



REPORT ISSUED BY THE BOARD OF DIRECTORS OF CEMEX LATAM HOLDINGS, S.A. IN RELATION TO THE PROPOSAL TO RE-ELECT AN EXECUTIVE DIRECTOR INCLUDED UNDER ITEM ONE OF THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS CONVENED FOR 8 AND 9 NOVEMBER 2022 RESPECTIVELY AT FIRST AND SECOND CALL.

1) Introduction

The Board of Directors of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this report as provided for in article 10.2 of the Regulations of the Company’s Board of Directors, in relation to the proposal to re-elect Mr Jesús Vicente González Herrera as executive director of the Company, whose term in office will expire on 13 November 2022 (the “**Report**”).

The aforementioned re-election proposal will be tabled for approval by the General Meeting of Shareholders convened for 8 November 2022 at first call, and 9 November 2022 at second call,

Pursuant to article 10.1 (e) of the Regulations of the General Meeting of Shareholders of the Company, where the General Meeting of Shareholders has to discuss the appointment, re-election or ratification of directors, the following information shall be enclosed with the relevant resolution proposal:

- 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.

In relation to the proposal subject of this Report, the relevant report has been drawn up by the Nomination and Remuneration Committee and is attached as **Annex I** hereto (the “**Nomination and Remuneration Committee 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 is set out in section 3 of the attached Nomination and Remuneration Committee Report.

In this regard, the Board of Directors positively assesses the profile, skills and experience of the director whose re-election is proposed and considers that his profile suits the needs defined in the Nomination and Remuneration Committee's preliminary analysis.

In addition, the Board of Directors has considered the candidate director recruitment policy approved by the Board, following a proposal by the Nomination and Remuneration Committee, on 18 December 2017.

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 candidate:

- (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) Mr Jesús González Herrera's proven dedication going forward and his performance first as General Manager of the Company and subsequently as Managing Director and Board Chairman, and
- (iii) his experience, education and professional profile prove his merits and fitness to hold the office of Company director, particular value having been attached to his longstanding experience and expertise in the sector in which the Company and its groups of companies operate.

The Board of Directors has also valued the following aspects and skills of the director whose re-election is proposed:

- 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.

4) Resolution proposals submitted to the General Meeting of Shareholders

Based on the above, and as established in the Nomination and Remuneration Committee Report, the Board of Directors has concluded that Mr Jesús Vicente González Herrera may continue to contribute very positively to the operation of the Board of Directors and, consequently, has resolved that the following proposal be tabled for approval by the General Meeting of Shareholders:

“1. – Re-election of Mr Jesús Vicente González Herrera as executive director.

“That Mr Jesús Vicente González Herrera be re-elected as director, based on the Board of Directors' proposal and report in support thereof and following the Nomination and Remuneration Committee's favourable report, for the three-year term established in the articles of association, qualifying as an executive director.”

Madrid, 30 September 2022

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ANNEX I

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 AN EXECUTIVE DIRECTOR

1) Introduction

The Nomination and Remuneration Committee of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this report as provided for in article 10.2 of the Regulations of the Board of Directors, pursuant to which the proposal for re-election of an executive director shall be preceded by a favourable report issued by the Nomination and Remuneration Committee (the “**Report**”).

Given that the term in office as executive director of Mr Jesús Vicente González Herrera is set to expire soon on 13 November 2022, a proposal has been made for his re-election as executive director of the Company. Mr Jesús Vicente González Herrera was co-opted interim Executive Director in a resolution of the Board of Directors dated 13 November 2019, following a favourable report of this Committee, ratified by the General Meeting of Shareholders held on 29 July 2020.

2) Purpose of the Report

Based on the above, 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 purpose of reporting as to the proposal to re-elect Mr Jesús Vicente González Herrera as an executive director for the term established in the articles of association.

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

Following the above-mentioned proposal, 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 industry expertise and knowledge of 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, expertise 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 addition, the Nomination and Remuneration Committee has considered the following recommendations as part of the preliminary analysis of the Board of Directors' needs:

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 expertise and experience in those matters.
2. 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.
3. 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 re-elect 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, first as General Manager of the Company and subsequently as executive Director from 3 November 2019 to date, as Managing Director from 29 July 2020, and the performance of his duties as Board Chairman from 28 June 2022. In particular, the Committee considers that, all in all, Mr Jesús Vicente González Herrera meets the following requirements:

- i) Experience and expertise in the sector in which the Company and its Group operate.
- ii) Experience and expertise in 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 turn, value has been attached to his proven dedication and his performance to date of his duties as Chairman and Managing Director.

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 Meeting of Shareholders, all pursuant to article 10.1 (e) of the Regulations of the Company's General Meeting of Shareholders.

5) Conclusions

Based on the above, the Committee has resolved to submit its favourable report to the Board of Directors for the re-election of Mr Jesús Vicente González Herrera as executive director for the term established in the articles of association. Similarly, the Committee resolves to submit to the Board of Directors its favourable report for the re-election of Mr Jesús Vicente González Herrera as Managing Director and as Board Chairman.

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 Chairman and Managing Director 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. y Central de Mezclas S.A. Cemento Bayano, S.A., Superquímicos de Centroamérica, S.A., Cemex Caribe, S.A., Cemex Guatemala, S.A., Global Concrete, S.A., Cementos de Centroamérica, S.A. and Cemex Nicaragua, S.A. (individual representative of the director Cemex Colombia, S.A.)

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) ratified by the General Meeting of Shareholders on 29 July 2022.