

**REPORT ISSUED BY THE BOARD OF DIRECTORS OF
CEMEX LATAM HOLDINGS, S.A.
IN RELATION TO THE PROPOSAL TO AMEND THE
ARTICLES OF ASSOCIATION**

1. Subject matter of the report

The Board of Directors of CEMEX LATAM HOLDINGS, S.A. (hereinafter, the “**Company**” or “**CEMEX LATAM HOLDINGS**”) issues this report in support of the proposal to amend the Articles of Association to be submitted for approval at the General Meeting of Shareholders of the Company convened for 28 June 2022 at first call and 29 June 2022 at second call, under item six of the agenda (hereinafter, the “**Report**”).

Article 286 of Royal Decree 1/2010, of 2 July, approving the consolidated wording of the Companies Act (hereinafter, “**LSC**” or “**Companies Act**”) requires that the directors issue a written report setting out reasons in support of the proposal to amend the Articles of Association, and provide the full wording of these amendments. In fulfilment of that requirement, this Report explains the purpose and reason for amending the Articles of Association and includes the full wording of the amendments to be submitted for approval by the General Meeting of Shareholders of the Company.

2. Justification for the proposal

2.1. Preliminary information on the Company

CEMEX LATAM HOLDINGS, S.A. was incorporated on 17 April 2012 and its shares were admitted to trading on the Colombian Stock Exchange (“**BVC**”) on 16 November of that same year. Being a Spanish company, it is mainly governed by the Companies Act and by its Articles of Association, the Regulations of the General Meeting of Shareholders, the Regulations of the Board of Directors and other rules approved by the Company’s internal bodies. Because it is a Spanish company that is not admitted to trading in Spain but rather on the Colombian Stock Exchange, the Company is not subject to Spanish good corporate governance laws applicable to Public Limited Companies listed on the Spanish Stock Exchanges, nor is it subject to the same best practice provisions applicable to Colombian issuers whose shares are listed on the BVC. However, the Company has a corporate governance system comparable to best practices applicable to issuers in both countries.

2.2. Introduction: aims of the amendment

The COVID-19 pandemic has led to virtual General Meetings increasingly being held. Indeed, Act 5/2021, of 12 April, amending the consolidated wording of the Companies Act approved by Legislative Royal Decree 1/2010, of 2 July, and other financial laws, to encourage the long-term involvement of shareholders in listed companies, introduced an amendment to article 182 and 182 bis to make provision for hybrid attendance to General Meetings of Shareholders, i.e. in person and virtual, and for virtual-only General Meetings to be held.

In order to adapt the Articles of Association to the new reality and the new elements of the aforementioned Act 5/2021, of 12 April, the proposal is that article 25 of the Articles of Association be amended to provide that General Meetings of Shareholders may be held not only in person, as already established in the Articles of Association, but also as hybrid meetings, i.e. virtually and in person, and virtual-only meetings.

The proposed amendment to the Articles of Association is further supplemented with an amendment to the Regulations of the General Meeting of Shareholders of the Company, as proposed under item seven of the agenda, and the Board of Directors has therefore drawn up the relevant specific report in support thereof that will also be submitted, together with the amendment to the Articles of Association, for approval by the General Meeting of Shareholders.

Pursuant to article 286 of the consolidated wording of the Companies Act and concordant articles of the Regulations of the Companies Register, the Company's Board of Directors has issued this Report in support of the proposal to amend article 25 of the Articles of Association of CEMEX LATAM HOLDINGS and to provide the wording for the full text of the proposed amendment to the Articles of Association. For the record, the proposed amendment to the Articles of Association has been favourably reported on by the Corporate Governance Committee.

2.3. Proposed amendment to the Articles of Association

The proposal is that article 25 of the Articles of Association be amended to provide that, in addition to being held in person, the General Meeting of Shareholders may be held both virtually and in person, as well as the possibility that virtual-only General Meetings of Shareholders may be held, as established in articles 182 and 182 bis of the Companies Act, and consequently that article 25 be worded as follows:

“Article 25.- Place and time of meeting

1. *The General Meeting of Shareholders shall be held at the place within the territory of the Autonomous Community of Madrid specified on the notice, other than in the event provided for in 2(iii) where a virtual-only General Meeting is held, in which case the venue shall be deemed to be the registered office.*
2. *The Board of Directors shall, in the notice of the General Meeting, specify that the Meeting shall be attended in any of the following ways:*
 - (i) *In person, going to the place where the meeting is to be held, or, as the case may be, to any other place or places decided by the Company, as specified in the notice, and connected thereto by any valid systems allowing: (i) recognition and identification of attendees; (ii) permanent communication between those present, whatever their location may be; and (iii) participation and voting; all in real time. Those present at any of those places shall be deemed, for all purposes related to the General Meeting of Shareholders, to be present at the same and only meeting; or*

- (ii) *In person and with the possibility of also who attend online, adopting proper safeguards as to the identity of shareholders, or their representatives, who attend online. The notice shall describe the deadlines, procedures and methods for the exercise of the shareholder rights provided for by the Board of Directors in order to allow the Meeting to proceed properly; or*
- (iii) *Virtually only and therefore without the physical presence of shareholders and their representatives. In this event of a virtual-only General Meeting of Shareholders being held, the General Meeting shall be deemed to have been held at the registered office, whatever the location of the chair of the General Meeting of Shareholders may be. The notice shall specify the actions and procedures required to register and draw up the list of those present in order that they may exercise their rights and for this to be duly recorded in the minutes of the Meeting.*

Shareholders may in all cases confer proxy and vote remotely as provided for in the Company's Internal Regulations.

3. *The General Meeting of Shareholders may, provided that there are proper reasons to do so, resolve to extend itself for one or several days running, at the proposal of the chair of the General Meeting, a majority of the directors in attendance or at the request of a number of shareholders representing at least twenty-five per cent (25%) of the share capital present at the Meeting. Regardless of the number of sessions, the General Meeting of Shareholders shall be deemed to be only one and single minutes shall be drawn up covering all sessions."*

3. Full text of the proposed amendment to the Articles of Association

The proposed amendment to the Articles of Association, if approved by the General Meeting of Shareholders, will imply amending the article of the Articles of Association referred to in this Report. In this connection, and in order to allow shareholders to compare the new wording of the article proposed to be amended and its current wording, a comparison between both wordings is attached as **Annex I** hereto.

Madrid, 25 May 2022

ANNEX 1

**COMPARATIVE VERSION OF ARTICLE 25 OF THE ARTICLES OF
ASSOCIATION OF CEMEX LATAM HOLDINGS, S.A.**

| <u>Current wording</u> | <u>New proposed wording</u> |
|---|---|
| <p>Article 25.- Place and time of meeting</p> <p>1. The General Meeting of Shareholders shall be held at the place within the territory of the Autonomous Community of Madrid specified in the notice.</p> <p>2. The General Meeting of Shareholders may be attended by going to the place where the meeting is to be held or, as the case may be, to any other place or places decided by the Company, as specified in the notice, and connected thereto by any valid systems allowing: (i) recognition and identification of attendees; (ii) permanent communication between those present, whatever their location may be; and (iii) participation and voting; all in real time. Those present at any of those places shall be deemed, for all purposes related to the General Meeting of Shareholders, to be present at the same and only meeting.</p> | <p>Article 25.- Place and time of meeting</p> <p>1. The General Meeting of Shareholders shall be held at the place within the territory of the Autonomous Community of Madrid specified in the notice, other than in the event provided for in 2(iii) where a virtual-only General Meeting is held, in which case the venue shall be deemed to be the registered office.</p> <p>2. The Board of Directors shall, in the notice of the General Meeting, specify that the Meeting shall be attended in any of the following ways:</p> <p>(i) In person, going to the place where the meeting is to be held, or, as the case may be, to any other place or places decided by the Company, as specified in the notice, and connected thereto by any valid systems allowing: (i) recognition and identification of attendees; (ii) permanent communication between those present, whatever their location may be; and (iii) participation and voting; all in real time. Those present at any of those places shall be deemed, for all purposes related to the General Meeting of Shareholders, to be present at the same and only meeting; or</p> <p>(ii) In person and with the possibility of also who attend online, adopting proper safeguards as to the identity of shareholders, or their representatives, who attend online. The notice shall describe the deadlines, procedures and methods for the exercise of the shareholder rights provided for by the Board of Directors in order to allow the Meeting to proceed properly; or</p> <p>(iii) Virtually only and therefore without the physical presence of shareholders and their representatives. In this event of a virtual-only General Meeting of</p> |

| | |
|---|--|
| <p>3. The General Meeting of Shareholders may, provided that there are proper reasons to do so, resolve to extend itself for one or several days running, at the proposal of the chair of the General Meeting, a majority of the directors in attendance or at the request of a number of shareholders representing at least twenty-five per cent (25%) of the share capital present at the Meeting. Regardless of the number of sessions, the General Meeting of Shareholders shall be deemed to be only one and single minutes shall be drawn up covering all sessions.</p> | <p>Shareholders being held, the General Meeting shall be deemed to have been held at the registered office, whatever the location of the chair of the General Meeting of Shareholders may be. The notice shall specify the actions and procedures required to register and draw up the list of those present in order that they may exercise their rights and for this to be duly recorded in the minutes of the Meeting.</p> <p>Shareholders may in all cases confer proxy and vote remotely as provided for in the Company's Internal Regulations.</p> <p>3. The General Meeting of Shareholders may, provided that there are proper reasons to do so, resolve to extend itself for one or several days running, at the proposal of the chair of the General Meeting, a majority of the directors in attendance or at the request of a number of shareholders representing at least twenty-five per cent (25%) of the share capital present at the Meeting. Regardless of the number of sessions, the General Meeting of Shareholders shall be deemed to be only one and single minutes shall be drawn up covering all sessions.</p> |
|---|--|