

# CEMEX Presentation

September 2022



Building a better future

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Readers should review future reports filed by us with the U.S. Securities and Exchange Commission and the Mexican Stock Exchange (Bolsa Mexicana de Valores). This presentation also includes statistical data regarding the production, distribution, marketing and sale of cement, ready mix concrete, clinker, aggregates and Urbanization Solutions. Unless the context indicates otherwise, all references to pricing initiatives, price increases or decreases, refer to CEMEX’s prices for CEMEX’s products. We generated some of this data internally, and some was obtained from independent industry publications and reports that we believe to be reliable sources. We have not independently verified this data nor sought the consent of any organizations to refer to their reports in this presentation.

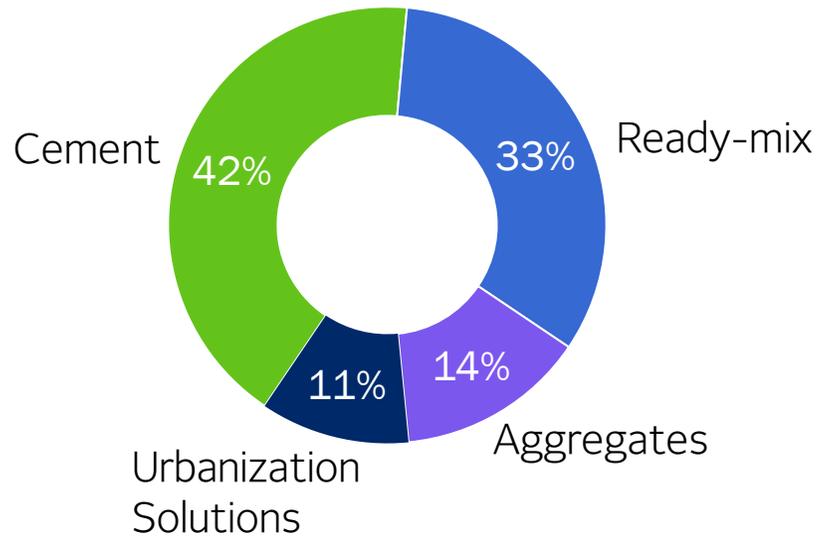
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BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS, AS APPLICABLE

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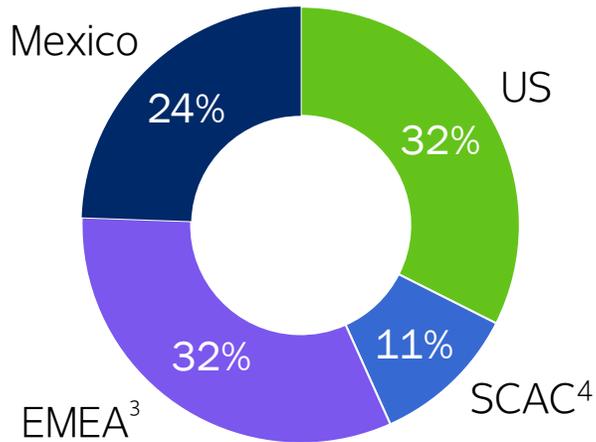
# Global presence with strong position in the Americas

**1H22 Sales  
~\$7.9 B**

by product<sup>1</sup>

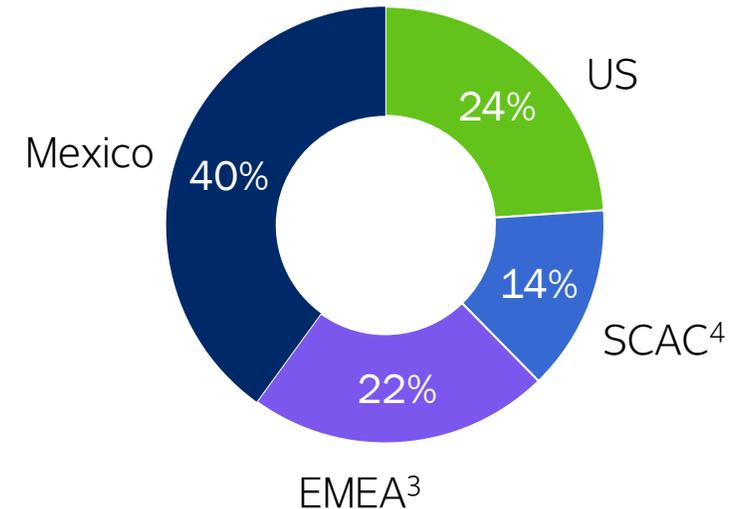


by region<sup>2</sup>



**1H22 EBITDA  
~\$1.4 B**

by region<sup>2</sup>



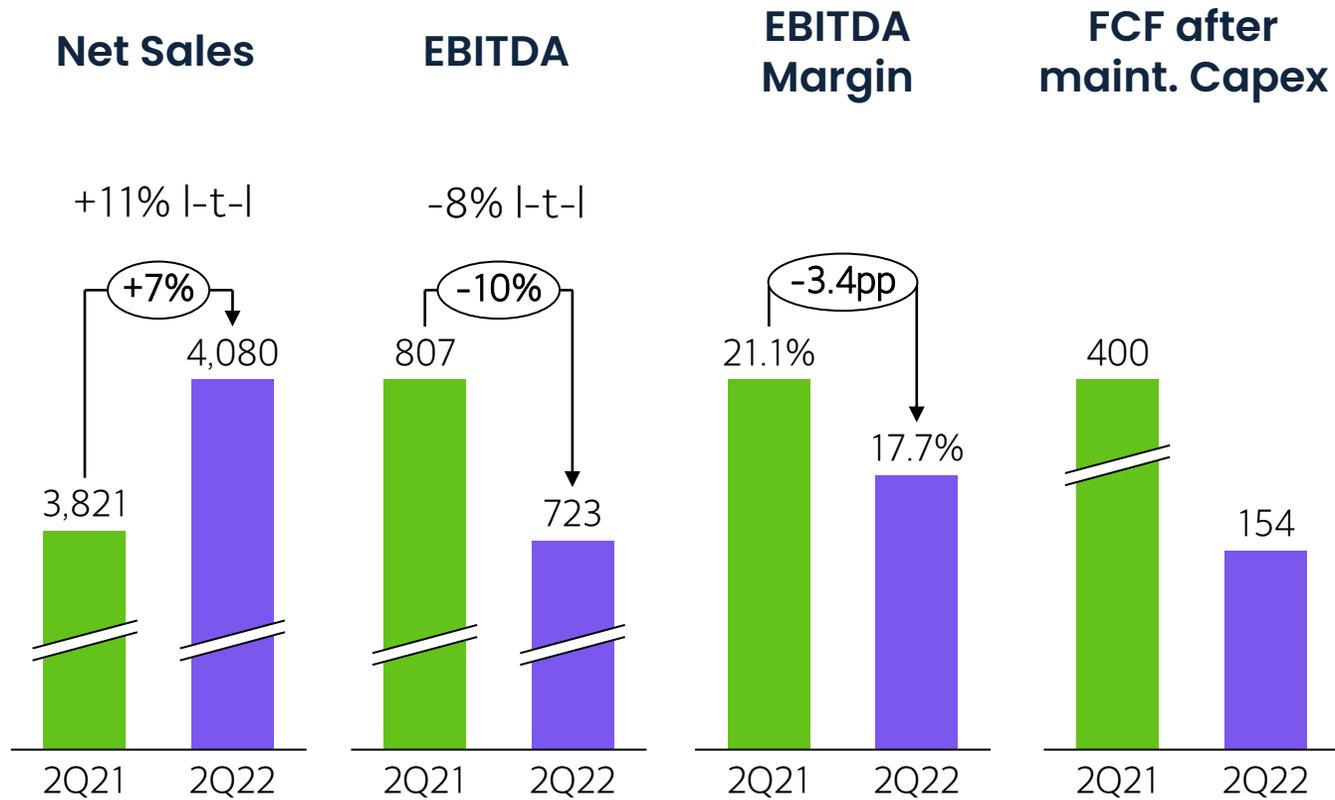
1) Percentages before others and eliminations  
3) Europe, Middle East, Africa and Asia

2) Percentages before others and intercompany eliminations  
4) South, Central America and the Caribbean

# Key achievements in 2nd Quarter 2022

- Double-digit growth in Sales, with all regions contributing
- Mid-teen percentage price growth for cement, ready-mix and aggregates
- YTD prices covering cost inflation
- EMEA region with high single-digit EBITDA growth
- Urbanization Solutions Sales and EBITDA growing double-digit
- Strengthening our 2030 Climate Action commitments
- Reduction of ~3% in CO<sub>2</sub> emissions vs 4Q21
- Upgrade from Fitch Ratings; only one notch away from IG rating
- ROCE at 13.2%<sup>1</sup>, well above our cost of capital
- Evolving our CEMEX Go platform into a full automated experience

# Sales growth driven by pricing

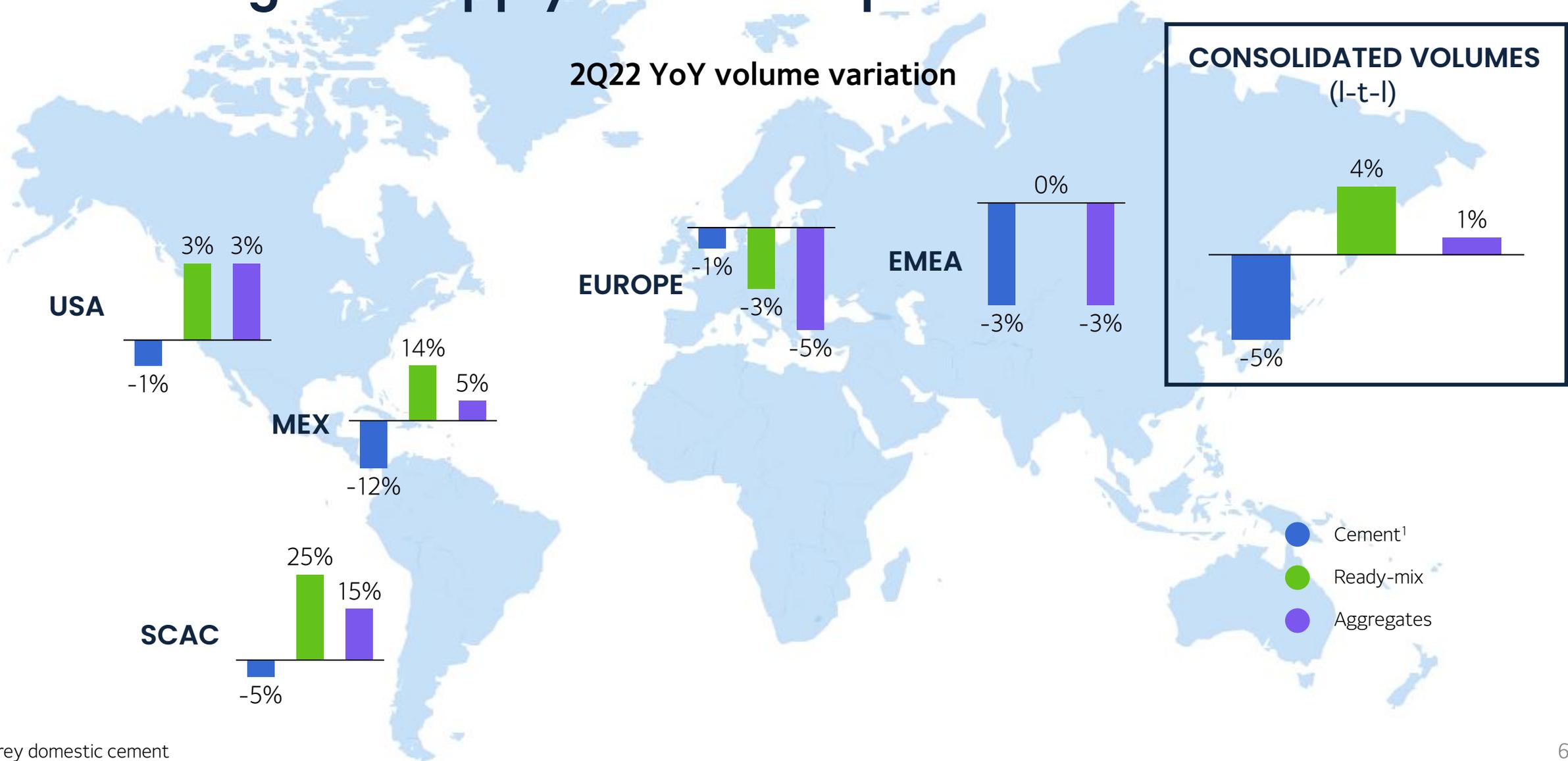


Sales growth in all regions with high single-digit EBITDA growth in EMEA

# Cement volume performance reflects bagged cement rebalancing and supply chain disruption

2Q22 YoY volume variation

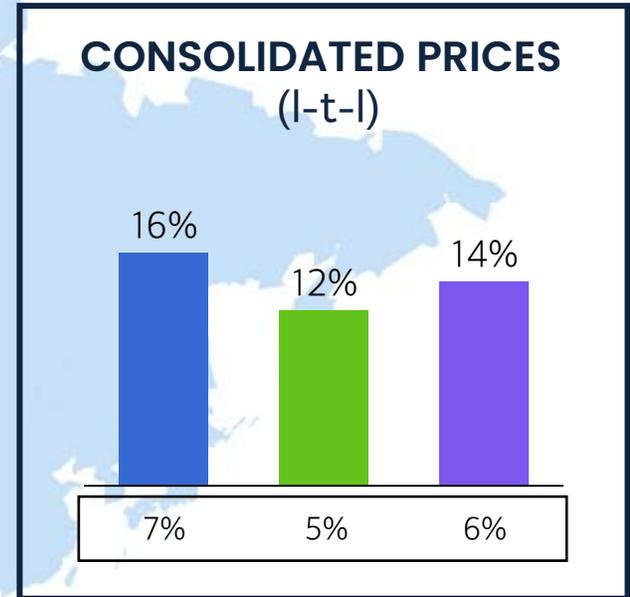
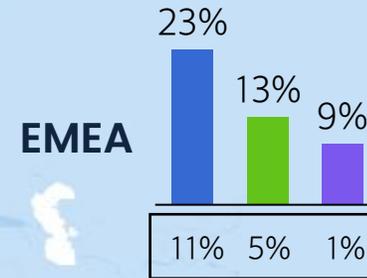
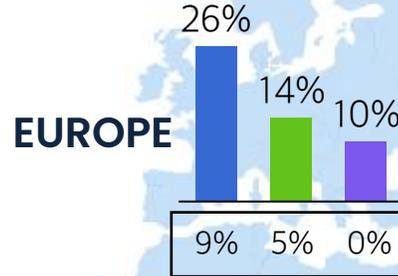
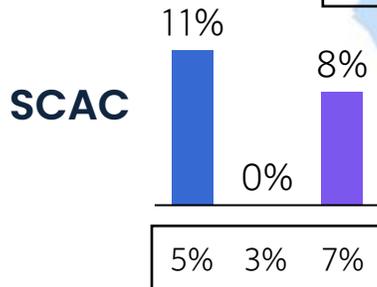
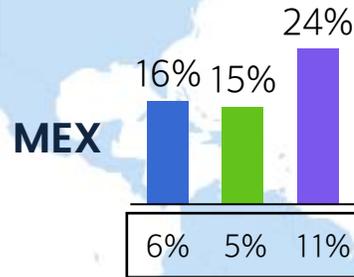
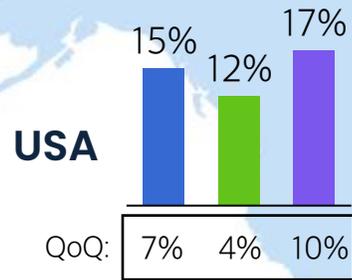
CONSOLIDATED VOLUMES (l-t-l)



1) Grey domestic cement

# Double-digit growth in pricing

## 2Q22 YoY and QoQ price change



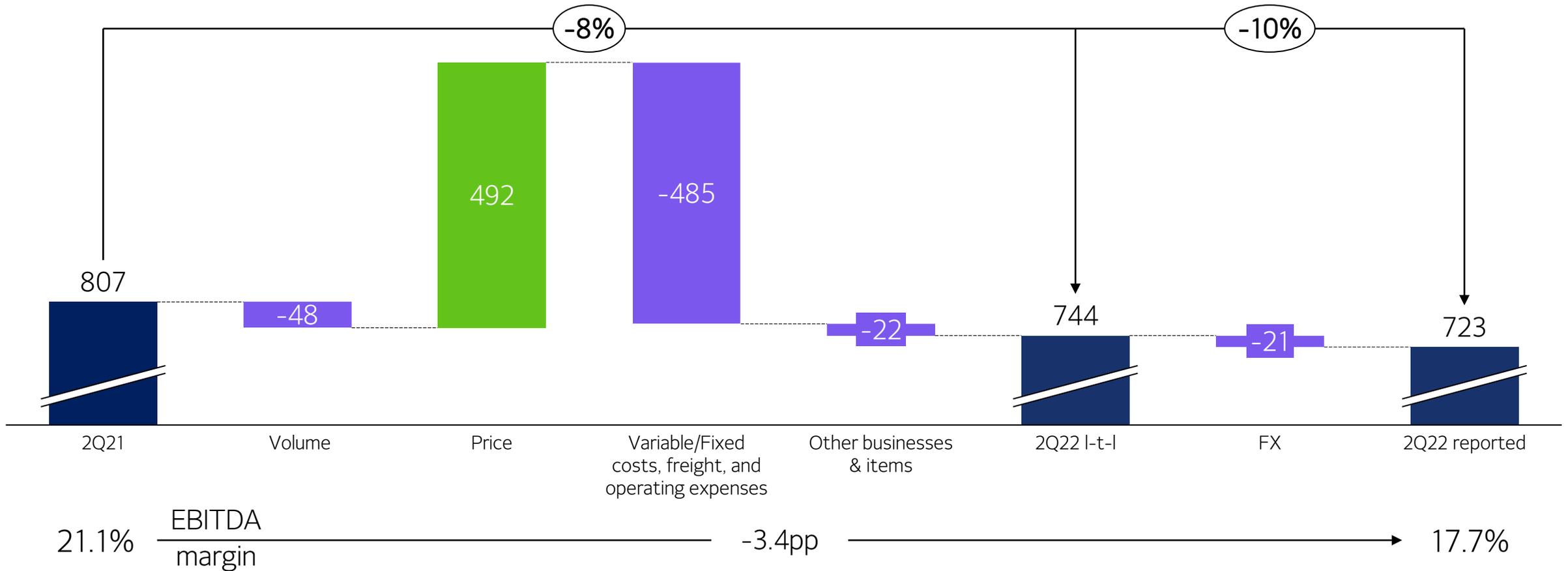
-  Sequential (1Q22 to 2Q22)
-  Cement<sup>1</sup>
-  Ready-mix
-  Aggregates

1) Grey domestic cement

Note: For CEMEX, SCAC, Europe and EMEA, prices (l-t-l) are calculated on a volume-weighted average basis at constant foreign-exchange rates

# Prices more than covering cost increases

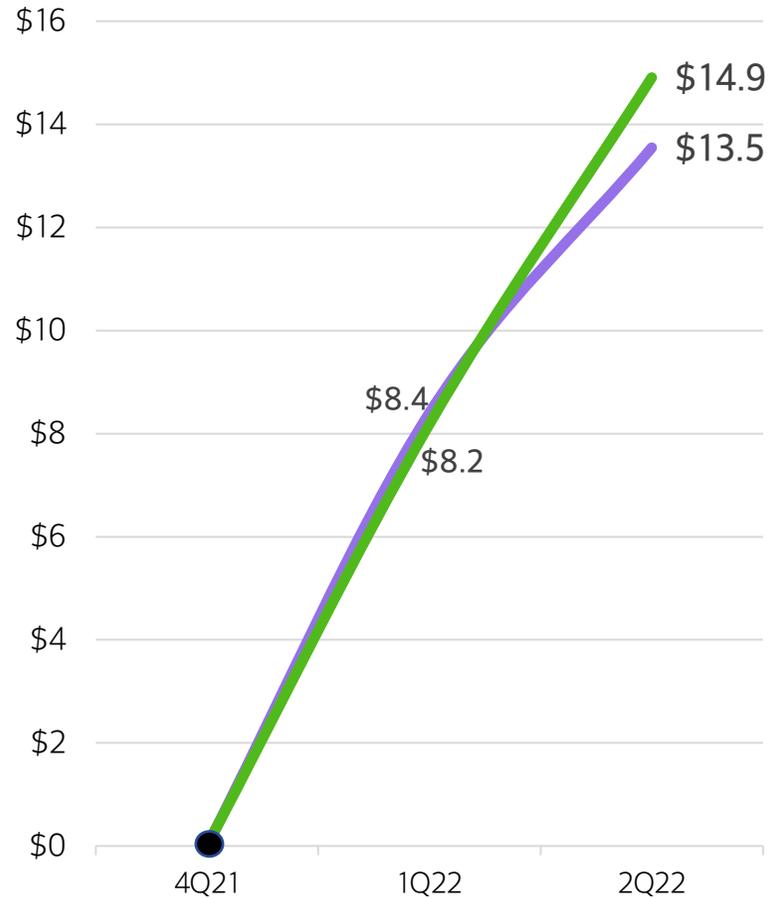
## 2Q22 EBITDA variation



# YTD pricing is covering inflation in dollar terms

Unitary Prices  
Unitary Costs

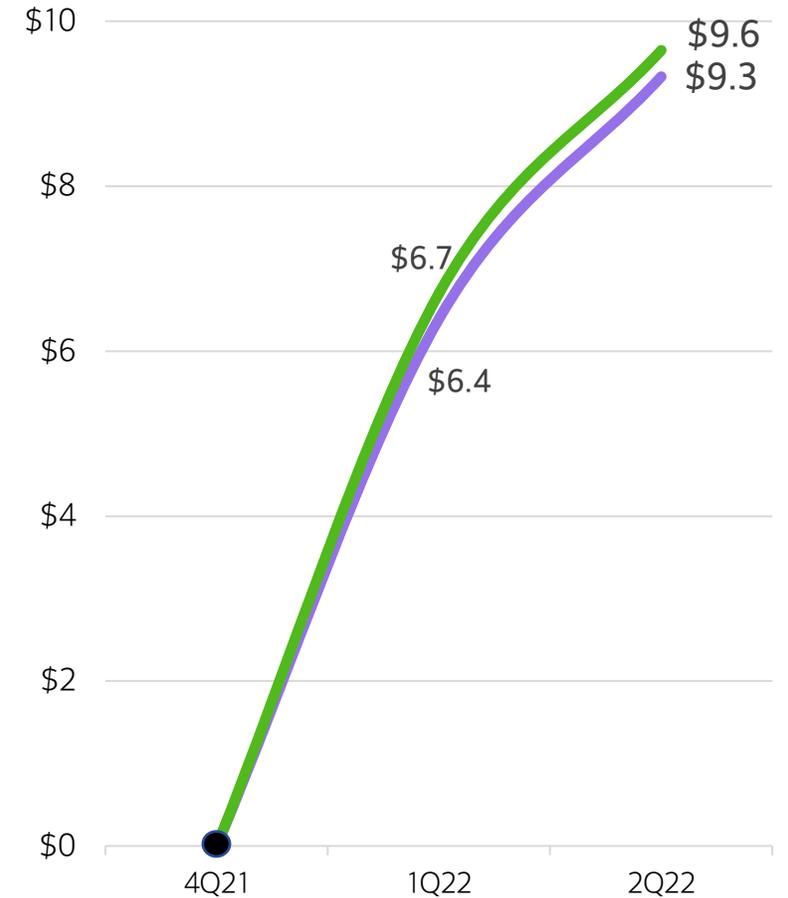
## Cement<sup>1</sup>



## Aggregates



## Ready-mix



1) Own produced cement

# Advancing our sustainability agenda through Future in Action program

Sustainable products and solutions

Innovation



Decarbonizing operations

Promoting a circular and green economy

**CO<sub>2</sub> emissions declined ~3% in 1H22**

- Deliver Net Zero CO<sub>2</sub> concrete<sup>1</sup> by 2050
  - Joined Race to Zero
  - Committed to Net Zero under a 1.5° Scenario



- Aggressive 2030 targets<sup>2</sup> validated with SBTi
  - Under Well-Below 2° Scenario
  - The most ambitious pathway currently available for our industry



1) Refers to scope 1, 2 and 3 emissions  
 2) Refers to scope 1 and 2 emissions

# Set ambitious scope 3 and managed waste targets

- Scope 3 target of ~20% reduction in purchased clinker, cement, fuels, and transportation vs. 2020 baseline



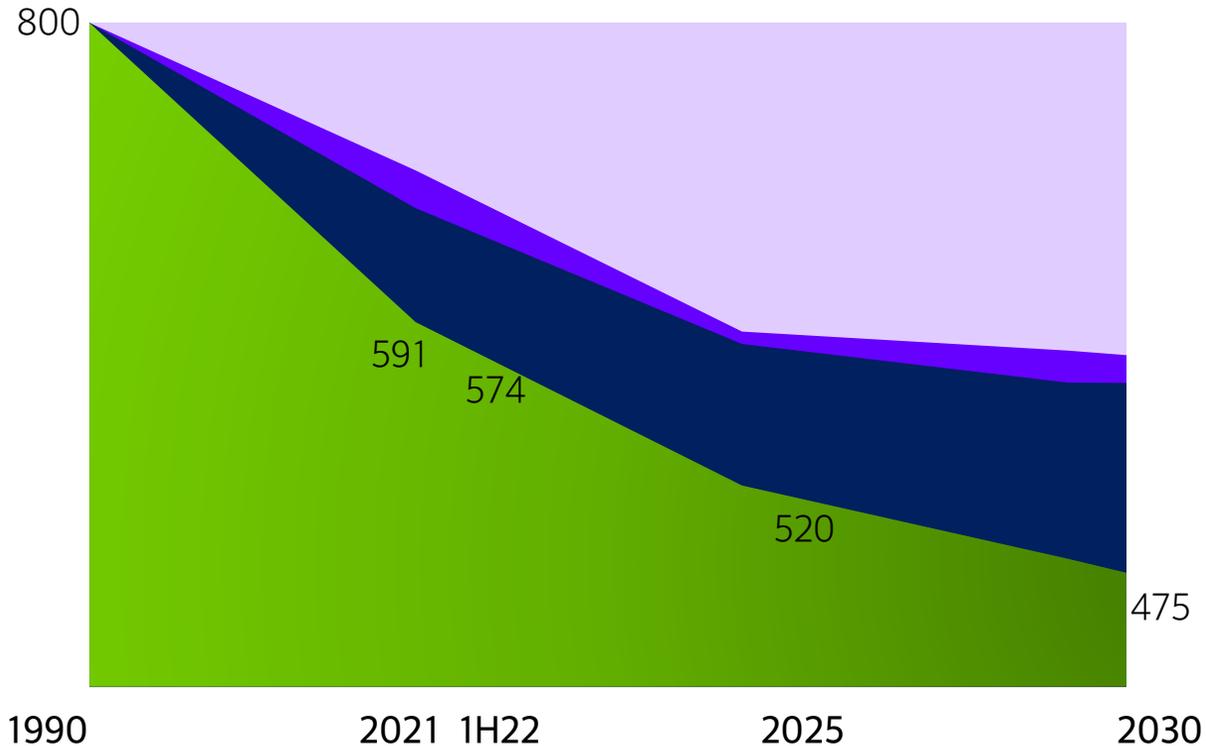
- Circular economy target of 40 M tons of managed waste by 2030 (80% increase vs. 2021)





# Our 2030 roadmap – a 40% CO<sub>2</sub> reduction

Net Kg of CO<sub>2</sub> per ton of cementitious



Alternative fuels  
Clinker factor

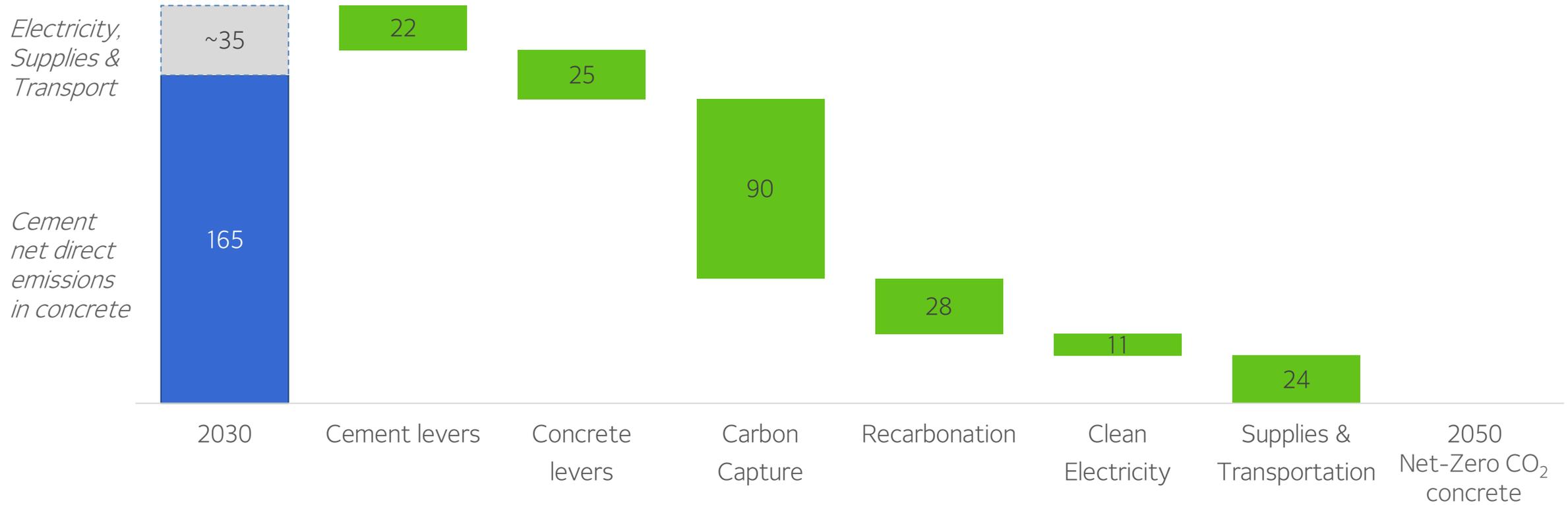
Thermal efficiency  
Remaining emissions

- ✓ Developed a detailed plant by plant roadmap
- ✓ Existing and proven technology that we have been using in Europe
- ✓ Main levers include increasing alternative fuels with high biomass content and reduction of clinker factor
- ✓ Pace of regional decarbonization influenced by local norms and regulations



# 2030 to 2050 Roadmap to Net Zero CO<sub>2</sub> Concrete

Net kg CO<sub>2</sub> per m<sup>3</sup>



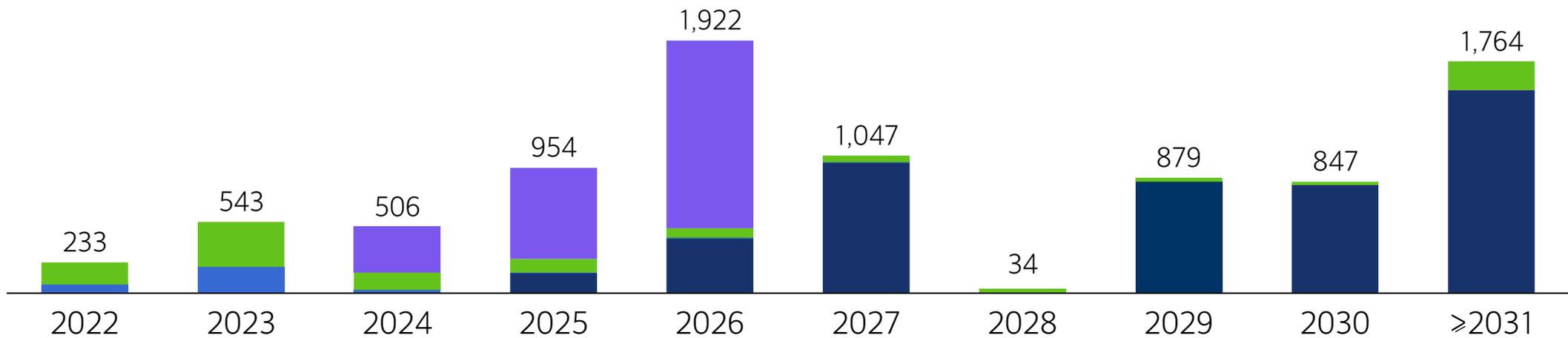
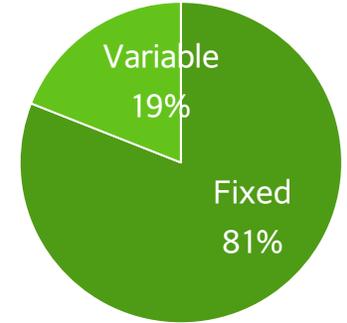
# Debt maturity profile as of June 30, 2022

Total debt as of June 30, 2022: \$8,729 million

Average life of debt:  
5.6 years

- 2021 Credit Agreement
- Other bank debt
- Fixed Income
- Leases

By interest rate<sup>1</sup>



Millions of U.S. dollars

1) Includes the effect of our interest rate derivatives

# 2022 guidance<sup>1</sup>

Operating EBITDA <sup>2</sup>	Low to mid single-digit growth
Consolidated volume growth	Flat for Cement Low to mid single-digit increase for Ready-mix Low to mid single-digit increase for Aggregates
Energy cost/ton of cement produced	~35% increase
Capital expenditures	~\$1,300 million total ~\$800 M Maintenance, ~\$500 M Strategic
Investment in working capital	~\$200 million
Cash taxes	~\$200 million
Cost of debt <sup>3</sup>	Reduction of ~\$20 million

1) Reflects CEMEX's expectation as of July 28th, 2022

2) Like-to-like for ongoing operations

3) Including perpetual bonds and subordinated notes with no fixed maturity and the effect of our EUR-USD cross-currency swap

# Regional Highlights



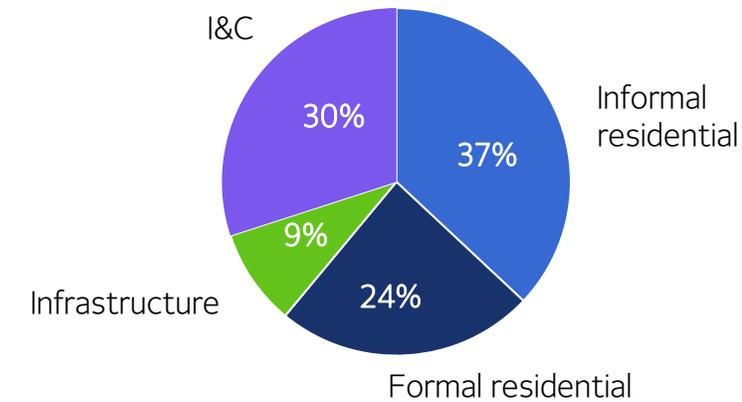
Building a better future

Avancer Tower, San Luis, Mexico  
Built with Fortis, part of our Vertua family of sustainable products

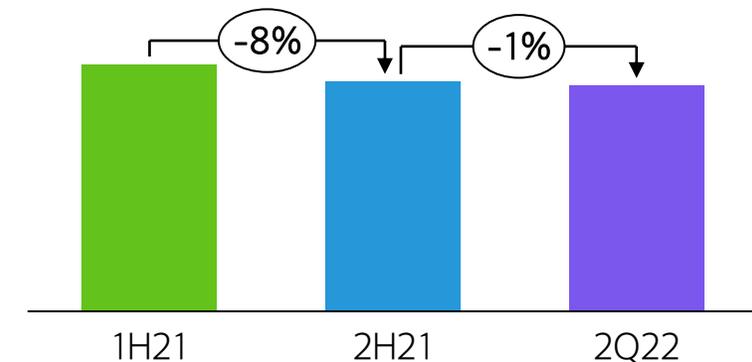
# Mexico: Successful pricing strategy driving top line growth

- Volumes continue to be driven by industrial sector with buildout of electronics and furniture manufacturing in northern states
- Commercial sector improving, supported by hotel construction as the country embraces an influx of tourists
- Bagged cement volumes returned to normalized levels; difficult prior year comp lapses in 2H22
- Pricing strategy contributing significantly to EBITDA and margin, but was more than offset by higher energy and supply chain costs, as well as by product mix
- Announced 2H22 price increases in all products effective July 1st
- Our Urbanization Solutions business continues to expand on back of waste management, admixtures and Construrama Supply operations
- Expect low to mid-single digit volume decline for cement while ready-mix and aggregates increase high single digit, and low to mid single digit, respectively, for 2022

## Cement industry demand<sup>1</sup>



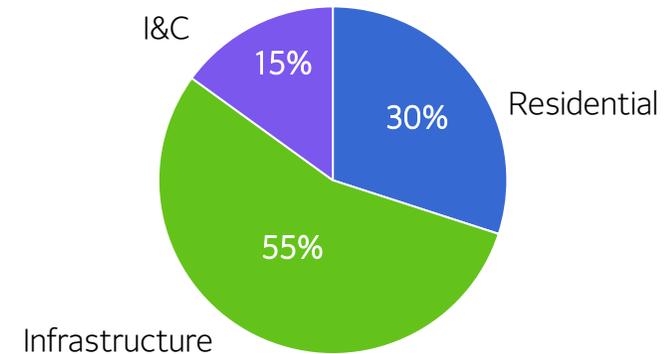
## Domestic gray cement volumes<sup>2</sup>



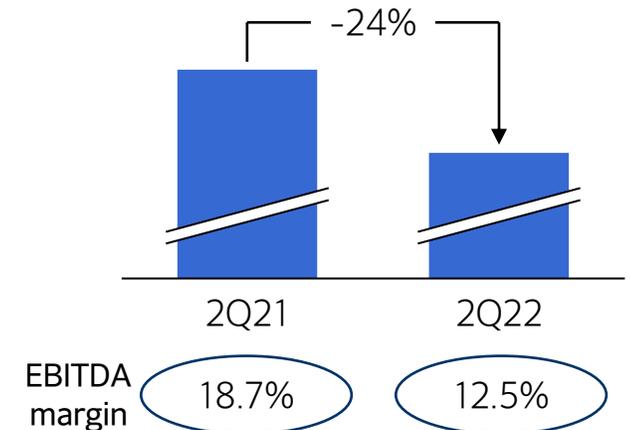
# US: Strong pricing momentum but profitability impacted by supply chain disruption

- Robust top line growth driven by pricing strategy, with double-digit YTD price growth for our products
- Sequential price improvement of 4% to 10% for three core products
- EBITDA margin impacted by higher energy, maintenance, imports and logistics
- With 80% of annual scheduled shutdowns in 1H22 and less pressure on supply chain, we expect margins to improve in 2H22
- Slight decline in cement volumes a consequence of low inventories, heavy maintenance, and import disruptions
- Expecting industrial & commercial to continue growing due to onshoring of manufacturing activity
- New Infrastructure Investment and Jobs Act should yield incremental demand as we head into 2023
- Guiding for low single-digit increase volume growth in all core products for 2022

Cement industry demand<sup>1</sup>



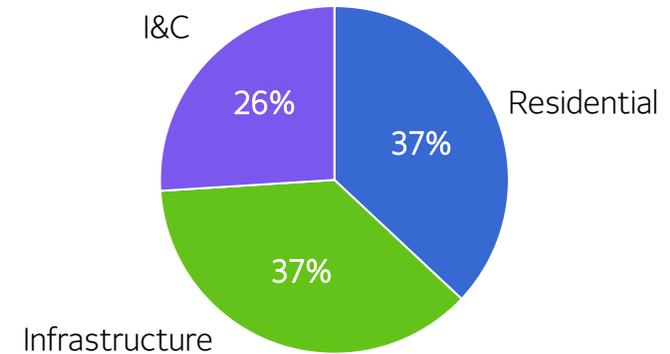
EBITDA  
\$M



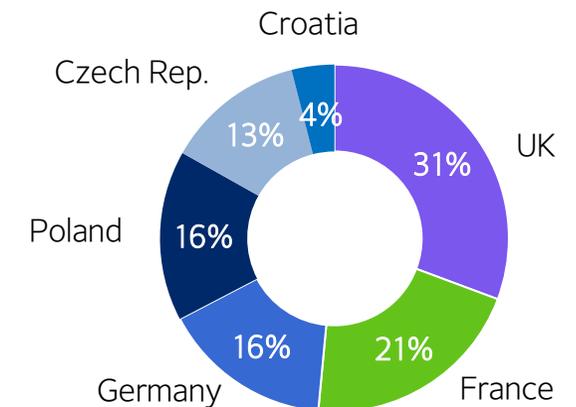
# Europe: Double-digit YTD EBITDA growth as a result of successful pricing strategy

- Despite significant macro volatility, resilient region benefiting from consolidated vertical footprint, diversified business, and leadership in alternative fuels and renewable energy
- YTD EBITDA growth of 12% with flattish EBITDA margin, supported by successful pricing strategy
- Cement prices rising 9% sequentially in 2Q22, and 26% YoY
- Reached 40% reduction of CO<sub>2</sub>, our global target for 2030. Region well on its way to achieve goal of 55% by 2030
- Achieved ~70% alternative fuels usage, among the highest in the industry
- The Renovation Wave, energy transition, defense spending and other relevant infrastructure investments should support volumes in the following years
- Guiding for 2022 volumes to be flat for cement and aggregates, and flat to low single-digit decline for ready-mix

Europe cement industry demand<sup>1</sup>



2021 Europe EBITDA by country<sup>2</sup>



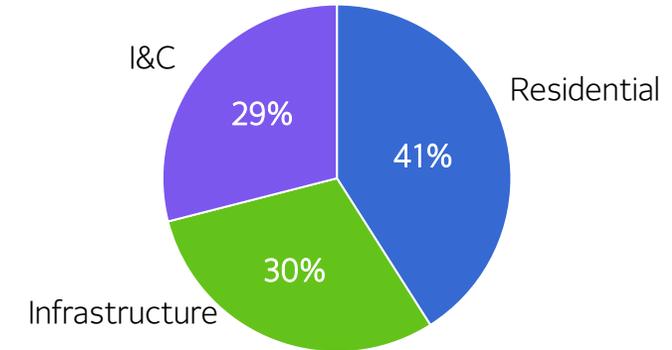
1) CEMEX estimates

2) Percentages before intercompany eliminations

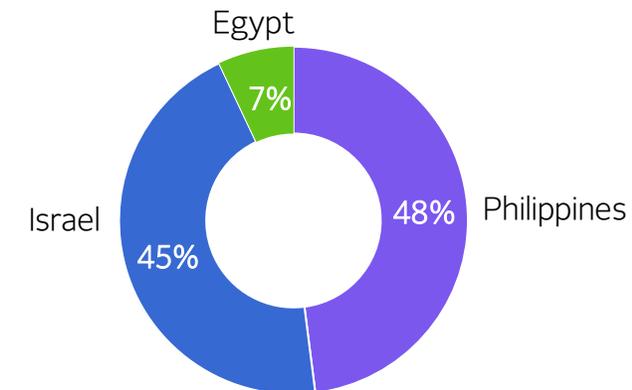
# MEAA: Robust performance in Israel and Egypt

- In Israel, strong construction activity continued, with ready-mix and aggregates volumes and sequential pricing achieving mid-single digit growth
- In Egypt, EBITDA keeps improving, driven by industry rationalization plan announced by the government last year
- In the Philippines, cement volumes declined 11% mainly as a result of bad weather and construction contract ban in leadup to election. Cement prices grew 3% sequentially, the fifth consecutive quarter of improvement
- Expecting flat to low single-digit decline in cement volumes in the Philippines, while flat and low single-digit volume growth for ready-mix and aggregates, respectively, in Israel, for 2022

MEAA Cement industry demand<sup>1</sup>



2021 MEAA EBITDA by country<sup>2</sup>



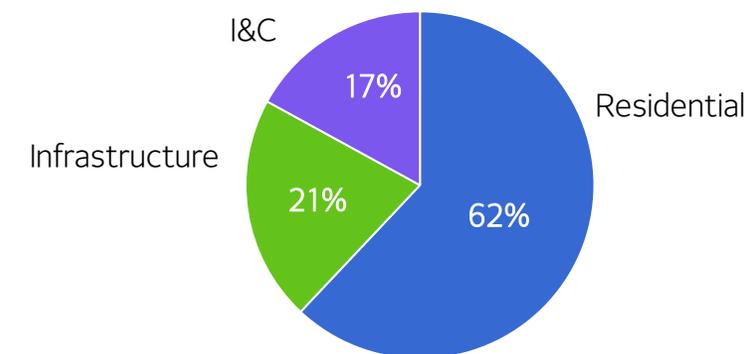
1) CEMEX estimates

2) Percentages before intercompany eliminations. MEAA: Middle East, Africa and Asia

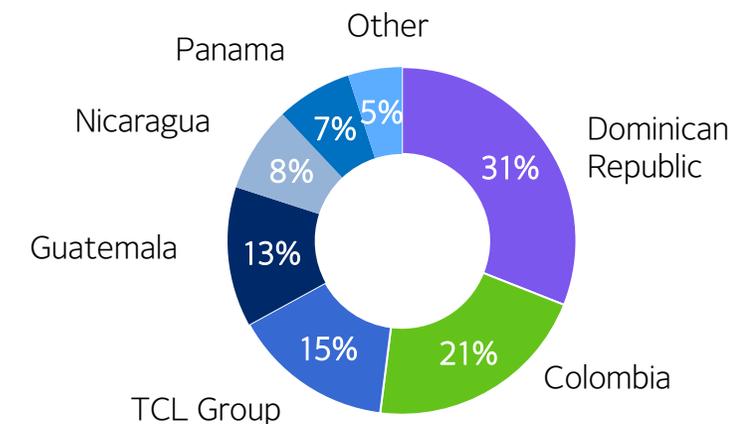
# SCAC: Double-digit growth in Net Sales driven by prices

- Top line driven by 11% growth in cement prices.
- Recovery of the formal sector supported by a pickup in tourism and housing while bagged cement volumes return to more normalized levels
- Quarterly EBITDA declined 7%, impacted by higher energy and maintenance costs and lower cement volumes
- In Colombia, cement volumes declined 6% as a result of our pricing strategy
- In the Dominican Republic, cement volumes declined 4% mainly due to the rebalancing of bagged cement volumes while prices increased 17% in local currency terms
- Formal sector activity in the Dominican Republic continues to recover mainly driven by tourism, formal housing, and initiation of large infrastructure projects
- In Colombia, guiding for flat cement volumes and low teens increase for ready-mix
- Expecting Dominican Republic cement volumes to have a low single-digit decrease and increasing in the low teens percentage for ready-mix

Cement industry demand<sup>1</sup>



2021 SCAC EBITDA by country<sup>2</sup>



1) CEMEX estimates

2) Percentages before intercompany eliminations.

# | Annex



Building a better future

# 2022 expected volume outlook<sup>1</sup>: selected countries/regions

	Cement	Ready-mix	Aggregates
<b>CEMEX</b>	Flat	Low to mid single-digit increase	Low to mid single-digit increase
<b>Mexico</b>	Low to mid single-digit decline	High single-digit increase	Low to mid single-digit increase
<b>USA</b>	Low single-digit increase	Low single-digit increase	Low single-digit increase
<b>Europe</b>	Flat	Flat to low single-digit decline	Flat
<b>Colombia</b>	Flat	Low teens increase	N/A
<b>Panama</b>	Low to mid single-digit increase	At least 20% increase	N/A
<b>Dominican Republic</b>	Low single-digit decrease	Low teens increase	N/A
<b>Israel</b>	N/A	Flat	Low single-digit increase
<b>Philippines</b>	Flat to low single-digit decrease	N/A	N/A

1) Reflects CEMEX's expectations as of July 28, 2022. Volumes on a like-to-like basis

# Relevant ESG indicators

Carbon strategy	1H22	1H21	2021
Kg of CO <sub>2</sub> per ton of cementitious	574	599	591
Alternative fuels (%)	33%	28%	29%
Clinker factor	74.5%	76.1%	75.8%

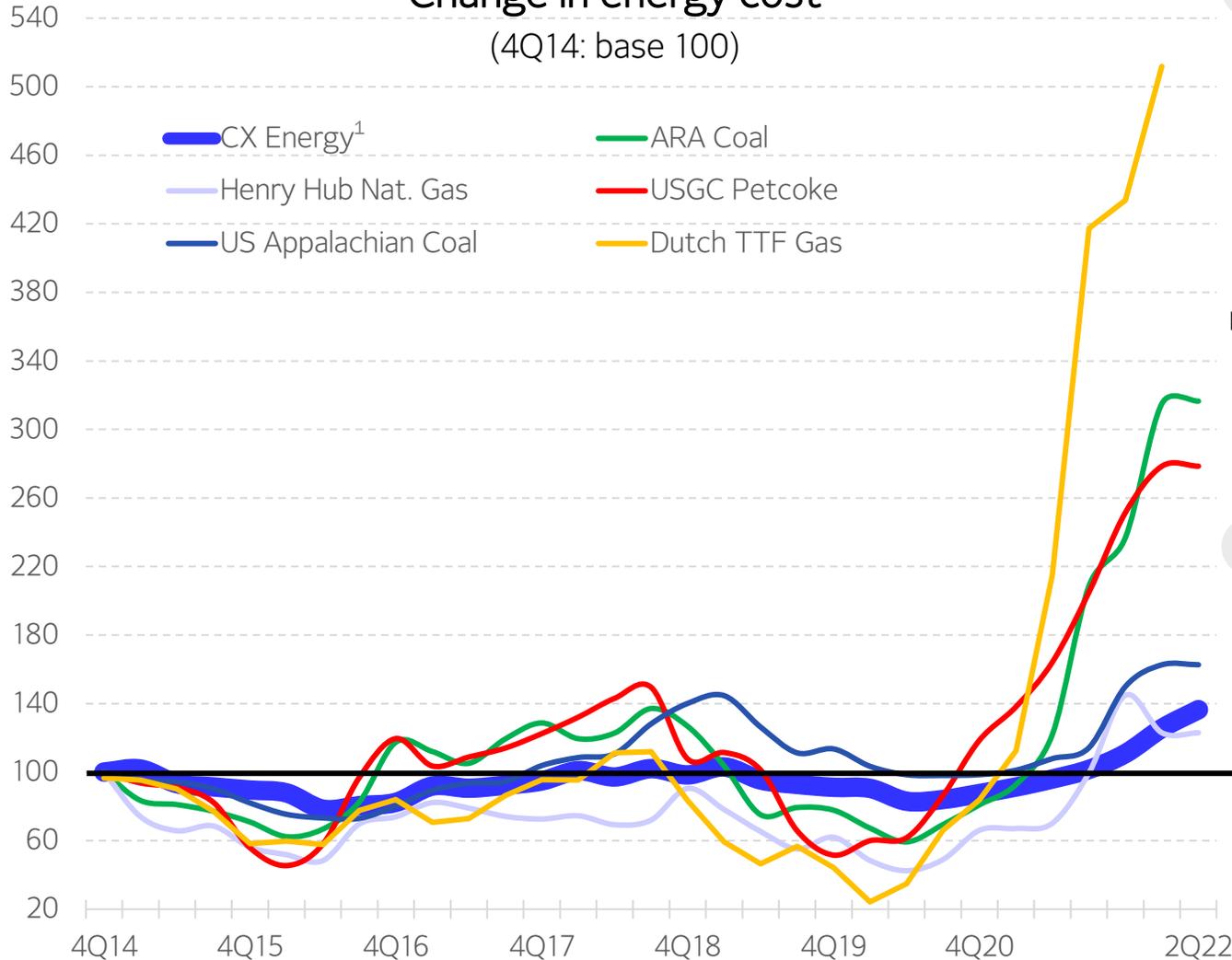
Low-carbon products	1H22	1H21	2021
Blended cement as % of total cement produced	74%	70%	68%
Vertua concrete as % of total	32%	20%	20%

Customers and suppliers	2Q22	2Q21	2021
Net Promoter Score (NPS)	66	68	70
% of sales using CX Go	59%	66%	62%

Health and safety	1H22	1H21	2021
Employee fatalities	1	0	1
Employee L-T-I frequency rate	0.5	0.5	0.5
Operations with zero fatalities and injuries (%)	98%	98%	95%

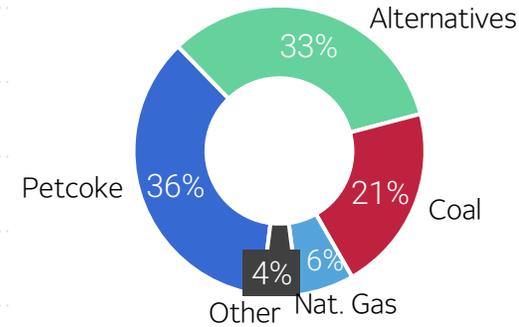
# Partially mitigating energy volatility

Change in energy cost  
(4Q14: base 100)

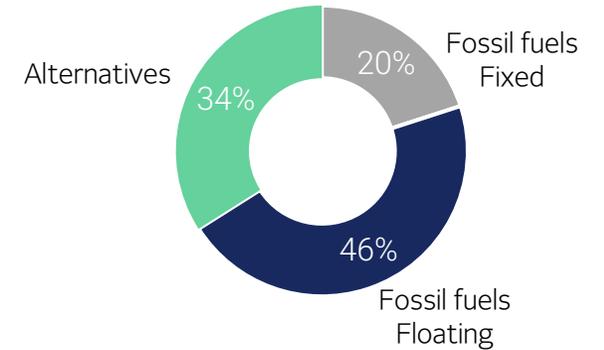


Kiln fuels - 5% of COGS + Operating Exp. in 2021

YTD 2022  
Fuel Source<sup>2</sup>

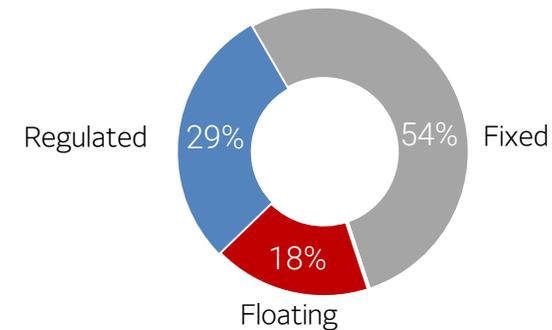


2022e  
Fuel price structure<sup>2</sup>



Electricity - 4% of COGS + Operating Exp. in 2021

2022e  
Power price structure<sup>2</sup>



1) CX energy cost (kiln fuel and electricity) per ton of cement produced  
2) Based on expected consumption of kilocalories for fuels, and consumption of megawatt hours for power

# Important progress in growth strategy

**~\$1.2 B**

approved bolt-on investment pipeline

**~\$100 M**

of incremental EBITDA for 2022 from growth strategy

*Latest developments:*

- Optimizing our portfolio through:
  - Pending divestment of **Costa Rica and El Salvador**
  - **Partnership for digital growth with Advent in Neoris**
    - Strengthens our leadership in industry's digital transformation
    - 65% of Neoris for ~\$120 M
  - **Expansion of aggregates** business in **Germany**, accompanied by aggregates recycling capabilities

## Urbanization Solutions

*Portfolio:*



**Performance Materials**



**Industrialized Construction**



**Waste Management Circular Economy**



**Related Services**

*Recent investments:*

- Germany: admixtures plant upgrade



- US: Florida block plants



- Mexico: Recycling facility



- Mexico: Consturama Supply warehouses



**Urb Sol: Offering a wide array of complementary solutions to **build** the sustainable cities of the future**

# Evolving CEMEX Go to fully automated customer experience

## Commercial

- Full digital integration within our supply chain network to offer real-time options to our customers
- Automated digital confirmations to customers
- Agility to quickly respond to the unexpected
- Expecting to materially boost our adoption rate, beyond our current 60% of sales processed through CX Go
- Increased operational efficiencies and improved customer experience



# Green Financing Framework: first of its kind in our industry

Our **Green Financing Framework**, first in our industry, extends beyond our decarbonization goals to include air quality, clean electricity and water management

## Project categories



Pollution  
Prevention  
& Control



Renewable  
Energy



Energy  
efficiency



Clean  
transportation



Sustainable  
Water and  
Wastewater  
management

To be eligible, projects must adhere to EU Taxonomy which includes certain thresholds such as:

- Facilities are expected to result in a carbon intensity below 546 tons of CO<sub>2</sub> per ton of cementitious product by 2025.
- Average carbon intensity of the electricity produced that is used for hydrogen manufacturing is at or below 100 grams of CO<sub>2</sub> per kWh.



We have identified over \$500M of these projects for 2021-2025



# Innovation

## Recent developments



**First clinker produced using solar energy**



**Successful trials of electric ready-mixers**

### Americas

- Victorville, California
- Balcones, Texas
- Monterrey, Mexico

### Europe

- Rüdersdorf, Germany
- Chelm, Poland
- Synhelion, Spain
- Leilac, Germany

**7 carbon capture pilots across the globe**

**Industry pioneer in hydrogen**

Green hydrogen project in Mallorca, Spain

Hydrogen injection technologies such as HiiROC

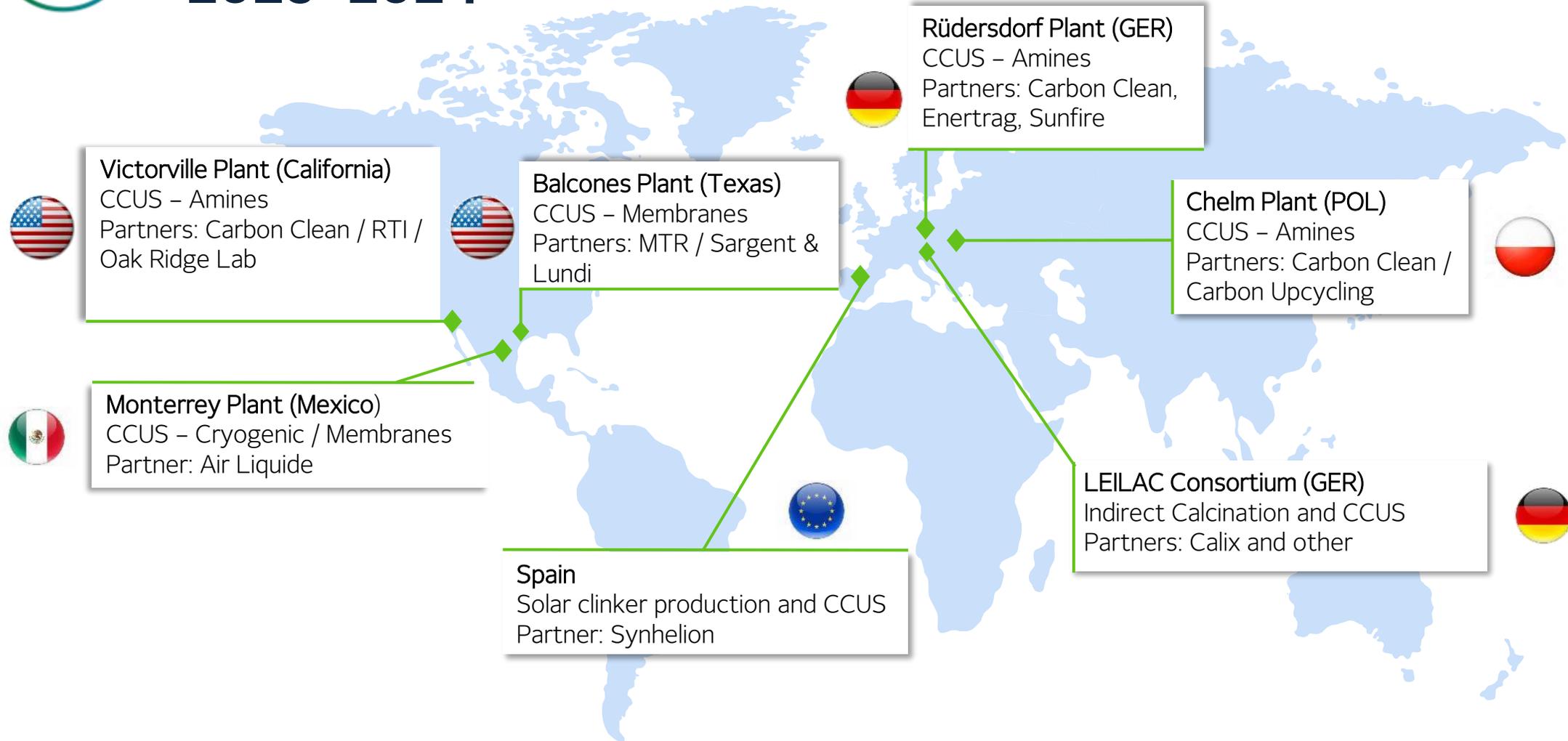


**Disciplined approach to broad spectrum of decarbonization technologies**





# Innovation - 7 Industrial scale CCUS pilots by 2023-2024



Over 30 R&D projects to mitigate CO<sub>2</sub> emissions in our value chain

# Future in Action yielding significant results

## Vertua brand evolution



Vertua ready-mix reaching  
~32% of total RM volumes



- Expanding brand to all products with sustainability attributes

CO<sub>2</sub> emissions declined  
~3% in 1H22

- >20% of cement production already below 2030 target
- Alternative fuels increased 5pp to new high of 33%
- Reduced clinker factor by 1.6pp reaching record low of 74.5%

## Reinforcing commitment towards net zero

New 2030 scope 3 and  
circular economy targets<sup>1</sup>

- Set ambitious scope 3 and managed waste targets
- Launched Green financing framework, first in industry
- Aligning variable compensation to ~4500 employees

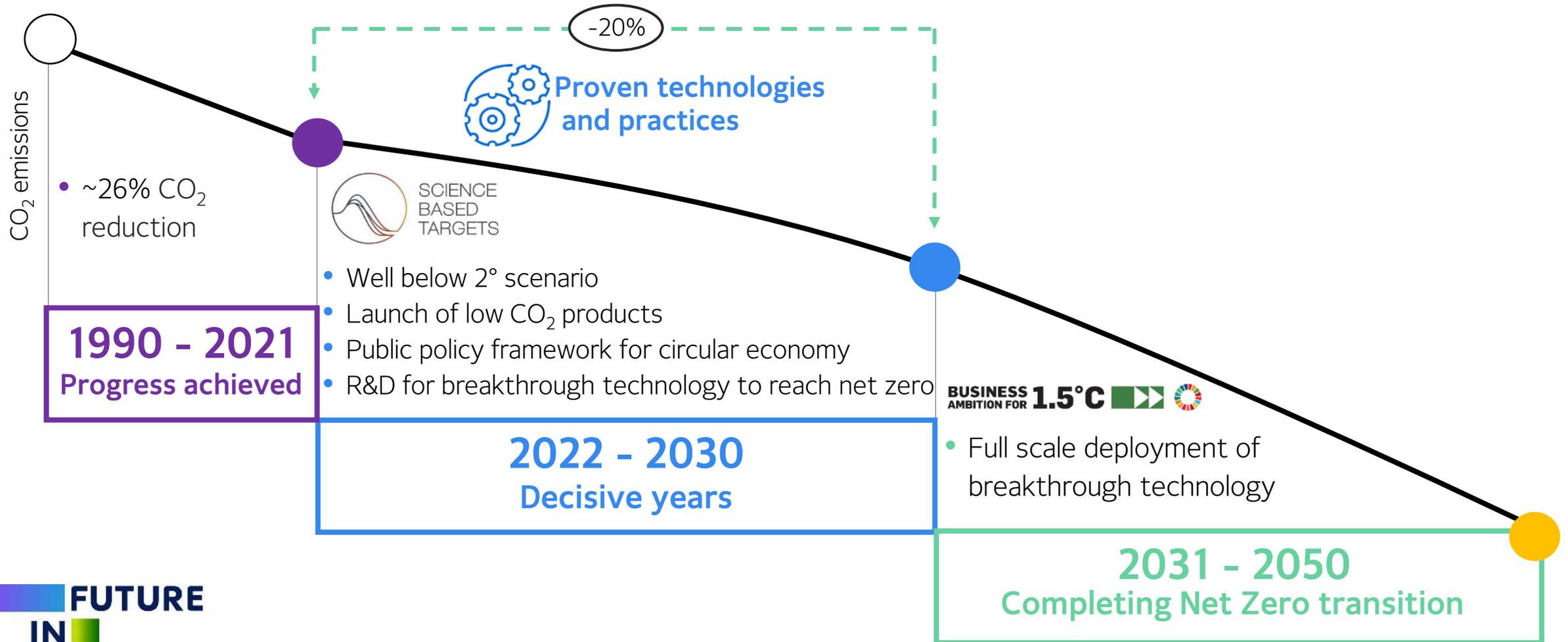
## Unlocking opportunities through innovation

**COOLBROOK**

- Working with Coolbrook to develop technology for the electrification of cement kiln heating
- Material progress in Rüdersdorf Carbon Neutral Alliance

1) Scope 3 target of ~20% reduction in purchased clinker, cement, fuels, and transportation vs. 2020 baseline. Circular Economy target of 40M tons of managed waste by 2030 (80% increase vs. 2021).

# Leading the industry towards Net Zero



# Unique footprint with superior supply chain capabilities in production constrained markets



Most markets in the Americas operating at very high capacity utilization

Shipping rates have escalated significantly

Our unique supply chain in the Americas is a competitive advantage under this environment

High flexibility to serve production constrained markets

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