

CEMEX'S POSITION ON CLIMATE CHANGE

The Challenge

With an increased awareness of climate change globally comes a greater focus on the importance of taking action. According to the United Nations' Intergovernmental Panel on Climate Change, the scale of changes we are seeing across the climate system is unprecedented, including more frequent and extreme weather events that are affecting millions of people in every region of the globe. Without deep reductions in CO₂ and other greenhouse gas emissions, global temperature will continue to rise, and global warming will exceed 1.5°C. This increase in temperature will mean rising sea levels, more intense precipitation in some countries, increased risk of drought in others, and adverse effects worldwide on biodiversity. It will also impact the full enjoyment of human rights, including access to water, food, sanitation, and housing. As the challenges associated with climate change have come into greater focus and the need to reduce emissions linked to human activity has grown more urgent, a collaborative effort involving governments, NGOs, and businesses worldwide is imperative to ensure a just transition to a zero-carbon economy.

Our Position

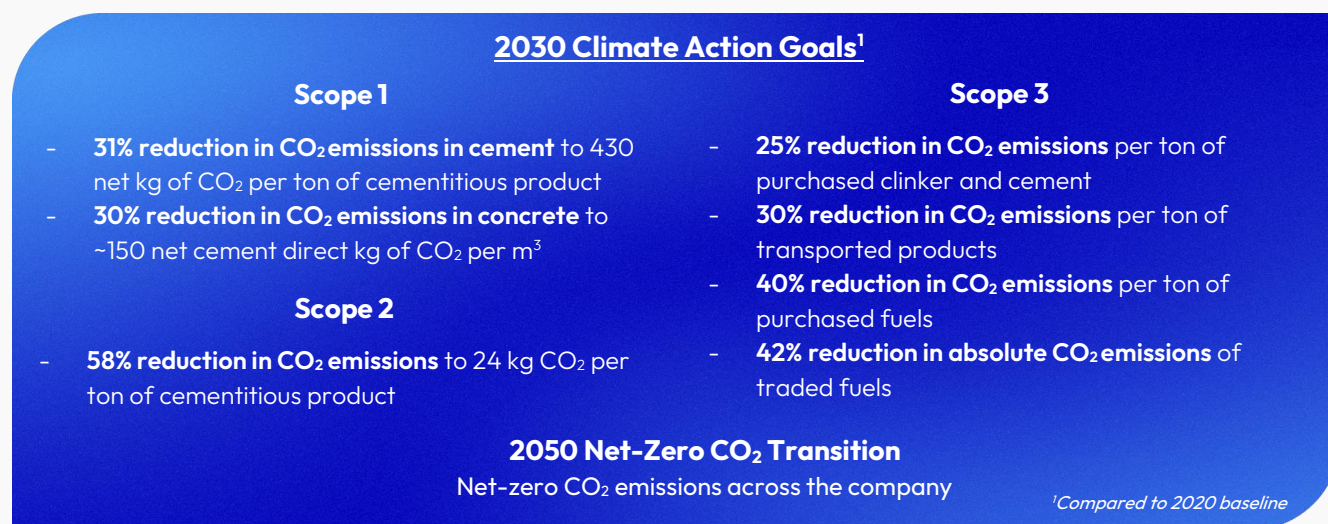
Climate change is the biggest challenge of our time, and the cement industry accounts for approximately 8% of all carbon emissions. As the largest concrete producer in the Western world and a global leader in cement production, we are committed to leading our industry in sustainability and climate action. Concrete is the ideal construction material for long-lasting buildings, offering thermal efficiency, resistance to natural disasters, and lower maintenance costs. There are no readily available substitutes for concrete and the attributes it possesses, and it will be essential to the adaptation of climate-resilient communities and the development of the sustainable cities of the future. Cemex supports the urgency of collective action and compliance by all parties to implement the Paris Agreement commitments and fulfill the UN Sustainable Development Goals on Climate Action to promote an equitable shift towards sustainability. Cemex is aligned with this commitment and our purpose is to build a better future. Today, the most important attribute to building a better future is sustainability, specifically taking decisive action to solve climate change.

Our Approach

To address climate change, we developed Future in Action, our climate action program with the primary objective of becoming a net-zero CO₂ company. Since launching Future in Action, we have achieved record-breaking CO₂ reductions. As of 2023, we have reduced our net CO₂ emissions per ton of cementitious product by 33% compared to 1990 levels. Since 2020, we have accelerated the pace of our decarbonization, reducing Scope 1 and 2 specific emissions by 13% and 12%, respectively, a pace that previously would have taken us 15 years to accomplish. We are committed to further reducing our emissions, and we have set aggressive decarbonization goals and specific plant-by-plant roadmaps to achieve them. Cemex was among the first companies in the global cement industry to validate its 2030 carbon reduction goals through the Science Based Targets initiative (SBTi), for alignment under their new 1.5°C scenario, the most ambitious pathway defined for the industry. This validation includes Scope 1, 2, and 3 targets, allowing us to contribute to meet the Paris Agreement goals and comply with the Business Ambition for 1.5°C set by the United Nations. These

goals keep us on the right path to meet our net-zero CO₂ target by 2050, which we also validated with SBTi, becoming one of the first companies in the industry to do so.

To decarbonize our operations, we will continue to take advantage of proven technologies and maximize the use of traditional levers available in the cement and concrete processes, such as accelerating the use of alternative fuels with high biomass content, optimizing clinker factor in cement, increasing the use of decarbonated raw materials, improving specific heat and energy consumption, increasing the consumption of clean electricity, and reducing our transport emissions. To reach our goal of becoming a net-zero CO₂ company by 2050, breakthrough technologies such as Carbon Capture, Utilization, and Storage (CCUS) will play a key role after current levers, which rely on existing and proven technologies, are maximized to their fullest potential. As part of our commitments to climate action, we are active members in the [First Movers Coalition](#), [Business Ambition for 1.5C](#), and the [UN Race to Zero](#).



The Road Ahead

Cemex believes that adopting policies based on green and circular economy principles offers significant opportunities to achieve substantial near-term emissions reductions across multiple sectors, with the cement and concrete industry playing a central role. This requires close collaboration between industry stakeholders.

We support:

- **Encouraging circular economy directives and regulations** that divert municipal and industrial waste from landfills to enable waste to energy solutions such as substitution of fossil fuels in cement kilns and the utilization of waste as alternative raw materials.
- **Updating building codes and norms** to allow and incentivize the extensive adoption of lower-carbon products and recycled products.
- **Promoting public policies and regulations that enable an electricity transition**, from fossil fuels to clean and renewable energy sources, as well as those that advance the availability of such energy at the grid or plant level.
- **Establishing market-driven carbon pricing mechanisms** that incentivize decarbonization and investment in carbon reduction technologies.
- **Funding and partnerships to develop new technologies** that reduce carbon emissions in the cement manufacturing process and accelerate the development and scaling of CCUS and other decarbonization solutions.