

REPORT BY THE BOARD OF DIRECTORS OF CEMEX LATAM HOLDINGS, S.A. IN RELATION TO THE PROPOSAL TO RE-ELECT AN INDEPENDENT DIRECTOR INCLUDED UNDER ITEM SIX OF THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING CONVENED FOR 28 AND 29 JUNE 2021 RESPECTIVELY AT FIRST AND SECOND CALL

1) Introduction

The Board of Directors of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this explanatory report pursuant to articles 9.1 and 10.2 of the Regulations of the Board of Directors, in relation to the proposal to re-elect Ms Mónica Inés María Aparicio Smith as an independent director (the “**Report**”).

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, re-election 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 Board of Directors, and the provisions of the Company’s internal regulations, the proposal to re-elect Ms Mónica Inés María Aparicio Smith as an independent director of the Company is submitted to the General Shareholders’ Meeting following a proposal by the Nomination and Remuneration Committee.

Attached as **Annex I** hereto 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, and because the term in office of Company director Ms Mónica Inés María Aparicio Smith was set to expire, the Nomination and Remuneration Committee carried out a preliminary analysis of the Board of Directors’ needs.

The conclusion following that analysis is contained in section 3 of the attached Nomination and Remuneration Committee’s report.

In this regard, the Board of Directors, based on the findings set out in that Report, positively assesses the profile, skills and experience of Ms Mónica Inés María Aparicio Smith, whose appointment to office is set to expire at the forthcoming General Shareholders’ Meeting and whose re-election is proposed.

3) Justification of the proposals as a whole

In preparing this re-election proposal, both the Board of Directors and the Nomination and Remuneration Committee have borne in mind that Ms Mónica Inés María Aparicio Smith’s professional profile suits the specific characteristics of the business carried on by the Company and the sector in which it operates, as well as its international character, and, in particular, her record and availability to date.

In this connection, the Board of Directors considers that, with Ms Mónica Inés María Aparicio Smith’s re-election, its 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, with the assistance of the Nomination and Remuneration Committee, the Board of Directors has weighed in the following aspects:

- (i) the proposed candidate 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;
- (ii) in particular, Ms Aparicio has been found to meet the requirements to be considered an independent director pursuant to article 8.2 of the Regulations of the Company's Board of Directors;
- (iii) the candidate has shown her commitment and discharged her duties at all times since she was co-opted on 2nd April 2018; and
- (v) her appointment would allow the goal of 30% presence of female directors to be closer to being achieved, in line with Spanish good governance recommendations.

4) Proposed resolution

As set out in section 3 of the Report, and as provided for in the Nomination and Remuneration Committee's report, the Board of Directors has considered that Ms Mónica Inés María Aparicio Smith may continue to contribute very positively, as an independent director, to the operation of the Board of Directors and its Committees. Consequently, the following is the proposed resolution submitted for approval by the General Shareholders' Meeting:

“Re-election of Ms Mónica Inés María Aparicio Smith as an independent director

That Ms Mónica Inés María Aparicio Smith be re-elected as a director, following a proposal by the Nomination and Remuneration Committee, for the three-year term established in the articles of association, qualifying as an independent director.”

Madrid, 28 April 2021

ANNEX 1

REPORT BY THE NOMINATION AND REMUNERATION COMMITTEE

REPORT BY THE NOMINATION AND REMUNERATION COMMITTEE OF CEMEX LATAM HOLDINGS, S.A. TO THE BOARD OF DIRECTORS IN RELATION TO THE PROPOSAL TO RE-ELECT MS MÓNICA INÉS MARÍA APARICIO SMITH AS AN INDEPENDENT DIRECTOR

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 it is up to the Nomination and Remuneration Committee to propose the appointment and re-election of independent directors (the “**Report**”).

In addition, pursuant to article 26.6 (d) of the Regulations of the Board of Directors, this Committee must propose the renewal or replacement and new appointment, as the case may be, of and for independent directors whose term in office is set to expire at the next General Meeting.

2) Purpose of the Report

Accordingly, having carried out a preliminary analysis of the Board of Directors’ composition and needs, this Report has been drawn up by the Company’s Nomination and Remuneration Committee for the purpose of proposing the re-election of Ms Mónica Inés María Aparicio Smith as an independent director, whose appointment was resolved by the General Shareholders’ Meeting held on 15 June 2018 for the three-year term established in the articles of association.

3) Results of the Nomination and Remuneration Committee’s analysis

Because the office of director of Ms Mónica Inés María Aparicio Smith is set to expire, the Nomination and Remuneration Committee has analysed the current composition of its Board of Directors 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 particular, the Committee has weighed up Ms Aparicio's record and her contribution to both the Audit Committee and to the Corporate Governance Committee, and to the Board of Directors since her co-option resolved on 2 April 2018.

The Committee has concluded that Ms Aparicio still meets the requirements and conditions established at the time of her co-option. In addition, her appointment would allow the goal of 30% presence of female directors to be closer to being achieved, in line with Spanish good governance recommendations.

The Committee has in addition weighed in and verified the following aspects:

- (i) the proposed candidate 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;
- (ii) Ms Aparicio meets the requirements to be considered an independent director pursuant to article 8.2 of the Regulations of the Company's Board of Directors; and
- (iii) the candidate's is still able to commit to and perform her duties as she has since she was co-opted on 2 April 2018.

Based on the above, and bearing in mind the business challenges faced by the Company and its group within the markets in which they operate, the Nomination and Remuneration Committee has deemed appropriate to have Ms Mónica Inés María Aparicio retain her office of independent director, given her profile and skills, so as to be able to carry on complying with the mandate received from shareholders and with the commitments made with other stakeholders.

4) Proposal that Ms Mónica Inés María Aparicio Smith be re-elected as an independent director

Having positively assessed the skills, expertise and merits of Ms Mónica Inés María Aparicio Smith and her record in the performance of her duties as a director, member and Chair of various Committees, since she was co-opted in the year 2018, and based on the result of the analysis set out in paragraph 3 above, the Committee has resolved to submit its proposal to the Board of Directors such that the latter may propose to the General Shareholders' Meeting that Ms Mónica Inés María Aparicio Smith be appointed as an independent director for the three-year term established in the Articles of Association.

Attached as **Annex I** hereto is Ms Mónica Inés María Aparicio Smith'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.

Madrid, 23 April 2021

ANNEX I – PROFILE OF MS MÓNICA INÉS MARÍA APARICIO

1) Professional profile and biography

She holds a Degree in Economics from the Universidad de los Andes (Bogotá). She has served as a Director and Professional Banker and has over 25 years of experience in the public and private financial sector in Latin America. She has completed several qualification programmes at such reputable Universities as Harvard University and George Washington University. During her career, she has held the offices of CEO and Head of Banco Santander in Colombia and Puerto Rico, Senior Independent Consultant to multilateral institutions such as the Inter-American Development Bank, the World Bank and the International Monetary Fund. She is currently a Board member of Banco Itau in Colombia, Centro Financiero BHD León in the Dominican Republic, and Banco GyT Continental in Guatemala, and a member of the Advisory Board to The Nature Conservancy for Colombia. Public Investment Director at the National Planning Department, she was International and Monetary Vice President of the Bank of the Republic of Colombia, Executive Director of the Fondo de Garantías de Instituciones Financieras (FOGAFIN) and Colombian representative to the World Bank – among other relevant offices in public and private institutions.

She has overseen the transformation of entities, incorporating at all times international best practices, including those of Central Banks or relevant entities in other countries as and when required.

In addition, Ms Aparicio is a Certified Ontological Coach and Positive Psychology Coach, and has always shown strong leadership among the professionals who have reported to her.

2) Other Board Memberships

Banco Itau (Colombia), Centro Financiero BHD León (CFBHDLeon) (Dominican Republic), Banco GyT Continental (Guatemala).

3) Category of her directorship and shareholder proposing her

- **Category:** Independent director
- **Proposing shareholder:** N/A

4) Date of her first appointment and subsequent appointments as Company director

On 15 June 2018, the Annual General Shareholders' Meeting ratified her co-option resolved by the Board of Directors at a meeting of 8 April 2018.