



General Overview of Reports presented at CEMEX, S.A.B. de C.V.'s ("CEMEX") Ordinary General Shareholders Meeting scheduled for March 23, 2023:

Board of Directors Audit Committee's Report

As required by the laws and regulations of Mexico and CEMEX's by-laws, at CEMEX's Ordinary General Shareholders Meeting scheduled to be held of March 23, 2023 (the "Meeting"), the CEMEX Board of Director Audit Committee Report (the "Audit Committee Report") will be presented to Shareholders' approval.

All CEMEX Shareholders have to read the full Audit Committee Report in the following pages, this initial page is a general summary that provides CEMEX Shareholders with an overview of what the Audit Committee Report includes. In general, the Audit Committee Report includes a general summary of the activities carried out by the CEMEX Board of Directors Audit Committee during the full calendar year that ended on December 31, 2022, which included, among other activities:

- Specific review and audit of matter of a CEMEX subsidiary in Mexico;
- Review and analysis of contingency of a specific tax matter in Spain;
- Review of financial statements for yeard-ended December 31, 2021 and first three quarters of 2022;
- Preparation and delivery of the 2021 Audit report presented to CEMEX's ordinary General Shareholders Meeting held in March 2022;
- Review of goodwill and intangible assets at CEMEX and impairment analysis;
- Review of compliance with applicable securities laws and regulations in the Mexico and in the U.S.
- Review of information presented in CEMEX's annual report for the year-ended 2021 filed in Mexico and the U.S.;
- Review of internal audits and deficiencies around operative risks, and review of 2022 plan to mitigate operative risks and self-audits;
- Review of claims and reports presented through CEMEX's reporting system and of disciplinary measures taken during 2022.
- Review of main regulatory matters and legal proceedings
- Review of measures to enhance compliance with anticorruption laws;
- Meetings and presentations with the external auditor;
- Review of cybersecurity and ESG related information as it impacts risks and internal controls;
- Review of most relevant transactions and matters during the 2022 calendar year; and
- Other activities.

February 7, 2023

CEMEX, S.A.B. de C.V.
Board of Directors
Rogelio Zambrano Lozano
Chairman

Pursuant to article 43 of the Mexican Securities Market Law (*Ley del Mercado de Valores*), we, CEMEX, S.A.B. de C.V.'s Audit Committee (the "Company" or "CEMEX") (the "Committee") hereby submit through you, for consideration by CEMEX's Board of Directors (the "Board"), the following report of activities corresponding to fiscal year 2022:

- (i) The Committee was informed about (1) the activities and processes carried out in one of its subsidiaries in Mexico to guarantee the integrity of financial information and its internal controls; and (2) the audit that is being carried out on said subsidiary, the amounts paid and the reserves that have been created to attend to the contingencies that could be generated.
- (ii) The Committee was presented with an update on the contingency derived from the fine imposed by the Spanish tax authority in relation to the losses generated in the period 2006 – 2009, the judicial processes that currently exist, as well as analyzing the decision to create or not some accounting reserve.
- (iii) The audited consolidated financial statements of the Company and its subsidiaries for fiscal year 2021; those of the fourth quarter of 2021; the financial statements corresponding to the first three quarters of fiscal year 2022 on a consolidated basis, as well as the individual ones of the Company for the same periods, were reviewed. The documents were authorized to be submitted for authorization by the Board and, as for those corresponding to fiscal year 2021, for the approval by the Ordinary General Shareholders Meeting.
- (iv) The Committee's Report for fiscal year 2021 was approved and the Board's opinion regarding the Chairman's and Chief Executive Officer's Reports were reviewed, for its presentation at the Ordinary General Shareholders Meeting.
- (v) The Committee was presented with the evolution of goodwill and other intangible assets, as well as the most recent valuations for purposes of goodwill impairment and the methodologies used for its calculation.
- (vi) The Committee was periodically informed about compliance with the U.S. Sarbanes-Oxley Act, applicable to companies that have securities listed on the stock exchanges of that country, as well as the Single Circular for External Audit (*Circular Única de Auditoría Externa*,



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- the “CUAE”) issued by the Mexican securities authority (*Comisión Nacional Bancaria y de Valores*, the “CNBV”), on the activities carried out to comply with it and on the confirmation of compliance with the provisions of the CUAE. The main disclosures included in the Annual Report in its form 20-F were additionally reviewed, for its presentation to the CNBV, the Mexican Stock Exchange and the U.S. Securities and Exchange Commission (“SEC”).
- (vii) The results of the internal audit procedures were periodically reviewed, and the main deficiencies in terms of operational risks at the closing of fiscal year 2021 were reviewed, authorizing the annual program for operational risk assessment and internal audit procedures for 2022.
 - (viii) The Committee was regularly informed of the results of the anonymous and confidential complaints and denunciation mechanisms, and of the disciplinary measures applied by the Company during 2022.
 - (ix) The Committee was regularly informed about the main lawsuits in which the Company and/or its subsidiaries are involved, indicating the contingencies, the possible economic effects and the state in which they find themselves, in addition to the measures to remedy or strengthen the monitoring systems and prevention to avoid the violation of anti-corruption laws, including the U.S. Foreign Corruption Practices Act (“FCPA”).
 - (x) The KPMG external auditors confirmed their independence, attended all the sessions of the Committee, reported on their review of the internal control systems, monitored the relevant events and their impact on the financial statements, the main areas of significant risk and their contingencies, as well as the follow-up given to these issues and the deficiencies identified during the year, which were considered immaterial. Likewise, the external auditor informed the Committee about several matters: (1) the operations that were identified as significant unusual transactions for the 2021 audit; (2) uncorrected audit differences; (3) the summary of critical accounting policies, practices and estimates; (4) the investigation carried out by the SEC and by the U.S. Department of Justice (“DOJ”); (5) the fiscal contingency in Spain for the years 2006-2009; (6) operations with related parties; (7) changes to its risk assessment and planned audit strategy for the years under review; (8) the status of internal controls over financial reporting (“ICOFR”); (9) inquiries required under AS 1301; (10) the various relevant events that occurred during the years 2021 and 2022; (11) the process towards the digitization of the audit, (12) the proposed regulation of the SEC subject to approval, and the taxonomy of the European Union on environmental, social and corporate governance (“ESG”) matters, (13) the scope of the audit in terms of materiality and coverage, (14) the consultations required according to the Auditing Standard 1301 of the Public Company Accounting Oversight Board (“PCAOB”), (15) non-audit services rendered in 2022; and, (16) the percentage of the fees accrued by the KPMG firm in the year 2022. Based on the



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- foregoing, the Committee issued a favorable recommendation for the authorization of (a) continuing with the services of the External Audit firm KPMG Cárdenas Dosal, S.C. during the financial year 2022 and until the presentation of the annual report; and, (b) the budget of fees for the period April 2022 - April 2023.
- (xi) In terms of cybersecurity, the Committee was informed about the new trends in the kidnapping and ransoming of data, the latest threats to information security, the new Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure by Public Companies Rules proposed by the SEC and the guidance on the material for the construction industry.
- (xii) The development and requirements for disclosures of financial information and internal control were presented to the Committee, due to the possible mandatory adoption of SEC regulations and the voluntary adoption of other directives on ESG matters.
- (xiii) The most relevant transactions during 2022 were the following:
1. On February 8, 2022, the substantial progress achieved with the digital transformation initiative called "Working Smarter" to improve its administrative management services was announced.
 2. On February 23, 2022, the Company began its share repurchase program approved by the Ordinary General Shareholders' Meeting, under which 220'642,478 Ordinary Participation Certificates were repurchased, representing approximately 1.5% of the Company's outstanding shares.
 3. On February 24, 2022, the Company announced significant changes in its corporate governance, highlighting: (i) as of CEMEX's Ordinary General Shareholders' Meeting of March 24, 2022, each candidate to serve on CEMEX's Board of Directors will be voted in on an individual basis; and (ii) a reduction in the number of members of the Board of Directors.
 4. On March 24, 2022, an Ordinary General Shareholders' Meeting was held, whose most relevant agreements were: (a) set at \$500 million U.S. dollars or its equivalent in pesos as the maximum amount of resources that during the fiscal year of 2022 and until the next Ordinary General Shareholders' Meeting of CEMEX is held, can be used for the acquisition of their own shares or securities that represent said shares; (b) the appointment of the members of the Board of Directors, Audit Committee, Corporate Practices and Finance Committee and Sustainability Committee; and, (c) the remuneration to be paid to the members of the Board of Directors and its Committees.



5. On March 24, 2022, an Extraordinary General Shareholders' Meeting was held, whose most relevant agreement was the reform of article 2 of the CEMEX's By-Laws to specify its corporate purpose.
6. On April 13, 2022, approximately \$439 million U.S. dollars of legal currency of the United States of America ("USD") of the principal of the following notes were repurchased: (i) issued on September 17, 2020, denominated in USD, with a coupon of 5.200% and maturity in 2030; (ii) issued on November 19, 2019 denominated in USD, with a coupon of 5.450% and maturity in 2029; and (iii) issued on January 11, 2021, denominated in USD, with a coupon of 3.875% and maturity in 2031.
7. On June 14, the rating agency Fitch Ratings ("Fitch") upgraded the Company's credit rating on a global scale and local currency to "BB+" from "BB", the rating of its notes to "BB+" from "BB", and the rating of its subordinated notes with no fixed maturity to "BB-" from "B+". Fitch also affirmed the short-term national rating at "F1"/"F1(mex)" and the rating Outlook at "Stable". Additionally, Fitch upgraded CEMEX's long-term national scale rating to "AA-(mex)" from "A+(mex)".
8. On June 27, 2022 the Company published its green finance framework (the "Framework"), the first of its kind within the industry, furthering its commitment to sustainable finance and building a more economically sustainable world. The Framework reflects the roadmap and objectives of the Company's climate action program called "Future in Action".
9. On August 31, 2022, the sale of the operations in Costa Rica and El Salvador to Cementos Progreso Holdings, S.L. was successfully closed, for an amount of approximately \$329 million USD.
10. On September 30, 2022, 468 million USD of the principal of the following notes was repurchased: (i) issued on January 11, 2021, denominated in USD, with a coupon of 3.875% and maturity in 2031; (ii) issued on September 17, 2020, denominated in USD, with a 5.200% coupon and maturity in 2030; and, (iii) issued on November 19, 2019, denominated in USD, with a coupon of 5.450% and maturity in 2029.
11. On October 7, 2022 a new sustainability-linked credit agreement was successfully closed for 500 million Euros for a term of three years.
12. On October 25, 2022, Advent International acquired from CEMEX a 65% interest in its subsidiary NEORIS for an approximate amount of \$119 million USD. CEMEX maintains an



approximate 35% interest and will continue to be a key strategic partner and client of NEORIS.

13. On November 16, 2022, the Company, at its CEMEX Day, announced its new decarbonization goals.
14. On December 9, 2022, the rating agency S&P Global Ratings (“S&P”) improved CEMEX's global rating to “BB+” from “BB”, leaving the Company's risk rating at just one level below investment grade. Additionally, S&P improved the risk rating on the national scale to "mxAA-", this being the same as that granted by Fitch. All the company's risk ratings have a Stable outlook.

The Committee ensured that Management adequately follows up on the recommendations and corrective actions suggested by the external auditors. There were no irregularities or material failures, issuing its opinion on the different matters within its competence that were submitted to the Board of Directors. Likewise, compliance with the agreements issued by the Shareholders' Meeting and the Board of Directors was reviewed.

The opinion of the external auditors on the Company's financial statements, both individual and consolidated, is that they reasonably reflect the financial situation and results of the Company and its subsidiaries; that relevant events have been adequately disclosed; and, that the application of accounting policies and systems has been consistent and adequate.

Finally, it is stated that, for the preparation of this report, the Committee has listened to the relevant executives of the Company, without there being a difference of opinion.

By the Audit Committee

Everardo Elizondo Almaguer
President

Roger Saldaña Madero
Secretary