



Building a better future

DESCRIPTION OF THREE BOARD COMMITTEES: 1) AUDIT, 2) CORPORATE PRACTICES AND FINANCE (WHICH, AMONG OTHERS, PERFORMS THE ROLE OF A NOMINATION AND COMPENSATION COMMITTEE), AND 3) SUSTAINABILITY

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 each of the three Board Committees, are as follows:

The **Audit Committee** is responsible for:

- 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.

The **Corporate Practices and Finance Committee** is responsible for:

- 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; and
 - ii. Reviewing the hiring and compensation policies for executive officers;
- Reviewing related party transactions and any conflicts of interest;
- Reviewing policies regarding use of corporate assets;
- 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.



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CEMEX's **Sustainability Committee** is responsible for:

- Overseeing sustainability and social responsibility policies, strategies and programs;
- Overseeing climate action goals and evaluating progress against those goals;
- Evaluating the effectiveness of sustainability 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; and
- Endorsing a model of sustainability, priorities, and key indicators.