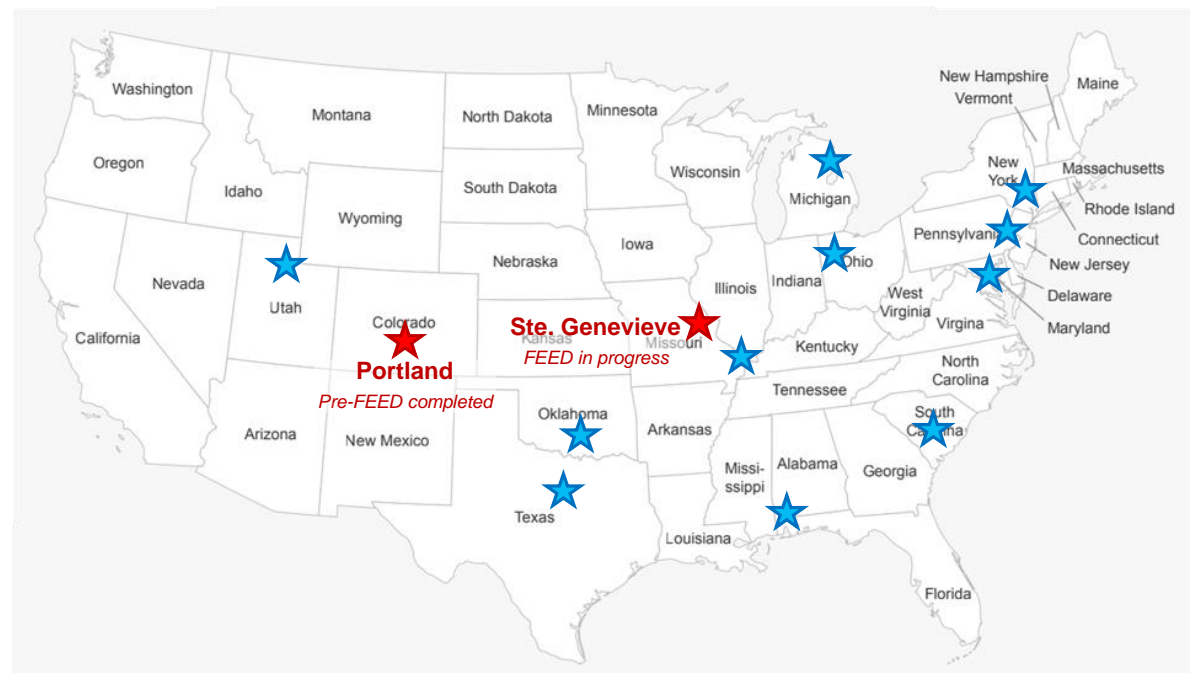
# NORTH AMERICA - CCUS

## FLAGSHIP PROJECTS

Multiple CCUS related activities are ongoing and conceptual ideas under development

★ CCUS Projects under development

★ Integrated cement plants





**HOLCIM**