



NOMINATION AND REMUNERATION COMMITTEE

Annual Report on the remuneration of Directors and Senior Executives for the year ended 31 December 2022

1. Introduction

The Nomination and Remuneration Committee has prepared this *Annual report on the remuneration of Directors and Senior Executives* of CEMEX LATAM HOLDINGS, S.A. (the “**Company**” or “**Cemex Latam**”) for the year ended 31 December 2022 (the “**Report**”) in compliance with article 44 of the Regulations of the Board of Directors.

This Report, which shall be tabled for approval by the Board of Directors, provides the Board of Directors with the information that the Nomination and Remuneration Committee (the “**Committee**”) deems necessary and relevant with regard to the remuneration of Directors and Senior Executives of the Company and its corporate group (“**Cemex Latam Group**”).

2. The Board of Directors

A. **Composition of the Board of Directors**

Pursuant to article 36 of the Articles of Association and article 7 of its Regulations, as worded on the date of issue of this Report, Cemex Latam’s Board of Directors shall consist of no fewer than five and not more than nine Directors, and its composition shall be such that non-executive Directors outnumber the executive Directors, and at least one-third of the Board members are independent. At 31 December 2022, the composition of the Board of Directors was as follows:

- | | |
|---------------------------------------|------------------------------------|
| ▪ Mr Jesús Vicente González Herrera | Chairman and Proprietary Director |
| ▪ Mr Marcelo Catalá Espinosa | Proprietary Director |
| ▪ Ms Beatriz Tumoine Muñoz | Proprietary Director |
| ▪ Ms Angélica Rodríguez-López Domingo | Independent Director |
| ▪ Mr Jorge Torrado Angarita | Independent Director |
| ▪ Mr Antonio Iván Sánchez Ugarte | Secretary and Proprietary Director |

In the period between 1 January 2022 and the date of this Report, the composition of the Board of Directors has changed as follows:

- As a result of the termination of the office of independent director Ms Coloma Armero Montes, which occurred on 28 June 2022, and the resignation tendered by independent director Ms Mónica Aparicio Smith, effective as of 28 June 2022, the General Meeting of Shareholders held on 28 June 2022 appointed Ms Angélica Rodríguez-López Domingo and Mr Jorge Torrado Angarita as independent directors.
- As a result of the termination of the office of proprietary director Mr Jaime Muguero Domínguez on 28 June 2022, the General Meeting of Shareholders held on that same date appointed Ms Beatriz Tumoine Muñoz as proprietary director.

B. Committees of the Board of Directors

As of 1 January 2022, the Board of Directors had the following Committees, which it still has as at the date of this Report:

I) Audit Committee

Article 6 of the Regulations of the Audit Committee, in line with the provisions of article 25 of the Regulations of the Board of Directors, as worded on the date of issue of this Report, provides that the Audit Committee shall consist of no fewer than three and not more than five non-executive Directors, a majority of the members of which Committee must be Independent Directors, at least one of them being appointed on the basis of his or her expertise and experience in accounting, auditing or both. The Committee Chair must be an Independent Director.

At 1 January 2022, the composition of the Audit Committee was as follows:

- Ms Mónica Aparicio Smith (Chair)
- Ms Coloma Armero Montes (Member)
- Mr Marcelo Catalá Espinosa (Secretary)

In the period between 1 January 2022 and the date of this Report, the composition of the Audit Committee has changed as follows:

- as a result of the termination of the office of Ms Coloma Armero Montes as director effective as of 28 June 2022 and of the resignation tendered by Ms Mónica Aparicio Smith, effective as of 28 June 2022, as Company director and Audit Committee member, the Board of Directors resolved, on a proposal by the Nomination and Remuneration Committee, at the meeting held on 28 June 2022, that Ms Angélica Rodríguez-López Domingo be designated to be the Committee Chair and that Mr Jorge Torrado Angarita be designated to be an Audit Committee member.

The composition of the Audit Committee as of the date of this Report is as follows:

- Ms Angélica Rodríguez-López Domingo (Chair)
- Mr Jorge Torrado Angarita (Member)
- Mr Marcelo Catalá Espinosa (Secretary)

II) Nomination and Remuneration Committee

Article 26 of the Regulations of the Board of Directors, read expressly in conjunction with article 44 of the Articles of Association, as worded on the date of issue of this Report, governs the Nomination and Remuneration Committee's composition and duties, and provides that it shall consist of no fewer than three and not more than five non-executive Directors, a majority of the members of which Committee must be Independent Directors. The Committee Chair must be an Independent Director.

At 1 January 2022, the composition of the Nomination and Remuneration Committee was as follows:

- Ms Coloma Armero Montes (Chair)
- Ms Mónica Aparicio Smith (Member)
- Mr Antonio Iván Sánchez (Secretary)

In the period between 1 January 2022 and the date of this Report, the composition of the Nomination and Remuneration Committee was changed by a resolution of the Board of Directors on 28 June 2022, when Mr Jorge Torrado Angarita, Ms Angélica Rodríguez-López Domingo and Ms Beatriz Tumoine were appointed to be Nomination and Remuneration Committee members to fill the vacancies arising on that Committee following the termination of the office of director of Ms Coloma Armero Montes, the resignation tendered by Ms Mónica Aparicio Smith from the office of Company director and the resignation tendered by Mr Antonio Iván Sánchez Ugarte as Nomination and Remuneration Committee member.

At the aforementioned meeting, the Board of Directors also designated Mr Jorge Torrado Angarita to be the Committee Chair and Ms Beatriz Tumoine to be the Committee Secretary. The composition of the Nomination and Remuneration Committee at the date of this Report is as follows:

- Mr Jorge Torrado Angarita (Chair)
- Ms Angélica Rodríguez-López Domingo (Member)
- Ms Beatriz Tumoine (Secretary)

III) Corporate Governance Committee

Article 27 of the Regulations of the Board of Directors read expressly in conjunction with article 45 of the Articles of Association, as worded on the date of issue of this Report, governs the Corporate Governance Committee's composition and duties, and provides that it shall consist of no fewer than three and not more than five non-executive Directors, a majority of the members of which Committee must be Independent Directors. The Committee Chair must be an Independent Director.

At 1 January 2022, the composition of the Corporate Governance Committee was as follows:

- Ms Coloma Armero Montes (Chair)
- Ms Mónica Aparicio Smith (Member)
- Mr Antonio Iván Sánchez Ugarte (Secretary)

In the period between 1 January 2022 and the date of this Report, the composition of the Corporate Governance Committee was changed by a resolution of the Board of Directors on 28 June 2022, appointing Mr Jorge Torrado Angarita and Ms Angélica Rodríguez-López Domingo to be Corporate Governance Committee members to fill the vacancies arising on that Committee following the termination of the office of director of Ms Coloma Armero Montes and the resignation tendered by Ms Mónica Aparicio Smith from the office of Company director.

The composition of the Corporate Governance Committee at the date of this Report is as follows:

- Mr Jorge Torrado Angarita (Chair)
- Ms Angélica Rodríguez-López Domingo (Member)
- Mr Antonio Iván Sánchez Ugarte (Secretary)

3. Board remuneration policy

Pursuant to article 48 of the Articles of Association and article 32 of the Regulations of the Board of Directors, as worded on the date of issue of this Report, Directors shall be entitled to be remunerated by the Company for holding such office, such remuneration to comprise (i) a fixed retainer fee and, as the case may be, (ii) fees for attending Board and Committee meetings.

Additionally, Executive Directors will be remunerated in respect of all or any of the following items:

- (i) a fixed component, commensurate with services performed and responsibilities assumed;
- (ii) a variable component, linked to an indicator of the performance of the Director or the Company;

- (iii) a welfare component comprising relevant pension or insurance contributions; and
- (iv) severance payment in the event of dismissal or any other termination of the legal relationship with the Company other than in the event of a breach by the Director.

The total remuneration payable by the Company to Directors as a whole for holding that office and for their executive duties shall not exceed the relevant amount determined by the General Meeting of Shareholders. The Board of Directors shall be responsible for setting the exact amount payable, following a proposal submitted by the Nomination and Remuneration Committee, but not exceeding the limit set by the General Meeting of Shareholders, for determining how it is apportioned among the various Directors, the criteria to be followed, the timing for payment, and other issues not expressly considered by the General Meeting of Shareholders.

4. Board remuneration policy 2020 - 2022

The Nomination and Remuneration Committee resolved at its meeting of 18 June 2020 to report on the proposal for the directors' remuneration policy for the years 2020, 2021 and 2022, which report was submitted by the Board of Directors to the General Meeting of Shareholders held on 29 July 2020.

The aforementioned policy, which was approved by the aforesaid General Meeting of Shareholders held on 29 July 2020, provided that the annual remuneration (fixed retainer plus attendance fees) payable to the directors as a whole for the years 2020, 2021 and 2022 was to amount to not more than EUR 400,000 (gross) for each year.

In addition, pursuant to article 48.3 of the Articles of Association, the Board of Directors resolved at its meeting of 22 October 2020, following a proposal by the Nomination and Remuneration Committee, to propose the following change in the distribution of Directors' remuneration for the discharge of their duties for the years 2020, 2021 and 2022:

1. A total fixed annual retainer (gross) of FORTY-EIGHT THOUSAND SIX HUNDRED EUROS (€48,600) payable to each Independent Director and the Executive Director, the total sum not to exceed ONE HUNDRED AND NINETY-FOUR THOUSAND FOUR HUNDRED EUROS (€194,400).
2. A fee for attending the meetings of the Board of Directors and its Committees in the (gross) amounts specified below, the total aggregate (gross) annual amount of which for the Independent Directors as a whole is not to exceed TWO HUNDRED AND FIVE THOUSAND SIX HUNDRED EUROS (€205,600), based on the following criteria:

Body	Amount per meeting
Board of Directors	€2,100
Audit Committee	€2,400 - Chair €1,900 - member
Corporate Governance Committee	€2,100 - Chair €1,800 - member
Nomination and Remuneration Committee	€2,100 - Chair €1,800 - member

The following criteria were established for payment of the fees:

- The above attendance fees shall be paid exclusively to Directors who qualify as independent directors.
- All fees for attending the meetings of the Board of Directors and/or its Committees shall be paid regardless of whether or not the meetings are held on the same day.
- All fees for attending the meetings of the Board of Directors and/or its Committees shall be paid regardless of whether the meetings are held in person or by any remote means.
- No right to receive an attendance fee shall accrue where resolutions are adopted using the written procedure without a meeting.

In addition, within the framework of the aforementioned proposal, the Company will carry on bearing the Directors' travel expenses (travel to wherever the meeting is held, accommodation, food and local transport) for attending the meetings of the Board of Directors or its Committees, or General Meetings of Shareholders, and the Directors shall be entitled to reimbursement of those expenses because they are not in the nature or part of their remuneration.

Until and unless the aforementioned directors' remuneration policy is amended by a new resolution of the General Meeting of Shareholders, the aggregate annual remuneration amount will be updated and/or reviewed on a yearly basis with reference to the percentage change in the General National Index of the Retail Price Indices System ("RPI") published by the National Institute for Statistics of Spain or any future replacement agency, for the preceding annual calendar period ended 31 December of each year.

In line with the remuneration policy approved by the General Meeting of Shareholders on 29 July 2020 referred to above, each of the Company's Independent Directors and the Executive Director, have received the following **fixed remuneration** as of the date of this Report with respect to the year 2022:

Director	Total fixed remuneration with respect to the year 2022 (gross)
Ms Coloma Armero Montes	EUR 24,300
Ms Mónica Aparicio Smith	EUR 24,300
Ms Angélica Rodríguez-López Domingo	EUR 24,300
Mr Jorge Torrado Angarita	EUR 24,300
Mr Jesús González Herrera	EUR 48,600
Total	EUR 145,800

The independent directors received the following **attendance fees** for the meetings of the respective company bodies held during the year 2022:

Director	Number of meetings of the Company bodies	Total fees for attending meetings (gross)
Ms Coloma Armero Montes	21	EUR 42,300
Ms Mónica Aparicio Smith	21	EUR 45,000
Ms Angélica Rodríguez-López Domingo	13	EUR 27,000
Mr Jorge Torrado Angarita	13	EUR 26,500
Total		EUR 140,800

The Company has paid the directors travel expenses amounting to €7,261.04 during the year 2022.

5. Senior Executives

According to the Regulations of the Board of Directors, Senior Executives are deemed to be the Company's top executives who report directly to the Board of Directors or the Company's chief executive, and any other Directors recognised as such by the Board of Directors.

The Senior Executives are primarily responsible for implementing the business strategy defined by the Board of Directors, and the Board shall, pursuant to the Articles of Association and the laws in force from time to time, establish their powers and authority to act on the Company's and its Group companies' behalf.

Given that Cemex Latam is a holding company and Cemex Latam Group's controlling company, its Senior Executives are executives of the group's subsidiary companies.

At the end of the year 2022, Cemex Latam Group's Senior Executives were as follows:

▪ **Mr Jesús Vicente González Herrera**

Chief Executive (CEO) of Cemex Latam Group

As Cemex Latam's chief executive, Mr González is responsible for managing Cemex Latam Group's operations and business. Mr González's management team is formed by the following Senior Executives:

▪ **Mr Pablo Antonio Gutiérrez Garza**

Chief Financial Officer of Cemex Latam Group

As the chief officer in the area of Finance and Treasury for the Cemex Latam Group countries, Mr Gutiérrez manages, coordinates and supervises the finance and treasury areas in the various business and operating units in this region.

▪ **Mr Jesús García Cárdenas**

Operations Vice-President of Cemex Latam Group

As the head of the Operations area for the Cemex Latam Group countries, Mr García manages, coordinates and oversees all matters related to the production of the materials manufactured, sold and distributed by the various business units and operations in this region.

▪ **Mr Juan Carlos Muñoz Jaramillo**

Planning Vice-President of Cemex Latam Group and CEMEX Colombia

As head of the Strategic Planning area for the Cemex Latam Group countries, Mr Muñoz manages, coordinates and oversees all matters related to the strategic planning of the operations performed by the various business units and operations in this region.

▪ **Ms Fabiola Martínez García**

Legal Affairs Director of Cemex Latam Group

As head of the legal affairs areas for the Cemex Latam Group countries, Ms Martínez manages, coordinates and oversees all legal matters related to the operations performed by the various business units in this region.

▪ **Mr Alejandro Alberto Ramírez Cantú**

Manager of Cemex Colombia and Peru

As Country Manager, Mr Ramírez manages, coordinates and oversees operations and business in Colombia and Peru.

▪ **Mr José Luis Seijo González**
Manager of Cemex Central America

As Director of the Central American cluster, Mr Seijo manages, coordinates and oversees operations and business in Nicaragua, Panama and Guatemala.

6. Senior Executive remuneration

The 7 Senior Executives making up the senior management team of Cemex Latam and its subsidiaries at 31 December 2022 have received a total aggregate amount of USD 5.08 million, equivalent to approximately EUR 4.80 million, from Cemex Latam Group for all items making up their compensation.

Members of Cemex Latam's Senior Management team are entitled to being compensated as follows:

- i) Fixed annual compensation or basic annual salary.
- ii) Performance-linked bonus or remuneration.
- iii) Long-term incentives.

The Senior Executives of CLH benefitted during 2022 under long-term incentive plans consisting of delivery of shares (ordinary depositary receipts, or "CPOs") of CEMEX, S.A.B. de C.V. ("CEMEX").

The total number of shares allocated to most of the Company's Senior Executives out of the Long-term Incentive Plan for the year 2022 ("PILP 2022") was 3.601.506 shares. The specific plans included in the PILP 2022, and allocated to each executive based on their office, were the April restricted shares plan (RS APR 22), the June restricted shares plan (RS JUN 2022) and the June Performance Plan shares (PS JUN 2022).

The average traded share price for the period 15 January 2022 to 15 April 2022 was used to determine the number of shares to be assigned under the 2022 PILP in the case of the RS APR 22 plan and the average traded share price for the period 1 April 2022 to 30 June 2022 was used in the case of the RS JUN 22 plan and of the PS JUN 22-25 plan.

For the RS APR 22 and RS JUN 22 plans, the aforementioned number of shares is delivered to the Senior Executives in four annual blocks, each amounting to 25%, in accordance with the proportion determined for each of them individually.

The first annual block of Company shares was transferred to the aforementioned group of executives on 1 May 2022 in the case of the RS APR 22 plan and also on 1 July 2022 in the case of the RS JUN 22 plan.

As for the PS JUN 22-25 plan, it shall be fully delivered in the year 2025, depending on the criteria for that delivery being met.

In addition to the above remuneration package, Cemex Latam's Senior Management also benefit from:

- i) An international mobility package and a pension plan (for only 5 of these executives).
- ii) Medical expenses insurance.
- iii) Life insurance.
- iv) A company car.

Madrid, 24 May 2023