



Building a better future

Description of responsibilities of CEMEX, S.A.B. de C.V.'s Board of Directors Committees: 1) Audit Committee, 2) Corporate Practices and Finance Committee (which, among other roles, performs the role of a Nomination and Compensation Committee), and 3) Sustainability, Climate Action, Social Impact, and Diversity Committee (formerly named Sustainability Committee)

As provided in CEMEX, S.A.B. de C.V.'s ("CEMEX") By-Laws and in the Mexican Securities Market Law (*Ley del Mercado de Valores*), the main responsibilities of CEMEX's Board of Directors **Audit Committee**, are as follows:

- Evaluating internal controls and procedures and identifying deficiencies;
- Following up with corrective and preventive measures in response to any non-compliance with operation and accounting guidelines and policies;
- Evaluating the performance of external auditors and analyzing the reports, opinions and other information issued by such external auditors;
- Describing and valuing non-audit services performed by external auditors;
- Reviewing financial statements and determining if their approval should be recommended to the Board of Directors;
- Informing the Board of Directors of the state of the company's internal controls, internal audit and accounting systems, including any breaches detected;
- Supporting the Board of Directors in producing different reports submitted to the shareholders;
- Assessing the effects of any modifications to the accounting policies approved during any fiscal year;
- Overseeing measures adopted as a result of any observations made by shareholders, directors, executive officers, employees or any third parties with respect to accounting, internal controls and internal and external audit, as well as any complaints regarding management irregularities,
- Supervising complaints raised by employees, third parties and other stakeholders to report ethical, corruption, and/or compliance matters utilizing confidential methods and other whistleblowing mechanisms;
- Ensuring compliance by the Chief Executive Officer with the resolutions adopted by the shareholders and Board of Directors; and
- Analyzing the risks identified by independent auditors, accounting, internal control and process assessment areas.

As provided in CEMEX's By-Laws and in the Mexican Securities Market Law (*Ley del Mercado de Valores*), the main responsibilities of CEMEX's Board of Directors **Corporate Practices and Finance Committee**, is as follows:

- Performing the role of a nomination and compensation committee, mainly by:
 - i. Evaluating the employment and compensation of the Chief Executive Officer and the Chairman of the Board of Directors; and
 - ii. Reviewing the hiring and compensation policies for executive officers;
- Reviewing related party transactions and any conflicts of interest in transactions valued at USD \$120,000.00 or more;
- Reviewing different policies, including regarding use of corporate assets;



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- Reviewing unusual or material transactions;
- Evaluating waivers granted to directors or executive officers regarding participation and benefiting of corporate opportunities;
- Identification, evaluation and follow up on the main risks affecting the company and its subsidiaries;
- Evaluating financial plans;
- Reviewing the financial strategy and its implementation; and
- Evaluating merger and acquisitions opportunities as well as asset sales, including financial and related transactions.

The **Sustainability, Climate Action, Social Impact, and Diversity Committee (formerly named Sustainability Committee)** is responsible for:

- Overseeing sustainability policies, strategies and programs;
- Overseeing climate action goals and evaluating progress against those goals;
- Evaluating the effectiveness of sustainability and climate action programs and initiatives;
- Providing assistance to the Chief Executive Officer and senior management team regarding the strategic direction on sustainability and social responsibilities model;
- Identifying the main risks concerning sustainability-related matters and overseeing mitigating actions;
- Endorsing a model of sustainability, priorities, and key indicators;
- Overseeing social impact policies, strategies and programs;
- Overseeing social impact goals and evaluating progress against those goals;
- Evaluating the effectiveness of social impact programs and initiatives;
- Overseeing diversity strategies and programs, and assisting the Corporate Practices and Finance Committee as needed on diversity matters, as applicable;
- Overseeing diversity goals and evaluating progress against those goals, and assisting the Corporate Practices and Finance Committee as needed on this item, as applicable;
- Evaluating the effectiveness of diversity programs and initiatives, and assisting the Corporate Practices and Finance Committee as needed on diversity programs and initiatives, as applicable; and
- Overseeing human rights policies, strategies and programs.