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Green Financing Framework



— Content



1. Introduction



2. CEMEX's Approach to Sustainability

- Our Future in Action Program
- Environmental Excellence
- CEMEX 2021 performance and 2030 targets
- Sustainability Governance and Disclosure



3. Rationale for Issuance



4. Alignment with Market Principles

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting
- External Review

Introduction

CEMEX, S.A.B. de C.V. is an operating and a holding company engaged, directly or indirectly, through its operating subsidiaries, primarily in the production, distribution, marketing and sale of cement, ready-mix concrete, aggregates, clinker, other construction materials and urbanization solutions throughout the world. We also provide related services and reliable construction-related services to customers and communities and maintain business relationships in more than 50 countries. Except as the context otherwise may require, references in this CEMEX Green Financing Framework (the “Framework”) to “CEMEX,” “Company,” “we,” “us” or “our” refer to CEMEX, S.A.B. de C.V. and its consolidated entities. As a leading vertically integrated company with more than 46,000 employees, our mission is to create sustainable value by providing industry-leading products and solutions across our four core businesses: Cement, Ready-Mix Concrete, Aggregates and Urbanization Solutions. Our shared purpose is to build a better future for our employees, customers, shareholders, investors, suppliers, and the communities in which we live and work.



CEMEX's Approach to Sustainability

— CEMEX's Approach to Sustainability¹

CEMEX is committed to enhancing the sustainable attributes of our materials and solutions while holding our operations to high sustainability standards. Sustainability is one of the five strategic priorities of CEMEX; it is linked to decision-making and target-setting processes across our business lines. Our Sustainability Model encompasses economic, environmental, social and governance issues that are relevant for the construction industry, with corresponding goals embedded into our corporate strategy and disclosures. It helps us drive solutions that address climate change and other environmental challenges.

Seeking for our sustainability ambitions to be aligned with the global challenges we face as a corporate citizen, CEMEX has committed to the 2030 United Nations Sustainable Development Goals ("SDGs") and identified priority SDGs which we believe are the ones to which CEMEX can contribute the most. These include: Decent Work and Economic Growth (8); Industry, Innovation and Infrastructure (9); Sustainable Cities and Communities (11); Climate Action (13); and Life on Land (15). By pursuing these SDGs, we expect our initiatives to often address other relevant areas, such as Affordable and Clean Energy (7) and Responsible Consumption and Production (12), to name two. To this end, we have devised internal output indicators designed to enhance CEMEX's performance, as well as to track our contributions to our five priority SDGs.

SUSTAINABLE DEVELOPMENT GOALS



At CEMEX, we are aware of and recognize the need for transition towards a low-carbon society and environmental excellence; therefore, one of our objectives is to enable a low-carbon and resource-efficient industry by decarbonizing our operations, having a continuous improvement in environmental management and air quality, and preserving land, biodiversity, and water. Our engagement is demonstrated by setting ambitious sustainability goals.



¹ For more information, please visit: <https://www.cemex.com/sustainability/overview>

FUTURE IN ACTION

Our Future in Action Program

As one of the world’s largest building solutions providers, and the largest manufacturer of ready-mix concrete in the western world, climate action has been a priority for CEMEX for many years. We are aware that our production processes have a carbon footprint. We also know that our end-product, ready-mix concrete, is the most used man-made material in the world and plays an essential role in society’s development and growth.

As society is expected to continue developing, growing, and concentrating in urban areas, our goal of building a better future calls for developing and offering net-zero products and solutions to society through the construction industry. Recognizing that global climate action goals require stronger efforts, and seeking to ensure sustainability is at the core of everything we do, in 2021 we announced our Future in Action program, a strategy focused on becoming a net-zero CO₂ company by 2050.

Pillar 1: Sustainable Products and Solutions

One of the main goals of our Future in Action strategy is to provide lower-carbon and sustainable products and solutions to our customers so that the built world of the future is carbon neutral, sustainable, and circular. To this end, we are investing in research and development (“R&D”) to deliver innovative building materials and solutions that contribute to the construction of climate-smart urban projects, sustainable buildings, and climate-resilient infrastructures.



Vertua®: An Extensive Family of Sustainable Products by Design

We introduced our lower-carbon and industry-first net-zero concrete, as well as lower-carbon cement, under the Vertua® brand in 2020. By March of 2021, we had successfully completed the global rollout of these products. Customer receptivity has been very favorable; Vertua® volumes have grown to around 30% of our total sales in cement and concrete; and we have recently set a target for Vertua® volumes to represent more than 50% of our total sales in cement and concrete by 2025.

Future in Action concentrates in four pillars:



Sustainable Products & Solutions



Decarbonizing our Operations



Innovation & Partnership



Promoting a Green Economy

Vertua® products are uniquely designed to balance customers' expectations for high-quality and performance with sustainable attributes for their construction projects. To this end, the Vertua® product range considers products with outstanding sustainability attributes including Pervia®, Resilia®, Insularis®, Porofoam®, Hidratium®, Evolution®, neogem® and Promptis® and supports builders and contractors in earning credit towards obtaining green building certifications, such as LEED® and Whole Building Life-Cycle Assessment, among others.

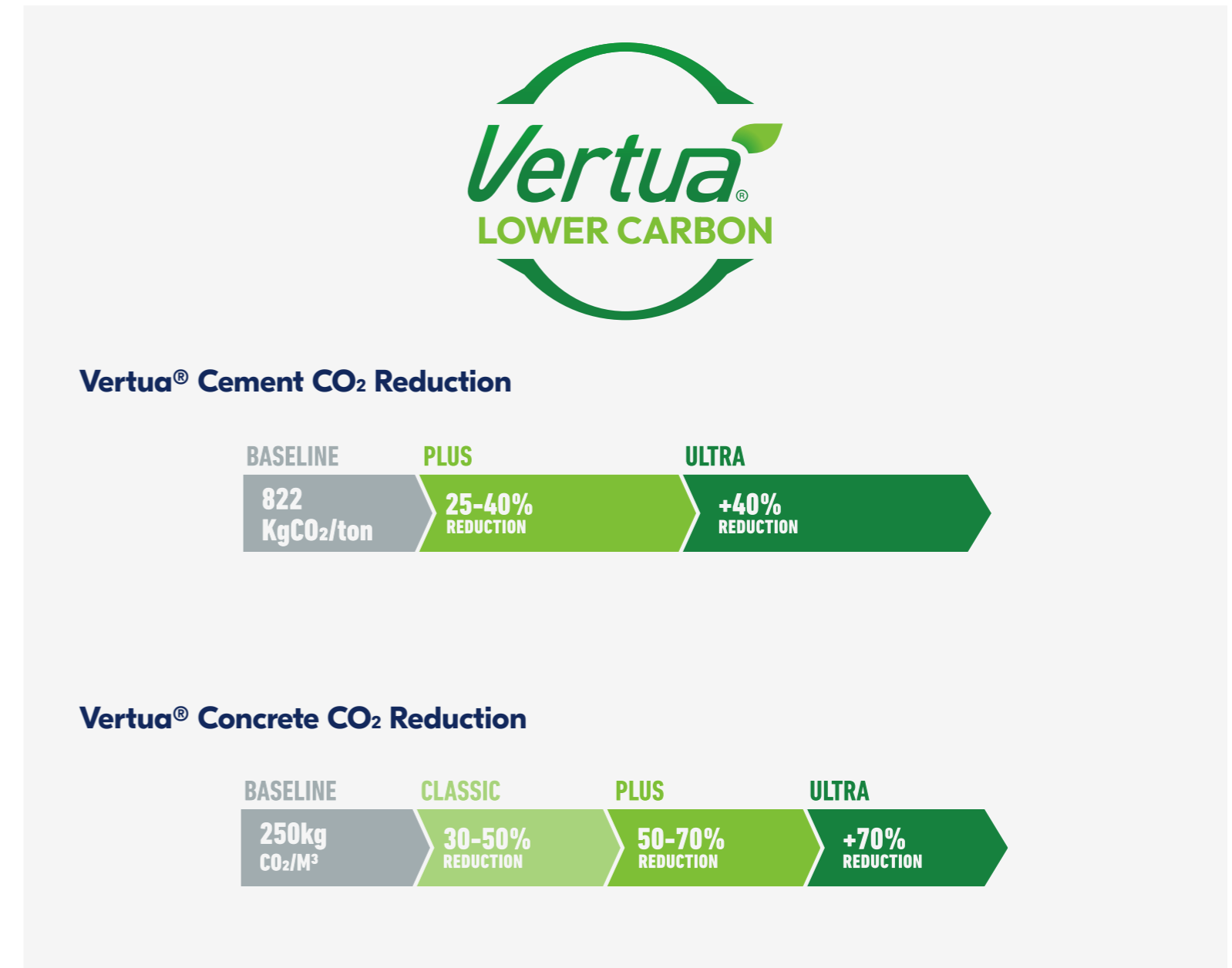


The Industry-First Net-Zero CO₂ Concrete²

Vertua® Ultra Zero concrete uses cutting-edge technology to reduce its carbon footprint by 70%, neutralizing the remaining 30% through offsetting efforts. Vertua® Ultra Zero concrete is a fundamental step in achieving our 2050 goal of delivering net-zero CO₂ concrete globally. It replaces limestone-based clinker with a geopolymer technology that eliminates associated process emissions from the calcination of clinker. This clinker-free concrete can be used as an alternative to more commonly used clinker-based cement solutions in multiple applications.

² Compared to industry-standard Portland-cement-based concrete. Sectoral global average net emission per ton of clinker. The direct net emission of each Vertua® cement is obtained through the "CO₂ Protocol" verified annually for clinker and the clinker factor corresponding to each cement. Getting the Numbers Right [https:// gccassociation.org/gnr/](https://gccassociation.org/gnr/)

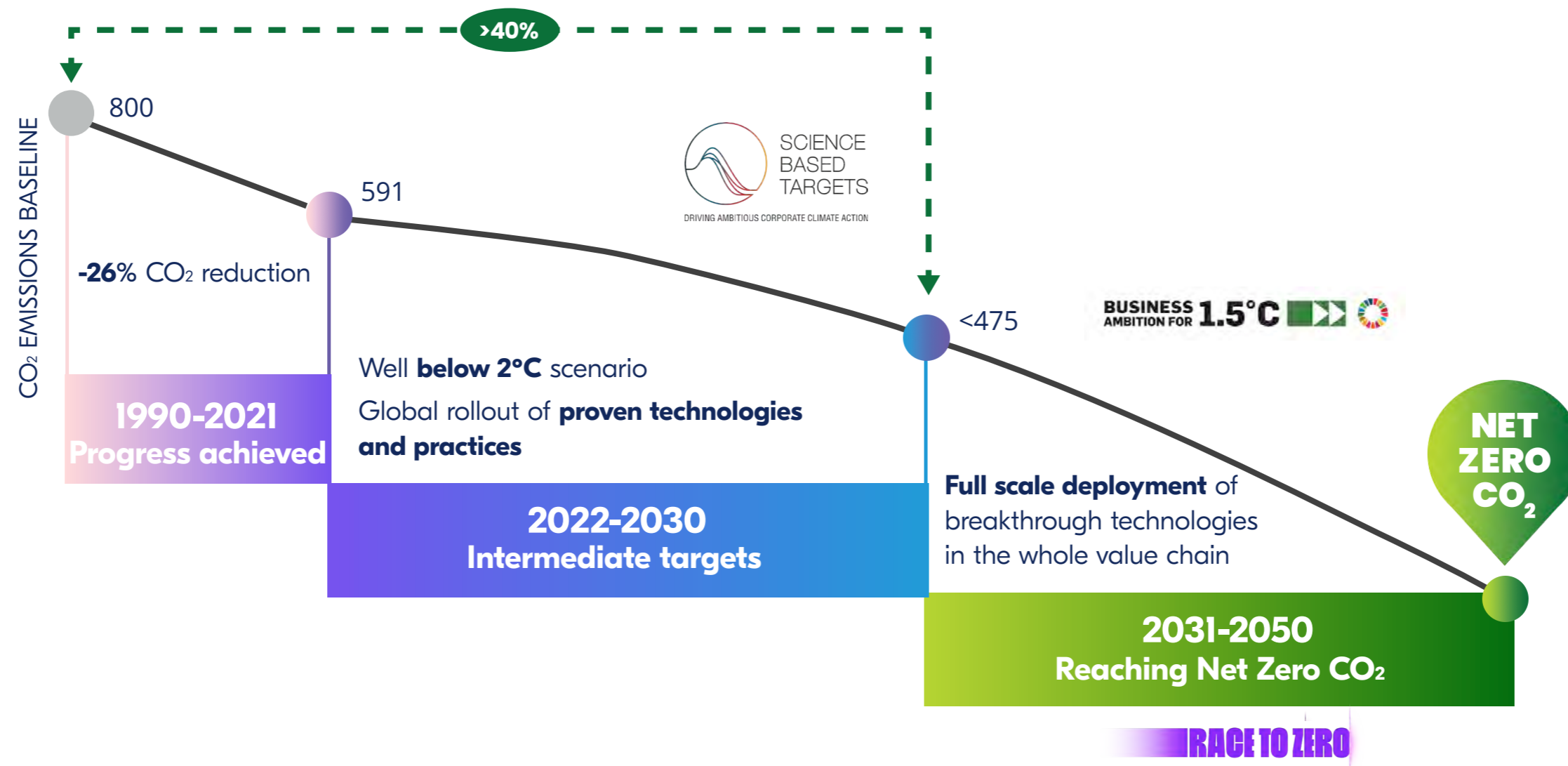
We have set a target for lower-carbon cement and concrete Vertua® volumes to represent more than 50% of our total sales by 2025.



Pillar 2: Decarbonizing Our Operations

As of the end of 2021, we have reduced our direct CO₂ emissions to 591 kg CO₂ per ton of cementitious product which represents a 26.2% reduction compared to our 1990 baseline, in line with how our industry measures progress on reducing net CO₂ emissions. As a result, we have set more ambitious CO₂ emissions reduction targets of 35% by 2025 and of greater than 40% by 2030. We aligned our 2030 Targets with the most ambitious CO₂ reduction pathway in our industry, validated by the Science Based Target Initiative (‘‘SBTi’’) according to the Well Below 2°C Scenario. We have

also signed the SBTi’s Business Ambition for 1.5°C pledge so that our targets beyond 2030 are fully aligned with the Paris Agreement goals. CEMEX also joined the Race to Zero Campaign of the U.N. and its High-level Champions for Climate Action, to reaffirm our commitment towards reaching our goal of delivering net-zero CO₂ concrete by 2050. Additionally, CEMEX is one of the founding members of the First Movers Coalition, launched at COP26 by the World Economic Forum and the U.S. State Department, to create market demand for zero-carbon solutions.



We have defined 2030 targets for some of these key levers: 55% in clean electricity consumption, 71% of clinker factor, and 50% use of alternative fuels. During 2021, we had a decrease of almost 2 percentage points in clinker factor compared to the previous year, achieving 75.2%, coupled with a four-percentage point increase in alternative fuel usage which reached 29.2% of our fuel mix. We have also made progress in our clean energy consumption strategy, having 30% of the electricity supply in our cement plants free from CO₂ emissions. We expect to annually invest approximately US\$60 million in connection with climate-related projects to achieve our 2030 Targets.

The 2030 Targets are a key component of our Future in Action program to transition to a net-zero CO₂ company and should keep us in the right path to achieving our ultimate goal: to deliver net-zero CO₂ concrete globally by 2050. In fact, according to the Transition Pathway Initiative³, CEMEX is one of only six cement companies with a Level 4 Strategic Assessment, demonstrating our industry leading decarbonization strategy.

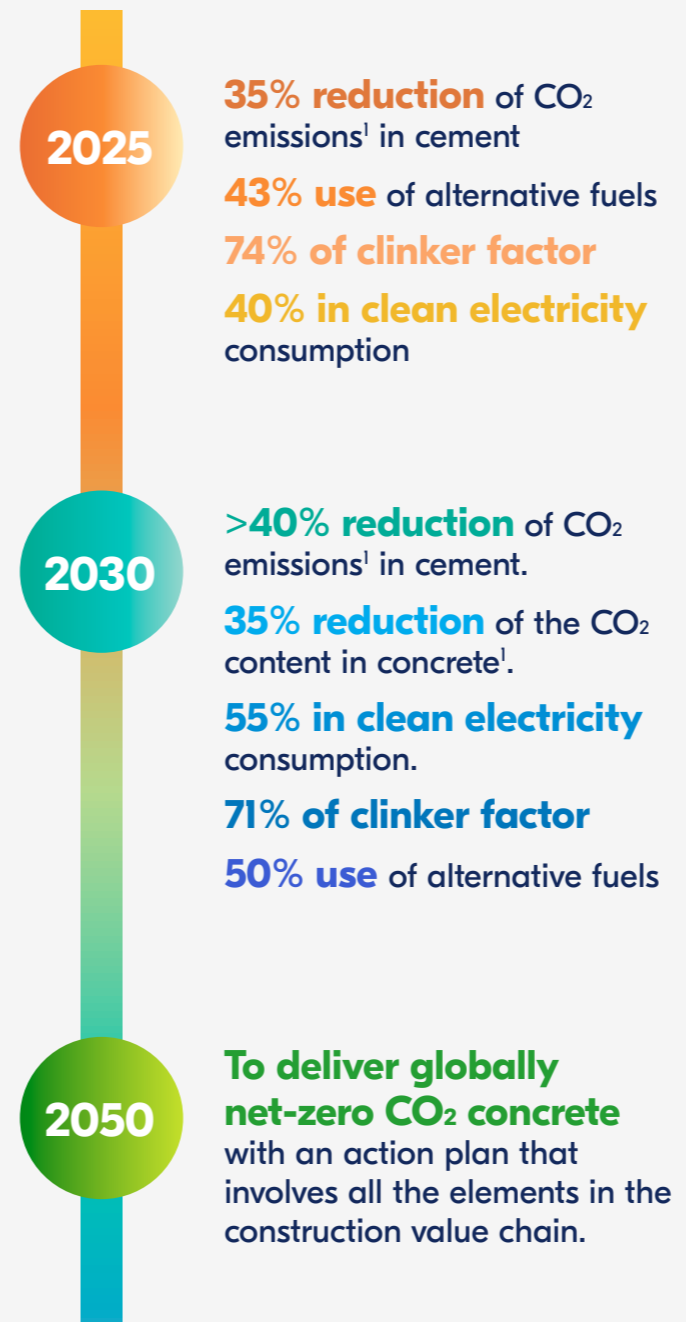
During 2021, CEMEX managed close to 57 times more waste than the amount we sent to landfills.



Furthermore, during 2021, CEMEX managed close to 57 times more waste than the amount we sent to landfills, by consuming it in our operations as alternative raw materials and fuel, among other uses. Additionally, we were able to reuse, recycle or recover 95% of the waste we generated.

³ As of the date of this framework. For more information, please visit: <https://transitionpathwayinitiative.org/sectors/cement>.

Acceleration of Short Term Efforts to Reach our Climate Goals



¹ Compared to our 1990 baseline.

To achieve our 2030 goals, our **Future in Action** program focuses on maximizing the following levers to reduce our carbon emissions:

- ✓ Accelerating the use of alternative fuels with high biomass content
- ✓ Optimizing thermal efficiency in our cement kilns
- ✓ Increasing the use of decarbonated raw materials in clinker
- ✓ Using novel clinkers: low-temperature clinker and low CO₂ clinker
- ✓ Reducing the clinker factor through blended cements
- ✓ Maximizing our clean electricity consumption
- ✓ Reducing our transport emissions

Pillar 3: Innovation and Partnerships

We have the knowledge and tools in place to achieve our 2030 Future in Action goals. The technological challenge lies beyond 2030 to reach our goal of delivering only net-zero CO₂ concrete for all customers and geographies. In addition to relying on further gains from the 2030 CO₂ roadmap reduction levers, the key to achieving our net-zero CO₂ 2050 goal is to discover and scale breakthrough CO₂ reduction and mitigation technologies throughout our entire value chain. We are taking decisive action to materialize these advancements by leveraging the capabilities of three key assets: CEMEX's Global Research and Development, CEMEX Ventures, and our internal Smart Innovation process⁴.

We have the knowledge and tools in place to achieve our 2030 Future in Action goals.

⁴ For more information on the three key assets, please visit 2021 Integrated Report: www.cemex.com/IntegratedReport2021

Investing in Carbon Capture, Utilization and Storage Technology

Since 2021, CEMEX has been actively engaged in seven industrial scale Carbon Capture, Utilization, and Storage ("CCUS") pilot projects that are scheduled to begin operations between 2023 and 2024. Three of the projects have co-financing from the European Union and the U.S. Department of Energy. CEMEX believes that CCUS technology is one of the most critical and under-developed levers to transition to a carbon-neutral economy. CCUS is a way of taking the CO₂ produced from energy-intensive processes and separating it from the rest of the exhaust gases, transporting it for further use in other industrial processes, or storing it underground so that it cannot enter the atmosphere.



Harnessing the Power of Solar to Produce Clinker

We have produced clinker using solar energy, a breakthrough technology developed in partnership with Synhelion that we expect to continue to test to achieve industrial scale. Synhelion's technology harnesses the power of solar heat, amplified through hundreds of perfectly angled mirrors, to power cement kilns, eliminating the need for any other sources of fuel. Furthermore, this technology captures 100% of the carbon emissions, which can then be stored underground or utilized as feedstock for fuel production, enabling cement manufacturing to achieve net-zero level.

Developing New Concrete Technologies

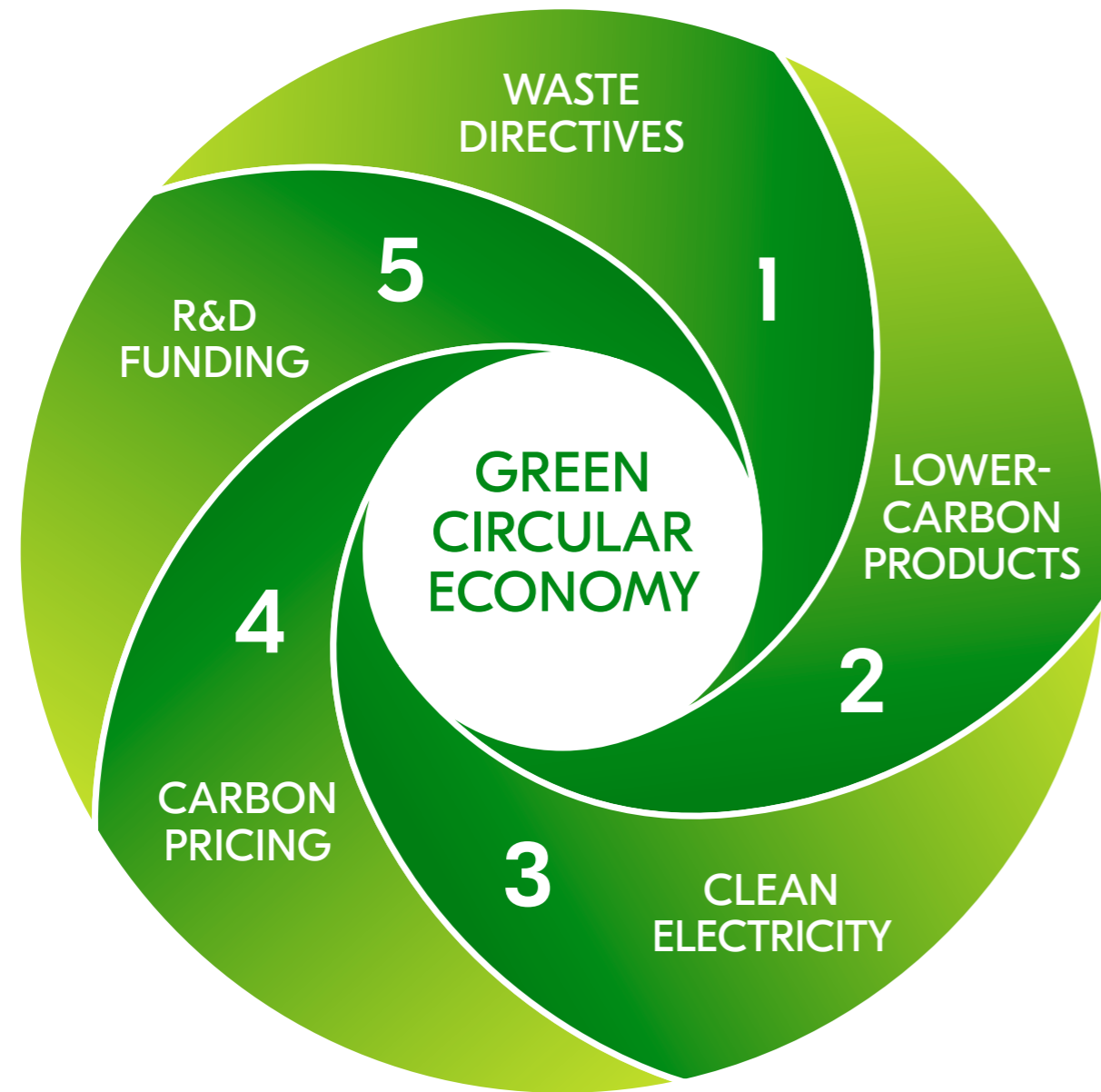
CEMEX continues to develop partnerships and explore innovative concrete technologies with a lower CO₂ footprint than conventional concretes. The development of new concrete technologies includes: the smart use of high-performance materials and novel binders, accelerated recarbonation processes, the analysis of new sources of potential Alternative Supplementary Cementitious Materials (ASCM), development of new admixture technologies, and the formation of circular economy solutions that help avoid carbon emissions related to extraction, transport, and processing of new raw materials.



Additionally, we continue our efforts to strengthen the circularity of concrete. The recyclable properties of concrete help avoid carbon emissions and costs from disposing of old concrete and from extraction, transport, and processing of new raw materials. CEMEX has focused efforts on developing in-house technology while also seeking complementary innovation through investments in startups and high-value collaboration agreements to strengthen the circular economy of concrete and maximizing our concrete's capacity to absorb CO₂.

Pillar 4: Promoting a Green Economy

CEMEX believes adopting policies based upon green and circular economy principles offers significant opportunities to achieve substantial, near-term emissions reductions across multiple sectors, with the cement and concrete industries playing a central role. We promote and advocate for a circular economy, primarily focusing on:



1. Waste Directives: We advocate for municipal, industrial, as well as construction, demolition, and excavation waste management regulations that enable the utilization of non-recyclable waste for energy recovery and material reuse. By utilizing residues in the cement production process, we lower our CO₂ footprint while contributing to landfill reduction and decreasing the consumption of fossil fuels and other raw materials.

2. Promote the adoption of lower-carbon products: We promote more widespread adoption of lower-carbon products in all types of construction projects. Lower-carbon products have a reduced clinker factor, provide the same performance standards as conventional products, and are key for advancing global CO₂ reduction targets.

3. Increase the availability of clean electricity: We advocate for renewable electricity policies that enable and promote the energy transition and clean energy generation. Clean electricity generation at a broader scale will be key to reducing indirect CO₂ emissions and meeting clean electricity 2030 consumption targets.

4. Carbon Pricing: We favor the implementation of market-based mechanisms in the form of emission trading systems to determine a carbon price. Such mechanisms provide certainty to investment and operational decisions to mitigate CO₂ in a significant manner.

5. Government and Multilateral R&D Funding: We promote government and multilateral funding for R&D aimed at accelerating the development and implementation of CCUS technologies, or any other technology that can scale the decarbonization process.

Collaboration Within Our Industry and Other Industries

Close collaboration with stakeholders within our industry and other industries is crucial for accelerating climate action on a global basis. We are active members and hold leadership positions in national, regional, and global industry associations that promote the transition to a green economy such as the GCCA (Global), CEMBUREAU (Europe), FICEM (Central and South America), PCA (United States), and CANACEM (Mexico), among others. In addition, we proactively collaborate with cross-industry business associations, such as the CCE (Mexico).



Environmental Excellence

Air Emissions

We strive to conduct our operations in a responsible and sustainable manner, minimizing environmental impacts and maximizing the value generated to society. With regards to air emissions, we go beyond seeking compliance with local regulations. We are working on implementing Continuous Emissions Monitoring Systems (“CEMS”) across our operations in all countries, including countries where such systems are not mandatory, and currently have 99% of our clinker production operating under CEMS. Furthermore, to achieve our 2030 air quality emission targets of

reducing our SOx emissions by 67%, NOx emissions by 47% and dust emissions by 95%, we continually invest in high-quality abatement techniques and equipment to reduce air emissions in our production processes.

Water

Despite cement production not being a particularly water-intensive process, we seek efficient and mindful use of water across our activities to avoid altering the ecosystems we rely on. We have updated our water stress map, identifying the location of our operations situated in water-stressed areas. Our evaluations indicate that 1% of our operations are in extremely high water-stressed zones and 15% are in high water-stressed zones. Consistent with our 2030 Targets, we plan to develop a specific Water Action Plan (“WAP”) and follow the implementation roadmap for each of these sites. In 2021, we completed the implementation of WAPs in 100% of the sites located in extremely high water-stressed zones and the first pilot for a site located in high water-stressed zones. Furthermore, we established new goals for freshwater withdrawal reduction, which include reducing freshwater withdrawal and promoting water recycling.

New 2030 Targets on Freshwater Withdrawal Reduction

20%

reduction in specific
freshwater withdrawal
in **Cement**

15%

reduction in specific
freshwater withdrawal
in **Aggregates**

10%

reduction in specific
freshwater withdrawal
in **Ready-mix**

CEMEX 2021 performance and 2030 targets

FOCUS AREA	KEY PERFORMANCE INDICATOR	2021	2030 TARGET	LINK TO PRIORITY SDG
CLIMATE ACTION	• Reduction of net CO ₂ emissions per ton of cementitious product vs. 1990 (%) ^[1]	26.2	> 40	9, 11, 13, 15
	• Clinker Factor (Cementitious) (%)	75.2	71	9, 11, 13, 15
	• Alternative fuels rate (%)	29.2	50	9, 11, 13, 15
	• Clean electricity consumption in cement (%)	30	55	9, 11, 13, 15
CIRCULAR ECONOMY	• Total waste-derived sources managed (million ton)	23	25	8, 9, 11, 13, 15
AIR EMISSIONS	• Reduction of dust emissions per ton of clinker vs. 2005 (%)	85	95	11, 15
	• Reduction of NO _x emissions per ton of clinker vs. 2005 (%)	41	47	11, 15
	• Reduction of SO _x emissions per ton of clinker vs. 2005 (%)	66	67	11, 15
WATER	• Implementation of Water Action Plans in sites located in water-scarce areas (%)	10 ^[2]	100	8, 9, 11, 15
	• Reduction in specific freshwater withdrawal in Cement (%) ^[3]	-	20	8, 9, 11, 15
	• Reduction in specific freshwater withdrawal in Aggregates (%) ^[3]	-	15	8, 9, 11, 15
	• Reduction in specific freshwater withdrawal in Concrete (%) ^[3]	-	10	8, 9, 11, 15
		YTD 2022 ^[4]	2025 TARGET	LINK TO PRIORITY SDG
SUSTAINABLE CONSTRUCTION	• Total annual sales of low carbon cement - Vertua® (%)	34	≥ 50	9, 11, 13, 15
	• Total annual sales of low carbon concrete - Vertua® (%)	31	≥ 50	9, 11, 13, 15

[1] Target aligned with SBTi Well Below 2°C Scenario.

[2] We have implemented Water Action Plans in 100% of sites in extremely high water-stressed areas.

[3] New KPI, implementation strategy will begin on 2022.

[4] As of April 2022.

Sustainability Governance and Disclosure

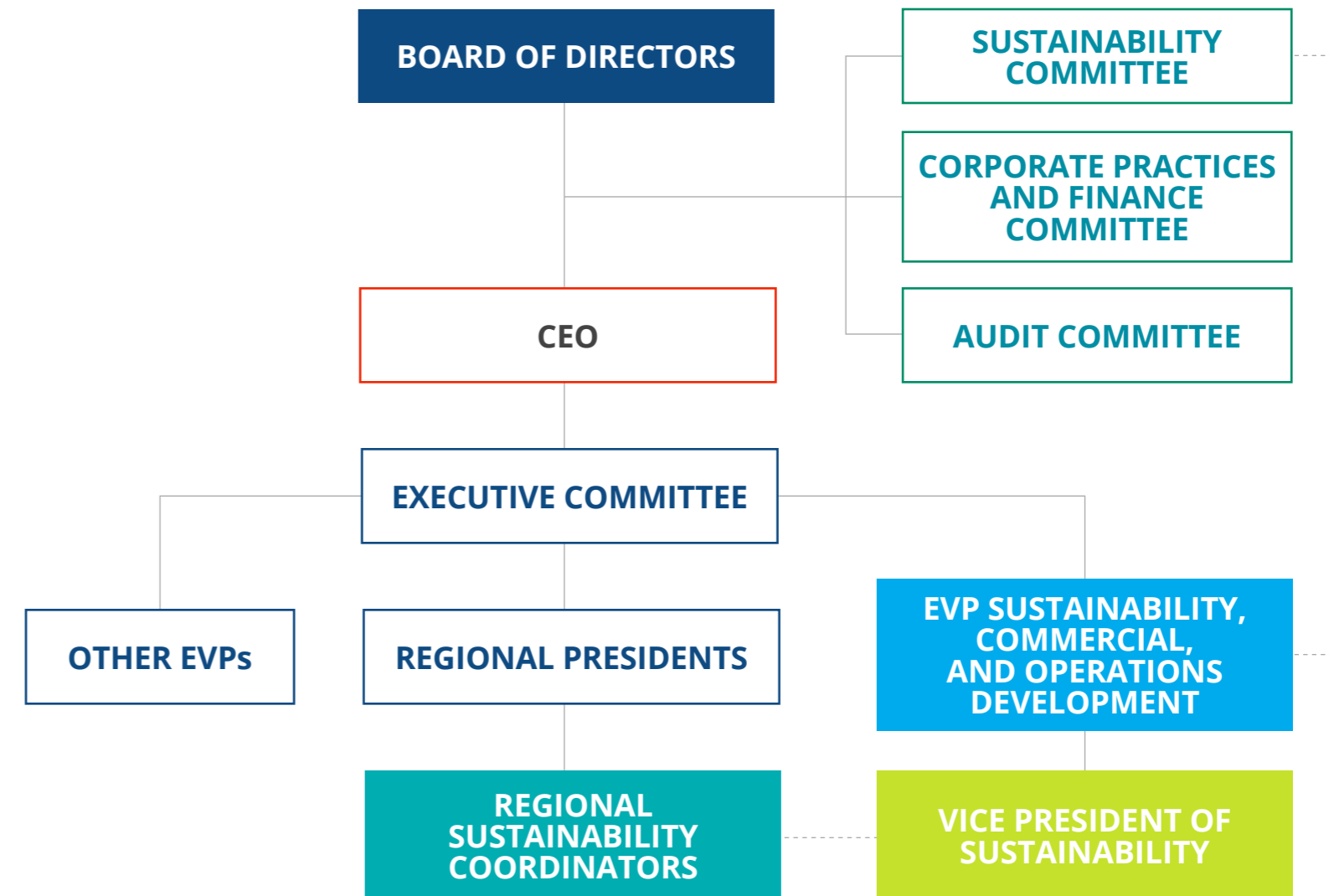
Our sustainability efforts begin with our Board of Directors. In 2014, our Board of Directors approved the creation of the Sustainability Committee which is currently comprised of four board members appointed by our shareholders. The Sustainability Committee periodically receives updates from the Executive Vice President of Sustainability, Commercial and Operations Development and the Vice President of Sustainability. The execution of CEMEX's sustainability strategy and goals, as well as management's performance in relation thereto, is integrated into our corporate governance, as demonstrated by our policies, management and control systems, risks and opportunities assessments and ethics and compliance standards.

Some of the Sustainability Committee board-level responsibilities consist of, but are not limited to, the following:

- Ensuring sustainable development is embedded into our strategy;
- Supporting our Board of Directors in fulfilling its responsibility to shareholders regarding our Company’s sustainable growth;
- Evaluating the effectiveness of sustainability programs and initiatives;
- Assisting our Chief Executive Officer and senior management team regarding the strategic direction on sustainability; and
- Endorsing our sustainability model, priorities, and key indicators.

Along with the board-level oversight of Environmental, Social and Governance (“ESG”) issues, the Executive Vice President of Sustainability, Commercial and Operations Development (a member of CEMEX’s Executive Committee), is responsible for executing our sustainability strategy. The Vice President of Sustainability and the Corporate Sustainability Department coordinate with regional and country representatives aiming to ensure consistent operations and progress towards our sustainability goals.

We aim for our disclosure and reporting to follow best market practices while also advocating for furthering the extent of ESG reporting and transparency in the cement industry. We have been an early contributor to several sustainability reporting initiatives, including the creation of the Cement Sustainability Initiative, which later evolved to the Global Cement and Concrete Association (“GCCA”). We have adopted the international reporting standards and recommendations set by the Global Reporting Initiative (“GRI”); the Task Force on Climate-Related Financial Disclosures (“TCFD”); the Sustainability Accounting Standard Board (“SASB”); and, most recently, we have aligned our reporting to the EU Taxonomy by providing disclosures on cement manufacturing, our only business segment currently eligible for such reporting.



Rationale for Issuance

CRIANZA
GUSANO ADULTO

— Rationale for Issuance

We recognize the need for a transition towards a low-carbon society and view sustainable finance as an enabling force towards that goal, as a source of funding and as a tool for further alignment between CEMEX's sustainability ambitions and our stakeholders' expectations. Our intention is to further align corporate sustainability commitments to our financing to meet our goals. Under the Framework, we may from time to time, offer, enter into and issue bonds (notes), private placements, commercial paper, loans, working capital solutions or other debt-like financing for new and/or existing specific investments, assets and projects that adhere to the Eligibility Criteria (as defined below) (such investments, assets and projects, the "Eligible Green Projects"; and, such financing instruments, the "Green Financing Instruments").

Examples of Green Financing Instruments include, but are not limited to, the following:

- Green Bonds
- Green Loans

We believe that the issuance of Green Financing Instruments under the Framework and the corresponding investments made in Eligible Green Projects should contribute to the execution of CEMEX's sustainability strategy and the achievement of our 2030 Targets, which are fundamental to achieve CEMEX's purpose of building a better future.

We recognize the need for a transition towards a low-carbon society and view sustainable finance as an enabling force towards that goal.



Examples of investments that may be considered Eligible Green Projects, include, but are not limited to, the following:

- Capital expenditures and selected operating expenditures (such as maintenance costs that either increase the lifetime or the value of the assets) of physical assets meeting the Eligibility Criteria; or
- R&D expenditures aimed at developing new products and solutions as per the Eligibility Criteria.

We have identified the following major categories of contributions to CEMEX's sustainability strategy expected to be made by Eligible Green Projects:

- CO₂ emissions reduction
- Clean electricity and energy efficiency
- Clean transportation
- Air quality improvement and environmental excellence
- Water management
- Circular economy and waste management



CEMEX's decarbonization goals, as outlined in our validation roadmap, require capital investments to support CO₂ reduction levers.

Examples of investments that may be considered Eligible Green Projects may also include carbon mitigation technologies and high-efficiency processes, such as replacing fossil fuels with low-carbon alternative fuels, deploying hydrogen technology, developing novel types of clinker and expanding clinker substitutes, and increasing the use of alternative and decarbonated raw materials. We have also detailed CO₂ roadmaps for each of our cement plants which include the rollout of proven CO₂ reduction technologies and the investments required for their implementation.

Besides serving as an important source of funding for our decarbonization projects, we expect the introduction of the Framework and the disclosures related to our Green Financing Instruments will enhance transparency and accountability through annual reporting of the use of proceeds and their expected impact metrics.

Alignment with Market Principles



— Alignment with Market Principles

In accordance with our sustainability strategy, we have developed this Framework as per the following voluntary process guidelines, which are considered the best-practices to promote transparency, disclosure and integrity of the Framework:

- International Capital Markets Association (ICMA) Green Bond Principles, 2021 (“GBP”)⁵
- Loan Market Association (“LMA”), Asia Pacific Loan Market Association (“APLMA”), and Loan Syndication & Trading Association (“LSTA”), and Green Loan Principles 2021 (“GLP”, and, together with GBP, the “Principles”)⁶

This Framework addresses the core components and key recommendations of the Principles:

Core Components:

- 1 Use of Proceeds
- 2 Process for Project Evaluation and Selection
- 3 Management of Proceeds
- 4 Reporting

Key Recommendations:

- 1 Use of Frameworks
- 2 External Reviews

This Framework may be updated from time to time and is intended to be applied to the Green Financing Instruments issued by CEMEX. In the event of an update to this Framework, any future projects would be expected to be in alignment with the eligible project categories recognized by the Principles. It is our intention to follow best market practices as standards develop.

This Framework has also been developed in line with the four key disclosure guidelines of the Climate Transition Finance Handbook 2020 as published by the ICMA⁷. In addition, the Framework, along with CEMEX’s CO₂ roadmap aligned to the most ambitious CO₂ reduction pathway in our industry, and our 2030 Targets validated by the SBTi according to the Well Below 2°C Scenario illustrate CEMEX’s:

1. Climate transition strategy and governance;
2. Business model environmental materiality;
3. Science-based transition strategy, including targets and pathways; and
4. Implementation transparency.

⁵ <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-140621.pdf>

⁶ https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf




⁷ <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Climate-Transition-Finance-Handbook-December-2020-091220.pdf>

Use of Proceeds

We intend to allocate an amount equal to the net proceeds from the issuance of any Green Financing Instrument to finance and/or refinance, in whole or in part, one or more new and/or existing Eligible Green Projects. Eligible Green Projects are those that adhere to the Eligibility Criteria (as set forth in the following table, the “Eligibility Criteria”) and may include those for which CEMEX made disbursements in the 24 months before the annual reporting reference date (at the date of this document, the last annual reporting reference date is December 31, 2021) immediately preceding the issuance of a Green Financing Instrument, or thereafter. When used in this Framework, the term “annual reporting reference date” means the last day of a calendar year.











Eligible Green Projects:

Project Category	Eligibility Criteria	CEMEX SDG Alignment	Contribution to CEMEX Major Categories
Pollution Prevention & Control	<p>Expenditures in this category will be limited to facilities that are expected to result in a carbon intensity below 0.546 tCO₂e/t of cementitious product⁸.</p> <ul style="list-style-type: none"> ■ Expenditures related to projects aimed at reducing CO₂ emissions, major air emissions (NO_x, SO_x, and dust emissions through investments such as emissions continuous monitoring systems and air emissions abatement) and minor air emissions, controlling greenhouse gas emissions, and/or energy and emission-efficient waste to energy conversion, waste heat recovery and associated environmental monitoring. ■ Expenditures aimed at increasing the share of alternative fuels in CEMEX’s fuel mix. □ Intended examples include the construction of facilities for the dosing of alternative fuels such as biomass fuels (e.g. crop residues, nut hulls, wood waste), refuse-derived fuel (e.g. shredded or pelletized municipal solid waste), tire-derived fuel (e.g. tire waste, processed tire chips), and alternative liquids (e.g. waste oils) to the kilns and multichannel burners. □ Use of hydrogen from electrolysis process in our kilns to optimize the combustion process allowing us to further increase the use of alternative fuels⁹. <ul style="list-style-type: none"> > R&D, procurement (including land acquisition), development, installation, operational readiness, operation, and maintenance of hydrogen electrolysis from a mix of renewable and traditional electricity (including solar, wind, geothermal, hydrogen) 	  	<p>✓ CO₂ emissions reduction</p> <p>✓ Air quality improvement and environmental excellence</p>

⁸ 0.546 tCO₂e/t of cementitious product is the Transition Pathway Initiative’s 2025 below 2-degree scenario benchmark value for the cement sector.

⁹ To be eligible, the following thresholds must be met: (1) Direct CO₂ emissions from manufacturing of hydrogen: 0.95 tCO₂e/t Hydrogen or less, and (2) Electricity use for hydrogen produced by electrolysis is at or lower than 50 MWh/t Hydrogen, and (3) The average carbon intensity of the electricity produced that is used for hydrogen manufacturing is at or below 100 gCO₂e/kWh (taxonomy threshold for electricity production is subject to periodical update).

Project Category	Eligibility Criteria	CEMEX SDG Alignment	Contribution to CEMEX Major Categories
Pollution Prevention & Control	<ul style="list-style-type: none"> Expenditures towards the substitution of clinker with other cementitious materials waste-derived additions such as slag and fly ash, pozzolans and calcined clays. <ul style="list-style-type: none"> Intended examples include the installation of hoppers and silos to (i) dose cementitious materials or (ii) dose admixtures to increase the product strengths. Expenditures towards improving the heat consumption of kilns through (i) the installation of hoppers and silos for the dosage of new materials to raw mill and (ii) kiln technology updates. Expenditures aimed at increasing the recycling rate and reuse of cement kiln dust and bypass dust in CEMEX's production cycle to avoid disposal in landfill Expenditures aimed at reducing and preventing waste from reaching landfills, including co-processing and capital expenditures related to expanding recycling programs 	  	<ul style="list-style-type: none"> CO₂ emissions reduction Air quality improvement and environmental excellence
Renewable Energy	<ul style="list-style-type: none"> Investments and expenditures related to the development, expansion, construction, maintenance, acquisition, and/or operation of renewable energy projects, such as: <ul style="list-style-type: none"> Solar (photovoltaic and Concentrating Solar Power ("CSP")¹⁰) sources, Wind (onshore and offshore) sources, and Hydroelectric (<25MW capacity)¹¹ The purchase of renewable energy from wind, solar¹⁰, and/or hydroelectric¹¹ power facilities, pursuant to long-term (≥ 5 years) power purchase agreements (PPAs), including those entered into prior to the issuance of a Green Financing Instrument and later extensions of a PPA. 	  	<ul style="list-style-type: none"> CO₂ emissions reduction Clean electricity and energy efficiency

Project Category	Eligibility Criteria	CEMEX SDG Alignment	Contribution to CEMEX Major Categories
Energy Efficiency	<p>Expenditures in this category related to production facilities will be limited to facilities that are expected to result in a carbon intensity below 0.546 tCO₂e/t of cementitious product¹².</p> <ul style="list-style-type: none"> Expenditures related to projects that could result in increased energy efficiency, based on our best efforts to ensure all projects achieve at least a 30% energy efficiency improvement. Eligible projects include, but are not limited to, the following: <ul style="list-style-type: none"> Financing of electric powered machinery or incorporation of energy saving technologies, including LED lighting technology, high-efficiency material separators, variable speed drives, and vertical roller mills; Energy storage systems and smart grids¹³, Energy efficient heating, ventilation, and air conditioning (HVAC¹⁴), refrigeration, material transportation, and electrical equipment, Investments for the optimization of energy consumption and reduction of energy losses, such as the implementation of energy management systems and automated metering; and Investments in energy consumption measurement and control systems, including industrial thermometers, artificial intelligence control systems and operational parameter optimization. 	 	<ul style="list-style-type: none"> CO₂ emissions reduction Clean electricity and energy efficiency







¹⁰ To be eligible, CSP plants must generate at least 85% of electricity from solar sources.

¹¹ A hydropower facility in operation before 2020 is eligible if it has either: (a) A power density > 5W/m²; OR (b) GHG emissions intensity < 100g CO₂e/kWh. A hydropower facility commencing operation in 2020 or after is eligible if it has either: (c) A power density > 10W/m²; OR (d) GHG emissions intensity < 50g CO₂e/kWh.

¹² 0.546 tCO₂e/t of cementitious product is the Transition Pathway Initiative's 2025 below 2-degree scenario benchmark value for the cement sector.

¹³ Battery storage will only be applicable to those generated by renewable energy.

¹⁴ HVAC / refrigeration and other equipment powered by fossil fuel will be excluded from eligibility.

Project Category	Eligibility Criteria	CEMEX SDG Alignment	Contribution to CEMEX Major Categories
Clean Transportation	<ul style="list-style-type: none"> Expenditures related to the acquisition, modernization, and maintenance of our transport fleet, including transportation with zero direct greenhouse gas (“GHG”) emissions (i.e. electric vehicles) and low GHG emissions¹⁵ (i.e. hybrid vehicles). Eligible projects include, but are not limited to: <ul style="list-style-type: none"> Electric and/or hybrid passenger, commercial fleet and heavy-duty trucks; Use of low or zero-carbon fuels in our fleet; and Electromobility solutions for heavy mobile construction equipment and heavy-duty trucks. Expenditures related to the installation, acquisition, modernization and maintenance of infrastructure projects associated with lower-carbon, hybrid and/or electric vehicles, including fueling and charging stations¹⁶. 	  	<ul style="list-style-type: none"> CO₂ emissions reduction Clean transportation
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> Expenditures related to water efficiency projects, such as water efficiency in our cement, concrete and aggregates operations, including the reduction of freshwater consumption in our industrial processes. Expenditures related to the development and installation of technologies and systems to improve the quality of treated water and effluent, the installation of new efficient water-related equipment and wastewater management and water treatment and waste recycling systems in our operations. 	  	<ul style="list-style-type: none"> Water management Circular economy and waste management



Exclusionary Criteria:

We will not knowingly use the proceeds of any Green Financing Instrument for the financing of assets or projects related to any of the following:

- Activities related to the exploration, production or transportation of fossil fuels (e.g. coal, oil and gas);
- Consumption of fossil fuels for power generation purposes;
- Alcohol;
- Tobacco;
- Weapons and arms trade;
- Gambling; or
- Activities involving exploitation of human rights, modern slavery (e.g. forced labor or human trafficking) or child labor.

¹⁵ To be eligible, hybrid passenger vehicles must meet the threshold of 50gCO₂/km and hybrid freight vehicles (such as heavy trucks) must meet threshold of 25gCO₂/km. In addition, the tailpipe emissions intensity of the eligible vehicles must not exceed 50g CO₂/km until 2025, and from 2026 onwards, eligible vehicles must have emissions intensity of 0g CO₂/km

¹⁶ The financing of parking lots is not eligible.

Process for Project Evaluation and Selection

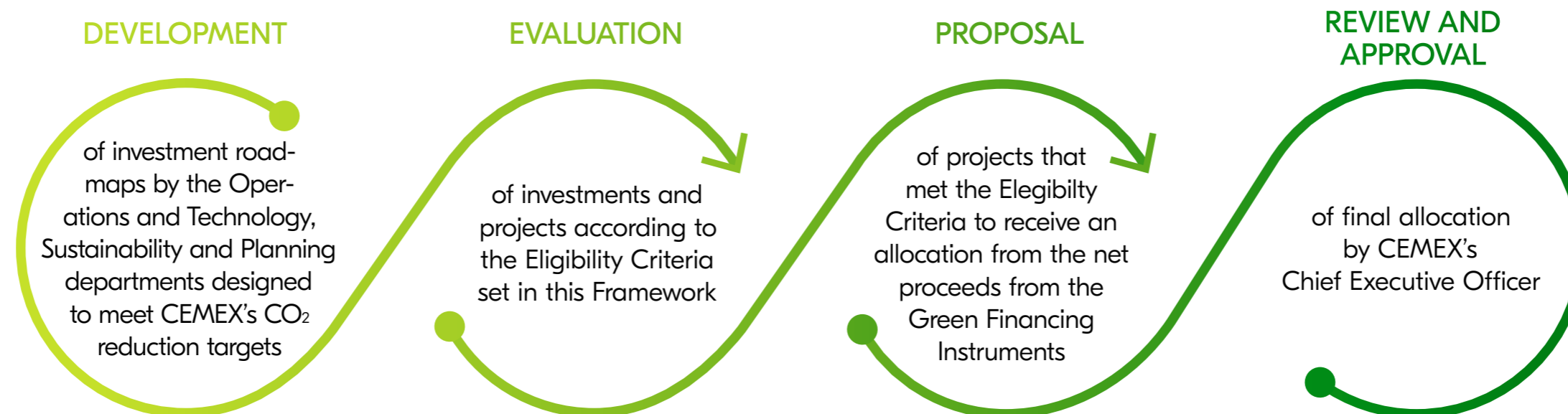
At CEMEX, identifying, assessing, discussing, mitigating, and monitoring risks and opportunities are part of an integral process that considers the potential risks and opportunities, including sustainability risks, that could impact the Company's strategic objectives. The Enterprise Risk Management ("ERM") and the Sustainability Departments have the primary responsibility for conducting this process with relation to sustainability-related matters. We conduct extensive due diligence when evaluating potential new opportunities and monitoring our investment positions, and the ERM system is applicable to all decisions regarding the allocation of net proceeds from the issuance of Green Financing Instruments under this Framework.

Through a combination of both a 'bottom-up' and 'top-down' approach, risks and opportunities are identified and integrated to the Global Risk Agenda, which is prepared twice a year and presented to the Executive Committee and the Corporate Practices and Finance Committee of the Board of Directors. In addition, CEMEX has a Sustainability Committee, currently comprised of four members of our Board of Directors whose responsibilities include overseeing and discussing in detail the sustainability risks and opportunities, which are then included in the Sustainability Risk & Opportunity Agen-

da. We monitor important risks and opportunities, and changes identified as material trigger a process designed to ensure that appropriate adjustments are implemented.

CEMEX has established a process to allocate the net proceeds from the issuance of Green Financing Instruments, with the participation of our Operations and Technology, Sustainability and Planning Departments (at both the Regional and Corporate levels). These Departments will develop investment roadmaps designed to meet CEMEX's CO₂ reduction targets as well as other projects with potential environmental impact. These investments and projects will be evaluated according to the Eligibility Criteria set in this Framework and, if the Eligibility Criteria are met, such projects will be proposed to receive an allocation from the net proceeds from the Green Financing Instruments. Final allocation will be reviewed and approved by CEMEX's Chief Executive Officer, for an amount up to the net proceeds from the Green Financing Instrument.

On an annual basis, the Corporate Operations and Technology, Sustainability and Planning Departments will review the list of approved green projects against the Eligibility Criteria. If a project no longer meets the Eligibility Criteria, CEMEX will re-allocate funds from the ineligible project to Eligible Green Projects.



Management of Proceeds

CEMEX's CAPEX Committee will track actual amounts of net proceeds from any Green Financing Instrument spent on Eligible Green Projects, by establishing and maintaining a database that comprises relevant information for each project. Pending the allocation of the net proceeds from any Green Financing Instrument to Eligible Green Projects, all or a portion of the net proceeds may be used for the payment of outstanding indebtedness, other capital management activities or may be held on the Company's balance sheet, invested in cash, cash equivalents and/or other liquid instruments, in accordance with CEMEX's Investment Policy. Any payment of principal and interest on any Green Financing Instrument may be made from our general corporate accounts and could not be linked to the performance of any Eligible Green Project.

Complete allocation of the net proceeds from the issuance of any Green Financing Instrument is expected within 48 months starting from the annual reporting reference date (at the date of this document the last annual reporting reference date is December 31, 2021) immediately preceding the issuance of the corresponding Green Financing Instrument, in order to include complete calendar year expenditures relating to the corresponding Eligible Green Projects.

Reporting

Allocation Reporting

Annually, until the net proceeds from the issuance of a Green Financing Instrument have been fully allocated, and at other times in case of material developments, we intend to publish information regarding such Green Financing Instrument in a report (the "Green Financing Instrument Report") that we intend to post on our website¹⁷.

The first publication of the Green Financing Instrument Report with respect to a Green Financing Instrument will be made within 12 months of the issuance of the corresponding Green Financing Instrument (e.g. if a Green Financing Instrument issuance takes place in June 2022, the Green Financing Instrument Report with respect to such Green Financing Instrument would be published no later than June 2023) and will include:

- (i) the amount of net proceeds allocated to each Eligible Green Project either individually or by category, subject to confidentiality considerations;
- (ii) the share of net proceeds used for financing compared to refinancing;
- (iii) expected impact metrics (as described below), where feasible;
- (iv) a selection of brief project descriptions of Eligible Green Projects; and
- (v) the outstanding amount of net proceeds to be allocated to Eligible Green Projects at the end of the reporting period.

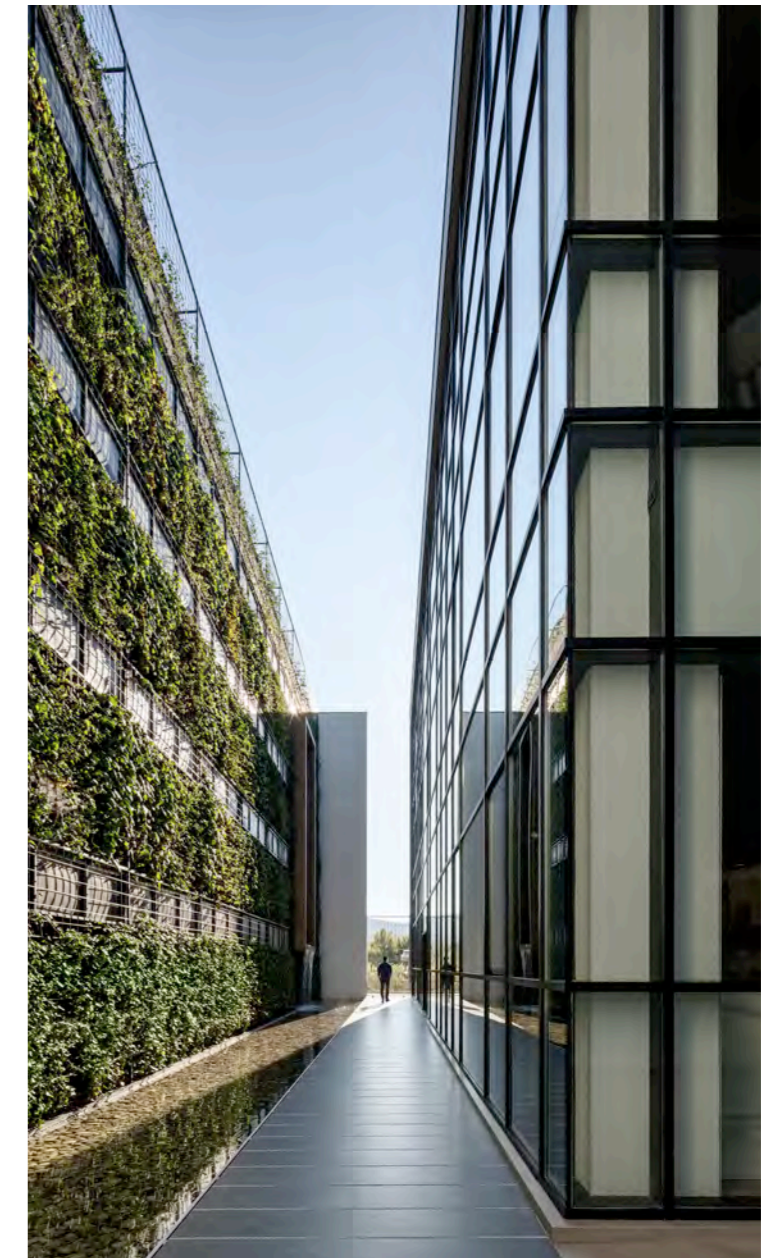
Green Financing Instrument Reports may be issued with regard to a single Green Financing Instrument or with regard to more than one Green Financing Instruments.

¹⁷ <https://www.cemex.com/investors/debt-information/sustainable-finance>

Impact Reporting

Examples of expected impact metrics may include, where feasible, but are not limited to:

Green Project Category	Example Impact Metrics
Pollution Prevention & Control	<ul style="list-style-type: none"> ■ Reduction in CO₂ emissions (reduction in net CO₂ emissions per ton of cementitious vs. 1990 baseline) <ul style="list-style-type: none"> > Alternative Fuel consumption (% of total fuel consumption) > Clinker factor in cements (%) > Specific Heat Consumption ■ CO₂ emissions avoided ■ Percentage of clean energy in our cement operations ■ Reduction of dust, NO_x, and SO_x emissions per ton of clinker vs. 2005 (%) ■ Total waste-derived sources managed (million tons) ■ Amount of waste managed by de Company vs. waste sent to landfill
Renewable Energy	<ul style="list-style-type: none"> ■ Annual GHG emissions reduced/avoided in tonnes of CO₂ equivalent ■ Annual renewable energy generation in MWh (electricity) and GJ (other energy) ■ Capacity of renewable energy plant(s) to be served by transmission systems (MW)
Energy Efficiency	<ul style="list-style-type: none"> ■ Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy savings) ■ Annual GHG emissions reduced/avoided in tonnes of CO₂ equivalent
Clean Transportation	<ul style="list-style-type: none"> ■ Annual GHG emissions reduced/avoided in tCO₂-e p.a. ■ Number of clean vehicles deployed (e.g. electric) ■ Estimated reduction in fuel consumption
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> ■ Reduction in water consumption of economic activities (e.g. industrial processes, agricultural activities including irrigation, buildings, etc.) ■ Water re-use and/or water use avoided by waterless solutions and equipment, (e.g. for sanitation, cooling systems, industrial processes, etc.) ■ Reduction in specific freshwater withdrawal in cement, aggregates and ready-mix operations ■ Implementation of Water Action Plans in sites located in water-scarce areas (%) ■ Sites with water recycling systems (%)



External Review

Second Party Opinion

CEMEX has obtained and intends to make publicly available a Second Party Opinion (“SPO”) from Sustainalytics, a consultant with recognized environmental and social expertise, to provide an opinion on the environmental and social benefits of this Framework as well as the alignment to the GBP. The SPO is expected to be available on the SPO provider’s website.

Assurance

We expect our Green Financing Instrument Report to be accompanied by:

- I assertions that a portion or the entirety of the net proceeds of an offering of a Green Financing Instrument was allocated to Eligible Green Projects, as may be the case, and
- II an attestation report from an independent third party who is expected to examine and review decisions regarding the use of net proceeds from any Green Financing Instrument and provide assurance as to which portion or all of the net proceeds from any Green Financing Instrument have been allocated consistent with the Eligibility Criteria set forth in this Framework.



Disclaimer

In this disclaimer, “CEMEX,” “Company,” “we,” “us” or “our” refer to CEMEX, S.A.B. de C.V. and its consolidated entities.

This Framework may contain forward-looking statements within the meaning of the U.S. federal securities law. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements within the meaning of the U.S. federal securities laws. In some cases, these statements can be identified by the use of forward-looking words such as, but not limited to, “assume”, “might”, “should”, “could”, “continue”, “would”, “can”, “consider”, “envision”, “plan”, “foresee”, “predict”, “potential”, “target”, “strategy”, “aim,” “anticipate,” “believe,” “drive,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “project,” “strategy,” and “target” or similar statements or variations of such terms and other similar expressions. These forward-looking statements, as well as any other information and opinions contained in this Framework, are issued as of the date of this Framework and reflect, unless otherwise indicated, information, opinions, expectations and/or projections about future events based on our knowledge of present facts and circumstances and assumptions about future events. These statements, information and opinions inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted. Some of the risks, uncertainties and other important factors that could cause results to differ, or that otherwise could have an impact on us, include, but are not limited to: the impact of pandemics, epidemics or outbreaks of infectious diseases and the response of governments and other third parties, including with respect to the novel strain of the coronavirus and its variants, declared as a pandemic by the World Health Organization in March 2020 (“COVID-19”), which have affected and may continue to adversely affect, among other matters, the ability of our operating facilities to operate at full or any capacity, supply chains, international operations, availability of liquidity, investor confidence and consumer spending, as well as availability of, and demand for, our products and services; the cyclical activity of the construction sector; our exposure to other sectors that impact our and our clients’ businesses, such as, but not limited to, the energy sector; availability of raw materials and related fluctuating prices; volatility in pension plan asset values and liabilities, which may require cash contributions to the pension plans; the impact of environmental cleanup costs and other liabilities relating to existing and/or divested businesses; our ability to secure and permit aggregates reserves in strategically located areas; the timing and amount of federal, state and local funding for infrastructure; changes in the level of spending for pri-

vate residential and private nonresidential construction; changes in our effective tax rate; competition in the markets in which we offer our products and services; general political, social, health, economic and business conditions in the markets in which we operate or that affect our operations and any significant economic, health, political or social developments in those markets, as well as any inherent risks to international operations; the regulatory environment, including environmental, energy, tax, antitrust, labor and acquisition-related rules and regulations; our ability to satisfy our obligations under our material debt agreements, the indentures that govern our outstanding notes and our other debt instruments and financial obligations; the availability of short-term credit lines or working capital facilities, which can assist us in connection with market cycles; the impact of our below investment grade debt rating on our cost of capital and on the cost of the products and services we purchase; loss of reputation of our brands; our ability to consummate asset sales, fully integrate newly acquired businesses, achieve cost-savings from our cost-reduction initiatives, implement our pricing initiatives for our products and generally meet our “Operation Resilience” strategy’s goals; the increasing reliance on information technology infrastructure for our sales, invoicing, procurement, financial statements and other processes that can adversely affect our sales and operations in the event that the infrastructure does not work as intended, experiences technical difficulties or is subjected to cyber-attacks; changes in the economy that affect demand for consumer goods, consequently affecting demand for our products and services; weather conditions, including, but not limited to, excessive rain and snow, and disasters such as earthquakes and floods; trade barriers, including tariffs or import taxes and changes in existing trade policies or changes to, or withdrawals from, free trade agreements, including the United States-Mexico-Canada Agreement; availability and cost of trucks, railcars, barges and ships, as well as their licensed operators, for transport of our materials; labor shortages and constraints; terrorist and organized criminal activities as well as geopolitical events, such as war and armed conflicts, including the current war between Russia and Ukraine; declarations of insolvency or bankruptcy, or becoming subject to similar proceedings; natural disasters and other unforeseen events (including global health hazards such as COVID-19); and the other risks and uncertainties described in our annual report on Form 20-F for the year ended December 31, 2021 and in other reports filed from time to time with the Securities and Exchange Commission. Readers are urged to read this Framework and carefully consider the risks, uncertainties and other factors that affect our business and operations. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove

incorrect, actual results may vary materially from historical results, performance or achievements and/or from results, performance or achievements expressly or implicitly anticipated by the forward-looking statements, information and/or opinions contained in this Framework, or otherwise could have an impact on us. Any or all of CEMEX's forward-looking statements, as well as any other information and opinions contained in this Framework, may turn out to be inaccurate and the factors identified above are not exhaustive. None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared, are correct, exhaustive or fully stated in the Framework. No assurance can be given that any goal or plan set forth in forward-looking statements in this Framework can or will be achieved, and readers are cautioned not to place undue reliance on such statements, information and/or opinions contained in this Framework, which speak only as of the date of the Framework and are subject to change without notice; and, CEMEX does not undertake, is not under, and expressly disclaims, any obligation to update or revise forward-looking statements, information and/or opinions contained in this Framework to reflect the impact of information, circumstances or events that arise after the date such forward-looking statements, information and/or opinions are issued. Readers should review reports filed or furnished by us with the U.S. Securities and Exchange Commission.

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