



REPORT ISSUED BY THE BOARD OF DIRECTORS OF CEMEX LATAM HOLDINGS, S.A. IN RELATION TO THE PROPOSALS TO APPOINT DIRECTORS INCLUDED UNDER ITEM THREE OF THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS CONVENED FOR 4 SEPTEMBER 2023 AT FIRST CALL AND 5 SEPTEMBER 2023 AT SECOND CALL.

1) Introduction

The Board of Directors of CEMEX LATAM HOLDINGS, S.A. (the “**Company**”) issues this explanatory report as provided for in article 10.2 of the Regulations of the Company’s Board of Directors, pursuant to which the Board of Directors shall submit its proposals to appoint directors to be tabled for discussion at the Company’s Extraordinary General Meeting of Shareholders

In addition, that article provides that proposals submitted by the Board of Directors shall be preceded by the relevant Nomination and Remuneration Committee report.

The proposals subject of this report are based on the Company’s new reality after being delisted which entails, inter alia, changes to the structure and composition of its Board of Directors, following the elimination of the figure of the independent director, as explained in the Tender Offer Booklet for the purchase and delisting of ordinary shares in the Company. Accordingly, the Company’s audit, nomination and remuneration and corporate governance committees will be eliminated because their existence is not a mandatory requirement for Spanish companies whose shares are not listed on a stock exchange.

As for the composition of the Board of Directors, for the record, directors Mr Jesús González Herrera, Ms Angélica Rodríguez-López Domingo, Mr Jorge Torrado Angarita and Ms Beatriz Tumoine Muñoz have tendered their resignation from their offices, effective from the date on which the Extraordinary General Meeting of Shareholders is held, and new directors have been proposed to be appointed to replace them, as follows.

This report has been prepared in relation to the following proposed appointments:

- (i) Appointment of Mr Francisco Javier García Ruiz de Morales as director, for the new five-year term established in the articles of association.

- (ii) Appointment of Mr Ángel Méndez Molina as director, for the new five-year term

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established in the articles of association.

(iii) Appointment of Mr José David Rodríguez Soto as director, for the new five-year term established in the articles of association.

(iv) Appointment of Mr Víctor Ramón García Valdéz as director, for the new five-year term established in the articles of association.

Pursuant to article 10.1 (e) of the Regulations of the General Meeting of Shareholders of the Company, where the Extraordinary General Meeting of Shareholders has to discuss the appointment, appointment 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 of that director, 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, the Nomination and Remuneration Committee's report..

This report contains all the information referred to in the aforementioned article 10.1 (e) of the Regulations of the General Meeting of Shareholders of the Company, and the Board of Directors has assessed the proposed candidates' skills, experience and merits.

Attached as **Annex I** to this report is the report drawn up by the Nomination and Remuneration Committee (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 6 directors whose appointment is proposed and has considered that all 6 profiles suit the needs defined in the Nomination and Remuneration Committee's preliminary analysis.

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) all the proposed candidates 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;
- (ii) the experience, education and professional profile of the directors whose appointments are submitted for approval at the Extraordinary General Meeting of Shareholders prove their merits and fitness to hold the office of Company director and are proof of their experience and expertise in the sector and the various matters relevant to the business of the Company and its governing bodies.

4) Resolution proposals submitted to the Extraordinary General Meeting of Shareholders

Based on the above, considering the Nomination and Remuneration Committee's preliminary report, it is resolved that the following proposed resolutions be tabled for approval by the Extraordinary General Meeting of Shareholders:

a) Appointment of Mr Francisco Javier García Ruiz de Morales as director for the new five-year term established in the articles of association.

“Appointment, as the case may be, of Mr Francisco Javier García Ruiz de Morales as director.

That Mr Francisco Javier García Ruiz de Morales be appointed as director, following the Nomination and Remuneration Committee's favourable report, for the new five-year term established in the articles of association.”

b) Appointment of Mr Ángel Méndez Molina as director for the new five-year term established in the articles of association.

“Appointment, as the case may be, of Mr Ángel Méndez Molina as director.

That Mr Ángel Méndez Molina be appointed as director, following the Nomination and Remuneration Committee's favourable report, for the new five-year term established in the articles of association."

c) Appointment of Mr José David Rodríguez Soto as director for the new five-year term established in the articles of association.

"Appointment, as the case may be, of Mr José David Rodríguez Soto as director.

"That Mr José David Rodríguez Soto be appointed as director, following the Nomination and Remuneration Committee's favourable report, for the new five-year term established in the articles of association."

d) Appointment of Mr Víctor Ramón García Valdéz as director for the new five-year term established in the articles of association.

"Appointment, as the case may be, of Mr Víctor Ramón García Valdéz as director.

"That Mr Víctor Ramón García Valdéz be appointed as director, following the Nomination and Remuneration Committee's favourable report, for the new five-year term established in the articles of association."

Madrid, 26 June 2023

ANNEX I

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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 DIRECTORS

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 appointment of directors shall be preceded by a report issued by the Nomination and Remuneration Committee.

This report is drawn up as a result of the changes to the articles of association to be tabled for approval at the Extraordinary General Meeting of Shareholders and the changes to be made to the Board of Directors following delisting of the Company. This entails, inter alia, changes to its the composition, following the elimination of the figure of the independent director, as explained in the Tender Offer Booklet for the purchase and delisting of ordinary shares in the Company.

For this same reason, the Company’s audit, nomination and remuneration and corporate governance committees will be eliminated because their existence is not a mandatory requirement for Spanish companies whose shares are not listed on a stock exchange.

As for the composition of the Board of Directors, for the record, directors Mr Jesús González Herrera, Ms Angélica Rodríguez-López Domingo, Mr Jorge Torrado Angarita and Ms Beatriz Tumoine Muñoz have tendered their resignation from their offices, effective from the date on which the Extraordinary General Meeting of Shareholders is held.

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 appointment of Mr Francisco Javier García Ruiz de Morales, Mr Ángel Méndez Molina, Mr José David Rodríguez Soto and Mr Víctor Ramón García Valdez as directors.

These appointments have been proposed by the shareholder Cemex España, S.A., the holder as of 31 May of a 99.50% interest in the share capital (excluding treasury shares).

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

The Nomination and Remuneration Committee has analysed the Board of Directors' needs and taken into account the proposed candidates' profiles and experience in order to thereby suitably satisfy the needs as to composition and operation of the Board of Directors and be able to provide continuity for the work heretofore done by the Board.

4) Justification of the proposals as a whole

In preparing these proposals for appointments and the conclusions set out in section 5) 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 multinational character.

In this connection, the Committee considers that the proposed candidates altogether suitably combine the necessary expertise and skills to ensure an autonomous and independent decision-making capacity for the benefit of the Company. Accordingly, the proposed candidates have longstanding experience in the following fields:

- (i) experience in the industrial sector in which CLH Group operates,
- (ii) prior experience holding offices on management bodies and executive positions,
- (iii) experience and expertise in the field of risk management, audit and internal control, finance, law and regulatory compliance,
- (iv) experience and expertise in international spheres.

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;
- (ii) the candidates all have the necessary commitment to hold those offices,
- (iii) the experience, education and professional profile of the directors whose appointments are submitted for approval at the Extraordinary General Meeting of Shareholders prove their merits and fitness to hold the offices of Company directors.

The proposed candidates' professional profiles are attached as **Annexes I to IV** hereto.

5) Conclusions

Based on the above, the Committee has resolved to submit its favourable report to the Board of Directors so that it may propose to the Extraordinary General Meeting of Shareholders the appointment of Mr Francisco Javier García Ruiz de Morales, Mr Ángel Méndez Molina, Mr José David Rodríguez Soto and Mr Víctor Ramón García Valdez as directors, all of them for the new five-year term established in the articles of association.

Madrid, 21 June 2023

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ANNEX I – PROFILE OF MR FRANCISCO JAVIER GARCÍA RUIZ DE MORALES

1) Professional profile and biography

Graduate of Law at Madrid's Complutense University and of Business Administration at the Antonio de Nebrija University (Madrid). Mr García joined Cemex in the year 2000 and has held a number of executive positions in the finance and administration areas, including Financial Planning Director for Spain from 2001 to 2004, International Financing Director from 2004 to 2012 and Regional Treasury Director for the Europe, Asia, Middle East and Africa region from 2012 to May 2014. In 2014, he moved on to managing the Corporate Funding group in Monterrey, Mexico, reporting directly to Cemex's Chief Financial Officer. Towards the end of 2018, Mr García was appointed to the position of Business Services Organisation (BSO) Director for the Europe, Asia, Middle East and Africa region. He is currently the Business Relations (Global Enterprise Services) Director for Cemex's operations in the Europe, Asia, Middle East and Africa region.

2) Other Board memberships

- Individual representative of Cemex Operaciones México, S.A. de C.V. holding the office of director of Cemex España, S.A.

- Member of the Boards of Directors of:
 - Sunbulk Shipping, S.L.U.
 - Roble Re, S.L.U.
 - Cemex Holdings Philippines, Inc.

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 II – PROFILE OF MR ÁNGEL MÉNDEZ MOLINA

1) Professional profile and biography

Graduate of Law and graduate of Economics and Business Science at the Comillas Pontifical University in Madrid, Spain. He obtained a Master's Degree in Corporate Finance and Investment Banking at the Institute of Stock Exchange Studies in Madrid, Spain. He joined Cemex in October 1999 and has since held a number of positions in Cemex Group's finance area. In June 2014 he was designated Cemex Group regional Treasury director in the Europe, Asia, Middle East and Africa region, which position he currently holds.

2) Other Board memberships

- Individual representative of Cemex Innovation Holding Ltd. holding the office of director of Cemex España, S.A.
- Member of the Board of Directors of:
 - Sunbulk Shipping, S.L.U.
 - Roble Re, S.L.U:

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 JOSÉ DAVID RODRÍGUEZ SOTO

5) Professional profile and biography

He graduated in Business Administration at the Deusto Commercial University in Bilbao, Spain. He obtained a master's degree in Financial Management at the University of Barcelona and a master's degree in Accountancy at the CEU San Pablo, University in Madrid. He was employed by a number of financial, telecommunications and consultancy sector firms until 2008, when he joined Cemex's Tax Department. Since October de 2011, he holds the office of Cemex Group tax director in the Europe, Asia, Middle East and Africa region.

6) Other Board memberships

- Individual representative of Lomez International BV holding the office of director of Cemex España, S.A.
- Member of the Board of Directors of:
 - Sunbulk Shipping, S.L.U.
 - Roble Re, S.L.U.
 - Cemex Innovation Holding Ltd.

7) Category of his directorship and proposing shareholder

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

8) Date of first and subsequent appointments as a Company director

N/A

ANNEX IV – PROFILE OF MR VÍCTOR RAMÓN GARCÍA VALDÉZ

9) Professional profile and biography

Graduate of Accounts and Finance at the Institute of Technology and Higher Education (Monterrey, Mexico) in December 1999. He joined Cemex in May 2000 and has since held a number of positions in the Cemex Group Controllershship area (Consolidation, Financial Reporting and Institutional Systems) at various locations (Monterrey, Mexico; London, United Kingdom and Madrid, Spain). In September 2007, he was designated CEMEX Group Regional Financial Reporting Manager in the Europe, Asia, Middle East and Africa region, which position he currently holds.

10) Other Board memberships

- Individual representative of CEMEX, S.A.B. de C.V. holding the office of director of Cemex España, S.A.
- Member of the Board of Directors of:
 - Sunbulk Shipping, S.L.U.
 - Roble Re, S.L.U.

11) Category of his directorship and proposing shareholder

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

12) Date of first and subsequent appointments as a Company director

N/A