

**REPORT BY THE BOARD OF DIRECTORS OF CEMEX LATAM HOLDINGS, S.A. IN RELATION TO THE PROPOSALS TO APPOINT PROPRIETARY DIRECTORS AND AN EXECUTIVE DIRECTOR INCLUDED UNDER ITEM FIVE OF THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING CONVENED FOR 29 AND 30 JULY 2020 RESPECTIVELY AT FIRST AND SECOND CALL**

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**1) Introduction**

The Board of Directors of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this explanatory report pursuant to article 10.2 of the Regulations of the Company’s Board of Directors, in relation to the proposal to adopt the following resolutions (the “**Report**”):

- (i) that Mr Jesús Vicente González Herrera be ratified and appointed an executive director of the Company, all pursuant to article 244 of the Companies Act which provides that the Board of Directors is authorised to co-opt a director to provisionally fill an early vacancy until the first General Shareholders’ Meeting,
- (ii) that Mr José Antonio González Flores be appointed a proprietary director to fill the vacancy arising following the resignation tendered by Mr Juan Pablo San Agustín on 3 June 2020 due to his departure from Cemex Group,
- (iii) that Mr Marcelo Catalá Espinosa be appointed a proprietary director to fill the vacancy arising following the offer to resign from the office of director submitted by Mr Jaime Gerardo Elizondo Chapa on 18 June 2020, effective on the date of the General Shareholders’ Meeting convened for 29 July 2020 at first call and 30 July 2020 at second call, due to professional reasons, and
- (iv) that Mr Antonio Iván Sánchez Ugarte be appointed a proprietary director to fill the vacancy arising following the offer to resign from his office submitted by Mr Juan Pelegrí y Girón on 18 June 2020, effective on the date of the General Shareholders’ Meeting convened for 29 July 2020 at first call and 30 July 2020 at second call, due to personal and professional reasons.

For the record, Cemex España, S.A., the Company's majority shareholder, has accepted the offer to resign from their offices submitted by Mr Elizondo and Mr Pelegrí, effective on the date of the General Shareholders' Meeting, which does not detract from the excellent assessment of the performance to date of their duties attached to their offices on the Company's Board of Directors and its Committees and the Company's acknowledgement of such performance.

Pursuant to article 10.1 (e) of the Regulations of the Company's General Shareholders' Meeting, where the General Shareholders' Meeting has to discuss the appointment, reappointment or ratification of directors, the following information shall be enclosed with the relevant proposed resolution:

- i) the director's professional profile and biography;
- ii) other Board memberships, whether or not the companies are listed;
- iii) the director's category, specifying, in the case of proprietary directors, the shareholder that proposes or proposed the director's appointment or to which the director is related;
- iv) the date of the director's first and subsequent appointments as a Company director;
- v) an explanatory report by the Board of Directors assessing the proposed candidate's skills, experience and merits, and
- vi) the Nomination and Remuneration Committee's proposal if an independent director and, if a non-independent director, in addition, the Nomination and Remuneration Committee's report.

Pursuant to article 10.2 of the Regulations of the Company's Board of Directors, the proposal to ratify and appoint Mr Jesús Vicente González Herrera as an executive director of the Company, and of Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte as proprietary directors, is submitted for approval by the General Shareholders' Meeting convened to be held on 29 July 2020 at first call, and 30 July 2020 at second call, following the favourable report of the Nomination and Remuneration Committee.

Pursuant to article 10.1 (e) of the Regulations of the Company's General Shareholders' Meeting, the Report assesses the proposed candidates' skills, experience and merits to hold office as directors.

Attached as **Annex I** to the Report is the Nomination and Remuneration Committee's report which includes the information specified in article 10.1 (e) of the Regulations of the Company's General Shareholders' Meeting, a transcript of which is provided in (i) to (iv) above (the "**Nomination and Remuneration Committee's report**").

## **2) Preliminary analysis**

Pursuant to articles 9 and 26.6. (b) of the Regulations of the Company's Board of Directors, the Nomination and Remuneration Committee has carried out a preliminary analysis of the Board of Directors' needs. The conclusion following that analysis, approved by the Board of Directors at its meeting of 23 June 2020, is set out in section 3 of the attached Nomination and Remuneration Committee's report.

In this regard, the Board of Directors, advised by the Nomination and Remuneration Committee, positively assesses the profile, skills and experience of the four directors whose appointments are proposed. The Board of Directors considers that all four profiles suit the needs defined in the Nomination and Remuneration Committee's preliminary analysis.

Additionally, and for the future, the Board of Directors notes the result of the Nomination and Remuneration Committee's analysis in order to try and enhance the directors' knowledge and expertise with future additions to increase the number of experts in certain areas. Although the Board of Directors subject of the current proposal has directors with knowledge and expertise in all relevant areas for a proper operation of the Board, the aim will be to reinforce specific skills in the future, needless to say maintaining a suitable balance with others that are now sufficiently covered, and relying at all times on people who have the required availability to perform their duties. The Board of Directors will particularly consider those aspects in the event of vacancies arising and in the event of new directors being proposed. In the aforementioned analysis, as to number of Board members and diversity -in regard to both age and nationality- the Nomination Committee held that the current composition of the Board is adequate, provided however that, although there were several women among the candidates proposed by the majority shareholder Cemex España, S.A. who could not ultimately be selected primarily for reasons of availability, it recommended the Board of Directors to have at least one woman join the Board of Directors in order for there to be increased gender diversity on the Board. The Board of Directors has also considered this recommendation.

## **3) Justification of the proposals**

In addition to the reasons given by the Nomination and Remuneration Committee in its Report, which the Board endorses, the Board of Directors has in particular weighed in the following aspects about the candidates:

- (i) the proposed candidates all meet the requirements as to probity, fitness, soundness, skills, experience, qualifications, education, availability and commitment to the duties specific to that office, and are not directly or indirectly affected by any of the grounds for ineligibility, disqualification, competing or conflict of interest with the Company's own interests provided for in the general laws or in the Company's internal regulations;

- (iii) in the case of Mr Jesús Vicente González Herrera, his continued dedication going forward and performance in his former office as General Manager and Managing Director, and
- (iv) the experience, education and professional profile of the directors whose appointments are submitted for approval at the General Shareholders' Meeting prove their merits and fitness to hold the office of Company director and their experience in and knowledge of the sector and the various matters relevant to the Company referred to above.

As for Mr Jesús Vicente González Herrera, the Board of Directors has, in addition to having weighed in the aspects set out in (iii) above, highlighted the following:

- His far-reaching professional experience in the fields of strategic planning, integrated business management in manifold geographies and in-depth knowledge of the cement and derivatives industry.
- His executive track record, which includes management of Cemex's operations in various geographies, and global duties in the fields of sustainability, industrial safety and health and development of operations.
- His in-depth knowledge of the business, having been in charge in different countries of all functional business areas, from production capacity to commercial management, including the supply chain and support areas.
- His proven capacity in managing both local and remote large teams. The latter was self-evident in view of his leadership of global business areas, with resources based in all the continents in which Cemex operates.
- His involvement in major merger and acquisition activities, including Cemex's foray into the North American market.
- His naval engineering and business administration studies, and previous experience in a well-known global consultancy firm

As for the proposal concerning Mr José Antonio González Flores, the Board of Directors has highlighted the following aspects:

- His far-reaching professional experience in the fields of strategic planning, finance and business administration and corporate communication.
- His executive track record, which includes successful leadership of financial strategy at Cemex S.A.B. de C.V. globally over the last six years, significantly improving its financial and borrowing profile, which he has been credited for internationally.
- His involvement in major merger and acquisition activities, leading the combination of the operations Cemex S.A.B. de C.V. acquired in Australia in 2007.

- His industrial engineering, finance and business administration studies.

As for the proposal concerning Mr Marcelo Catalá Espinosa, the Board of Directors has in particular weighed in the following aspects:

- His far-reaching professional experience in the fields of strategic planning, integrated business management and innovation in the building industry.
- His executive track record, which includes leadership of business integration projects, industry analysis, strategy definition, marketing, and customer experience improvement.
- His first-hand knowledge of the daily management of the company's business, having been responsible for major operations for Cemex in Europe, particularly in Poland and France.
- He will contribute ideas and relevant knowledge to the Company's Board of Directors on the future of and innovation in the building industry, particularly as regards building solutions, cement and concrete-related business, and customer experience.
- His business, law and business administration studies.

Lastly, as for the proposal concerning Mr Antonio Iván Sánchez Ugarte, the Board of Directors has weighed in the following aspects:

- His far-reaching professional experience in the field of law, in particular in regard to companies and corporate contracts. His track record as a lawyer for Cemex S.A.B. de C.V. group includes his involvement, inter alia, in major merger and acquisition transactions and corporate restructurings.
- His additional experience in corporate governance matters and listed companies, being a director at present in the company Cemex Holdings Philippines, Inc., whose shares are traded on the Philippines stock exchange.
- His work as a lawyer in various jurisdictions and experience in both Civil and Common Law systems.

Accordingly, following the Nomination and Remuneration Committee's report, it is appropriate to now propose that the General Shareholders' Meeting convened to be held on 29 July 2020 at first call and 30 July 2020 at second call, (i) ratify the interim co-option of Mr Jesús Vicente González Herrera as an executive director by the Board of Directors on 13 November 2019, and appoint him to hold such office for the term established in the articles of association, (ii) appoint Mr José Antonio González Flores in lieu of Mr Juan Pablo San Agustín, Mr Marcelo Catalá Espinosa in lieu of Mr Jaime Gerardo Elizondo Chapa and Mr Antonio Iván Sánchez Ugarte in lieu of Mr Juan Pelegrí y Girón, as proprietary directors for the term established in the articles of association.

#### **4) Proposed resolutions submitted to the General Shareholders' Meeting**

As set out in section three of the Report, and provided for in the Nomination and Remuneration Committee's report, the Board of Directors has concluded as follows:

##### **a) Regarding the proposal for Mr Jesús Vicente González Herrera to be ratified and appointed an executive director**

The Board of Directors considers that Mr Jesús Vicente González Herrera may continue to contribute very positively to the operation of the Board of Directors. Consequently, the following is the proposed resolution submitted for approval by the General Shareholders' Meeting:

*“5.1. – That the co-option of Mr Jesús Vicente González Herrera be ratified and that, as the case may be, he be appointed an executive director.*

*That the co-option of Mr Jesús Vicente González Herrera as an executive director by a resolution of the Board of Directors passed at the meeting held on 13 November 2019 to fill the vacancy arising on the Board of Directors following the departure of Director Ms Carmen Burgos Casas, who was appointed by the General Shareholders' Meeting on 20 June 2016 for a three-year period, and subsequently reappointed by the General Shareholders' Meeting on 28 June 2019, be ratified and that he be appointed a director, following the favourable report of the Nomination and Remuneration Committee, for the three-year term established in the articles of association, qualifying as an executive director.”*

##### **b) Regarding the proposal for Mr José Antonio González Flores to be appointed a proprietary director**

The Board of Directors considers that Mr José Antonio González Flores could contribute very positively to the operation of the Board of Directors. Consequently, the following is the proposed resolution submitted for approval by the General Shareholders' Meeting:

*“5.2. - That Mr José Antonio González Flores be appointed, as the case may be, a proprietary director.*

*That Mr José Antonio González Flores be appointed a director, following the favourable report of the Nomination and Remuneration Committee, for the three-year term established in the articles of association, qualifying as a proprietary director to fill the vacancy arising following the resignation tendered by Mr Juan Pablo San Agustín Rubio on 3 June 2020”*

**c) Regarding the proposal for Mr Marcelo Catalá Espinosa to be appointed a proprietary director**

The Board of Directors considers that Mr Marcelo Catalá Espinosa could contribute very positively to the operation of the Board of Directors. Consequently, the following is the proposed resolution submitted for approval by the General Shareholders' Meeting:

*“5.3. – That Mr Marcelo Catalá Espinosa be appointed, as the case may be, a proprietary director.*

*That Mr Marcelo Catalá Espinosa be appointed a director, following the favourable report of the Nomination and Remuneration Committee, for the three-year term established in the articles of association, qualifying as a proprietary director to fill the vacancy arising following the resignation tendered by Mr Jaime Gerardo Elizondo Chapa effective on the date of the General Shareholders' Meeting”*

**d) Regarding the proposal for Mr Antonio Iván Sánchez Ugarte to be appointed a proprietary director**

The Board of Directors considers that Mr Antonio Iván Sánchez Ugarte could contribute very positively to the operation of the Board of Directors. Consequently, the following is the proposed resolution submitted for approval by the General Shareholders' Meeting:

*“5.4. – That Mr Antonio Iván Sánchez Ugarte be appointed, as the case may be, a proprietary director.*

*That Mr Antonio Iván Sánchez Ugarte be appointed a director, following the favourable report of the Nomination and Remuneration Committee, for the three-year term established in the articles of association, qualifying as a proprietary director to fill the vacancy arising following the resignation tendered by Mr Juan Pelegrí y Girón effective on the date of the General Shareholders' Meeting”*

Madrid, 23 June 2020

\* \* \*

**ANNEX I**



## **REPORT BY THE NOMINATION AND REMUNERATION COMMITTEE OF CEMEX LATAM HOLDINGS, S.A. TO THE BOARD OF DIRECTORS IN RELATION TO THE PROPOSALS TO APPOINT PROPRIETARY DIRECTORS AND AN EXECUTIVE DIRECTOR**

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### **1) Introduction**

The Nomination and Remuneration Committee of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this report pursuant to article 10.2 of the Regulations of the Board of Directors, which provides that the proposal to appoint and reappoint executive and proprietary directors shall first be reported on by the Nomination and Remuneration Committee (the “**Report**”).

The shareholder Cemex España, S.A. (“**Cemex España**”), the direct holder of 73.16% of the voting shares in the Company, has proposed that three proprietary directors be replaced, two of them currently on the Company’s Board of Directors and one who tendered his resignation on 3 June 2020. In addition, it has been proposed that Mr Jesús Vicente González Herrera be ratified and appointed an executive director of the Company, following his interim co-option to that office in a resolution of the Board of Directors of 13 November 2019, subject to this Committee’s favourable preliminary report.

### **2) Purpose of the Report**

Accordingly, having carried out a preliminary analysis of the Board of Directors’ composition and needs, the Nomination and Remuneration Committee of the Company (the “**Committee**”) issues this Report for the following purpose:

- i) to report on the proposal to ratify the Mr Jesús Vicente González Herrera’s appointment as an executive director resolved by the Board of Directors at its meeting held on 13 November 2019, and to appoint him to hold that office of executive director for the term established in the articles of association;
- ii) to report on the proposal to appoint Mr José Antonio González Flores a proprietary director, in lieu of Mr Juan Pablo San Agustín Rubio, submitting the relevant report to the Board of Directors;
- iii) to report on the proposal to appoint Mr Marcelo Catalá Espinosa a proprietary director in lieu of Mr Jaime Gerardo Elizondo Chapa, submitting the relevant report to the Board of Directors; and

- iv) to report on the proposal to appoint Mr Antonio Iván Sánchez Ugarte a proprietary director in lieu of Mr Juan Pelegrí y Girón, submitting the relevant report to the Board of Directors.

### **3) Results of the Nomination and Remuneration Committee's analysis**

Following the above-mentioned proposals by the majority shareholder, the Nomination and Remuneration Committee has analysed the Board of Directors' needs based on the following requirements:

- *The Board of Directors shall consist of no fewer than 5 and not more than 9 directors*
- *The total number of non-executive directors shall be in the majority with respect to the executive directors*
- *The number of executive directors should be the minimum necessary and the number of independent directors should represent at least 1/3 of the directors*
- *There should always be Board members whose duties in their positions within CEMEX allow them to contribute their knowledge of the industry and the group in which the Company belongs*
- *There should be an odd number of directors*
- *It should be ensured that the representation on and operation of the Board of Directors is appropriate and duly reflects and favours a properly balanced diversity of experience, knowledge and gender for decision-making to be enhanced and discussion of the business on the agenda to benefit from broad-ranging opinions*
- *The number of female directors should represent at least 30 per cent*
- *All or most of the directors should, as the case may be, attend Board meetings*
- *Every director should contribute professional expertise and be experienced insofar as the Company's activity is concerned*
- *All directors shall have sufficient time available to responsibly discharge their duties and get to know the Company's business and governance rules, taking part in guidance and updating programmes organised*
- *All directors shall have basic skills enabling them to properly discharge their duties*
- *Directors shall be individuals with a reputation for their probity, fitness and soundness, and with the requisite skills, experience, qualifications, education, availability for and commitment to their position, and shall not be affected by any ground for ineligibility, disqualification, competing or conflict of interest*
- *Independent directors shall meet the independence requirements established in the Company's Internal Regulations.*

In carrying out the preliminary analysis of the Board of Directors' needs, the Committee has taken into account the conclusions taken from *PricewaterhouseCoopers'* assessment in the first quarter of the year 2018 of the operation of the Board of Directors during the year 2017. This Committee took those conclusions into account in its preliminary analysis when directorships

expired in the month of June 2019. Appointments were made to those offices by the Annual General Shareholders' Meeting on 28 June 2019 and are still in place since there have been no changes to the composition of the Board of Directors.

Accordingly, and as a result of the preliminary analysis of the Board of Directors' needs, the Nomination and Remuneration Committee has concluded as follows:

1. Directors should be appointed with the required professional profile in order for areas such as risk management, audit and internal control, human capital, financial and legal management and compliance to have a larger number of directors with broad-ranging knowledge of and experience in those matters.
2. Female directors should be appointed to meet the corporate governance best practice recommendations on the subject of Board gender diversity.
3. Directors should be appointed with the requisite availability and whose duties in their positions within Cemex allow them to contribute industry knowledge and experience in the countries in which the Company and its group operate.
4. A director should be appointed with business development experience and knowledge in order to cover the vacancy arising in this area of knowledge and experience following the resignation tendered by Mr Juan Pablo San Agustín.
5. A director should be appointed with business model innovation, transformation and sustainability experience and knowledge.
6. The number of directors on the Board, and their diversity as to age and nationality or residence which properly balances its composition at present, should be maintained.

**4) Report regarding the proposal to ratify and appoint Mr Jesús Vicente González Herrera as an executive director**

The Committee has positively assessed Mr Jesús Vicente González Herrera's skills, experience and merits and the performance of his duties as the Company's General Manager from 6 August 2019 and as the Company's Managing Director from 3 November 2019 to date. In particular, the Committee considers that, all in all, Mr Jesús Vicente González Herrera meets the following requirements:

- i) Experience in and knowledge of the sector in which the Company and its Group operate.

- ii) Experience in and knowledge of the business, its economic and financial aspects and geographical markets.
- iii) Experience in sector regulatory matters, business resource management, leadership, business strategy and risk management.

In addition, the Committee has established that Mr Jesús Vicente González Herrera meets the requirements as to probity, fitness, soundness, skills, experience, qualifications, education, availability and commitment to the duties specific to that office, and is not directly or indirectly affected by any of the grounds for ineligibility, disqualification, competing or conflict of interest with the Company's own interests provided for in the general laws or in the Company's internal regulations.

Attached as **Annex I** hereto is Mr Jesús Vicente González Herrera's professional profile and all other information to be published along with the notice of the General Shareholders' Meeting, all pursuant to article 10.1 (e) of the Regulations of the Company's General Shareholders' Meeting.

Mr González Herrera represents the majority shareholder Cemex España, S.A. which has proposed his ratification and appointment.

**5) Report regarding the proposal to appoint Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte as proprietary directors**

The current directors Mr Jaime Elizondo Chapa and Mr Juan Pelegrí y Girón have expressed their wish to resign from their respective offices as the Company directors for personal and professional reasons. Both their resignation, accepted by Cemex España, and the reasons therefor, were set out in the respective resignation letters dated 18 June 2020, effective on the date of the General Shareholders' Meeting convened for 29 July 2020 at first call and 30 July 2020 at second call.

The above does not detract from the excellent assessment of the performance to date of their duties attached to their offices on the Company's Board of Directors and its Committees and the Company's acknowledgement of such performance.

In addition, Cemex España noted on 3 June 2020 the resignation tendered by Mr Juan Pablo San Agustín Rubio effective on that date, due to his departure from Cemex Group S.A.B. de C.V.

Consequently, in order to fill the vacancy arising due to Mr San Agustín's resignation, and the forthcoming vacancies which shall arise on the day of the General Shareholders' Meeting due to the resignation tendered by Mr Elizondo and Mr Pelegrí y Girón, after assessing different profiles within the group's organisation, Cemex España has proposed the appointment of (i)

Mr José Antonio González Flores in lieu of Mr Juan Pablo San Agustín Rubio, (ii) Mr Marcelo Catalá Espinosa in lieu of Mr Jaime Gerardo Elizondo Chapa, and (iii) Mr Antonio Iván Sánchez Ugarte in lieu of Mr Juan Pelegrí y Girón.

The Committee has, after analysing and reviewing Mr José Antonio González Flores', Mr Marcelo Catalá Espinosa's and Mr Antonio Iván Sánchez Ugarte's profile, very positively assessed their respective appointments as proprietary directors, among other factors, because of their broad-ranging experience in the sector in which the Company operates, and their respective highly qualified professional profiles, which means they are fit for the discharge of the duties of proprietary directors of the Company, based both on their extensive experience in and their in-depth knowledge of various business fields.

Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte represent the majority shareholder Cemex España, S.A., which has proposed their appointment.

In addition, the Committee has established that Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte meet the requirements as to probity, fitness, soundness, skills, experience, qualifications, education, availability and commitment to the duties specific to that office, and are not directly or indirectly affected by any of the grounds for ineligibility, disqualification, competing or conflict of interest with the Company's own interests provided for in the general laws or in the Company's internal regulations.

Attached as **Annex II, III and IV** hereto are the professional profiles of Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte, and all other information to be published along with the notice of the General Shareholders' Meeting, all pursuant to article 10.1 (e) of the Regulations of the Company's General Shareholders' Meeting.

## **6) Justification of the proposals as a whole**

In preparing these proposed appointments and the conclusions set out in section seven below, the Nomination and Remuneration Committee has borne in mind that the candidates' professional profiles suit the specific characteristics of the business carried on by the Company and the sector in which it operates, as well as its international character.

In this connection, the Committee considers that the proposed members altogether suitably combine the necessary capacities and skills to ensure an autonomous and independent decision-making capacity for the benefit of the Company, and specifically in the following fields:

- (i) experience in and knowledge of the sector in which the Company operates,
- (ii) experience in and knowledge of economic and financial aspects,

- (iii) experience in and knowledge of the Company's most relevant geographical markets,
- (iv) experience in and knowledge of regulatory, corporate governance and corporate social responsibility matters, and
- (v) experience in and knowledge of management, human resources, leadership and business strategy.

In addition, the Committee has in particular weighed in the following aspects:

- (i) the proposed candidates all meet the requirements as to probity, fitness, soundness, skills, experience, qualifications, education, availability and commitment to the duties specific to that office, and are not directly or indirectly affected by any of the grounds for ineligibility, disqualification, competing or conflict of interest with the Company's own interests provided for in the general laws or in the Company's internal regulations;
- (iii) in the case of Mr Jesús Vicente González Herrera, his continued dedication going forward and performance in his former office as General Manager and Managing Director, and
- (v) the experience, education and professional profile of the directors whose appointments are submitted for approval at the General Shareholders' Meeting prove their merits and fitness to hold the office of Company director and their experience in and knowledge of the sector and the various matters relevant to the Company referred to above.

It has also been borne in mind that (i) a proposal is made for the appointment of Directors who, because of their responsibilities within Cemex Group, are able to make an important contribution to the Company and its group; (ii) the great skills and experience displayed by the executive director whose ratification and appointment is proposed; (iii) that, all in all, the three proprietary directors whose appointments is proposed will contribute to the Company's intended diversity as to age, nationalities and knowledge and experience being achieved, in particular in relation to the business and the presence of its group in the different countries in which it operates, and in other specific matters, such as accounting, audit, risks, technology and new markets, financial and legal matters; and (iv) insofar as diversity is concerned -based on both age and nationality- the Committee believes that the future composition of the Board of Directors is adequate although it submits its recommendation to the Board of Directors as to the future appointment of at least one female director in order to achieve a greater degree of gender diversity on the Board.

## **7) Conclusions**

Based on the above, the Committee has resolved to submit its favourable report to the Board of Directors so that it may propose that the General Shareholders' Meeting convened for 29 July 2020 at first call and 30 July 2020 at second call, ratify the interim co-option of Mr Jesús Vicente González Herrera as an executive director in a resolution of the Board of Directors of

13 November 2019, and appoint him as an executive director, for the term established in the articles of association. Similarly, the Committee resolves to submit to the Board of Directors its report in favour of the appointment of Mr Jesús Vicente González Herrera as Managing Director.

In addition, the Committee considers that the addition of Mr González, Mr Catalá and Mr Sánchez to the Company's Board of Directors, and their appointments as proprietary directors, will provide major advantages to the Board, and favour the result set out in section three above. Consequently, this Committee has resolved to submit its favourable report to the Board of Directors so that it may propose that the General Shareholders' Meeting convened for 29 July 2020 at first call and 30 July 2020 at second call, appoint Mr José Antonio González Flores, Mr Marcelo Catalá Espinosa and Mr Antonio Iván Sánchez Ugarte as proprietary directors for the three-year term established in the articles of association.

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## **ANNEX I – PROFILE OF MR JESÚS VICENTE GONZÁLEZ HERRERA**

### **1) Professional profile and biography**

He joined CEMEX in 1988. President of CEMEX South, Central America and the Caribbean, Mr Jesús Vicente González joined CEMEX in 1998 and has held several senior positions, including Corporate Director for Strategic Planning, Vice-President for Strategic Planning at CEMEX USA, President of CEMEX Central America, President of CEMEX UK, and, most recently, Executive Vice-President for Sustainability and Operations Development. In his current position, Mr González is the President of CEMEX Central, South America and the Caribbean, and General Manager of CEMEX Latam Holdings. He has a Naval Engineering degree from Madrid's Polytechnic University and an MBA from IESE - University of Navarre, Barcelona.

### **2) Other Board memberships**

Cemex Colombia S.A., Cemex Premezclados de Colombia S.A., Cemex Transportes de Colombia S.A. and Central de Mezclas S.A. Cemento Bayano, S.A., Pavimentos Especializados, S.A., Superquímicos de Centroamérica, S.A., Cemex Caribe, S.A., Cemex El Salvador CV. S.A., Cemex Guatemala, S.A., Global Concrete, S.A., Cementos de Centroamérica, S.A., Gestión Integral de Proyectos, S.A., Cemex Nicaragua, S.A., Distribuidora de Materiales para la Construcción, S.A., Lomas del Tempisque, S.R.L.

### **3) Category of his directorship and proposing shareholder**

- **Category:** Executive director
- **Proposing shareholder:** Cemex España, S.A.

### **4) Date of first and subsequent appointments as a Company director**

- 13 November 2019 (co-opted)



## **ANNEX II – PROFILE OF MR JOSÉ ANTONIO GONZÁLEZ FLORES**

### **1) Professional profile and biography**

He joined CEMEX in 1998 and has held several senior positions in the areas of Finance, Strategic Planning and Communication and Corporate Affairs, and most recently, held the office of Executive Vice-President for Finance and Administration (CFO) of the company worldwide. He has an Industrial and Systems Engineering degree from the Monterrey Technological Institute and an MBA from Stanford University. He is currently Executive Vice-President for Strategic Planning and Business Development at CEMEX.

### **2) Other Board memberships**

Cemex España, S.A. and Cementos de Chihuahua S.A.B. de C.V.

### **3) Category of his directorship and proposing shareholder**

- **Category:** Proprietary director
- **Proposing shareholder:** Cemex España, S.A.

### **4) Date of first and subsequent appointments as a Company director**

N/A

## **ANNEX III– PROFILE OF MR MARCELO CATALÁ ESPINOSA**

### **1) Professional profile and biography**

He joined CEMEX in 2006 and has held several senior positions, including Corporate Director for Strategic Planning, CEMEX Vice-President for Strategic Planning for Northern Europe and Poland, President of CEMEX Poland, President of CEMEX France, and most recently Vice-President for Related Businesses, Marketing, Innovation and Customer Experience for Europe. Before CEMEX, Marcelo worked in Consultancy for the firm Boston Consulting Group. Marcelo studied Business and Laws at Comillas University and has an MBA from the Massachusetts Institute of Technology. He is currently Vice-President for Urbanisation Solutions for Europe, Middle East, Africa and Asia at CEMEX.

### **2) Other Board memberships**

Cemex España Gestión y Servicios, S.L.

### **3) Category of his directorship and proposing shareholder**

- **Category:** Proprietary director
- **Proposing shareholder:** Cemex España, S.A.

### **4) Date of first and subsequent appointments as a Company director**

N/A

## **ANNEX IV– PROFILE OF MR ANTONIO IVÁN SÁNCHEZ UGARTE**

### **1) Professional profile and biography**

He graduated in Law from Deusto University in Bilbao, Spain. He was awarded a master in laws (LLM) at Northwestern University (Pritzker School of Law) in Chicago, USA. After working in various law firms, he joined CEMEX in the year 2001 and has since been working as a lawyer on the legal team, in the international area. In September 2017, we was appointed legal director of the CEMEX Group operations in the region of Asia, Middle East and Africa and in June 2020 was designated to hold that position in the region of Europe, Asia, Middle East and Africa.

### **2) Other Board memberships**

Cemex Holdings Philippines, Inc.. (whose shares are listed on the Philippines stock exchange)

### **3) Category of his directorship and proposing shareholder**

- **Category:** Proprietary director
- **Proposing shareholder:** Cemex España, S.A.

### **4) Date of first and subsequent appointments as a Company director**

N/A