







INTEGRATED REPORT 2019
EXECUTIVE SUMMARY



INNOVATING
FOR A BETTER WORLD

Our Executive Summary is an overview of our in-depth Integrated Report 2019. This is the fourth consecutive year that CEMEX presents an integrated report, which looks to provide a holistic view of our company's strategic vision, performance, governance, and value creation.

- CEMEX announced a more ambitious 2030 CO₂ reduction target in cement, aligned with scientific expectations, and a new ambition to deliver net-zero CO₂ concrete globally by 2050.
- We continue to report according to the Global Reporting Initiative (GRI) Standards.
- This report is aligned with the Sustainability Accounting Standard Board (SASB) industry specific requirements and adheres to the recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD).
- The report also constitutes our Communication on Progress (CoP) toward the commitments of the UN Global Compact (UNGC).
- The main financial and non-financial key performance indicators were verified by KPMG.
- An External Advisory Panel provided objective feedback to enhance the quality of this report.

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DOWNLOAD OUR FULL REPORT ↓

If you are looking for more detail on our 2019 results and initiatives, we invite you to visit our online Integrated Report or download our full report at: <http://www.cemex.com/IntegratedReport2019>

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CX
LISTED
NYSE



Rogelio Zambrano

Chairman of the Board of Directors

2019 was a complex year for both the global business environment and some of the main markets where we operate.

We maintain a proactive approach to business aimed at constantly improving our performance, and above all, strengthening our ability to create greater value in the future.

With this in mind, we have reinforced our commitment to health and safety, sustainability, and customer-centric innovation in order to transform our company to build a better world for all of our stakeholders.

Climate change represents one of the biggest challenges of our time. Therefore, we have defined a more ambitious Climate Action Strategy and established a new 2030 target to reduce our net specific CO₂ emissions by 35% when compared to our 1990 baseline, and we have defined a long-term ambition to deliver net-zero CO₂ concrete globally by 2050.

The engine of our value generation is our people—our most valuable asset. Accordingly, we constantly and closely listen to our employees, continue to boost their professional development and commitment, and strengthen their business culture through our ethical principles and our values.

To remain at the forefront of our industry's evolution, we are empowering innovation across our organization. We look to enable every one of our employees to not only provide innovative ideas, but also generate new value creation opportunities for our company.

We have defined a more ambitious Climate Action Strategy and established a new 2030 target



Fernando A. González

Chief Executive Officer

CEMEX AT A GLANCE

CEMEX is a global building materials company that provides high-quality products and reliable services to customers and communities around the world.

CEMEX has a rich history of improving the wellbeing of those it serves through innovative building solutions, efficiency advancements, and efforts to promote a sustainable future.

CEMEX started doing business in 1906 and has grown from a local player to one of the top global companies in the industry. It is strategically positioned in the Americas, the Caribbean, Europe, Africa, the Middle East, and Asia.

Our operations network produces, distributes, and markets cement, ready-mix concrete, aggregates, and related building materials, services, and solutions.

Our purpose is to build a better future

OUR GLOBAL PRESENCE



| | MEXICO | USA | SCA&C | EUROPE | AME&A | OTHER* | TOTAL |
|----------------------------|--------|-------|-------|--------|-------|--------|---------------|
| EMPLOYEES | 9,290 | 8,866 | 5,660 | 9,852 | 2,976 | 3,996 | 40,640 |
| CEMENT AND GRINDING PLANTS | 15 | 11 | 15 | 20 | 4 | - | 65 |
| READY-MIX CONCRETE PLANTS | 250 | 333 | 99 | 663 | 82 | - | 1,427 |
| AGGREGATES QUARRIES | 12 | 60 | 22 | 159 | 9 | - | 262 |

As of December 2019. *Includes Neoris and employees performing corporate functions in different locations.

+40.6 thousand employees

PEOPLE

65 cement and grinding plants
93 million tons installed production capacity

CEMENT

1,427 plants
50 million m³ annual sales volume

READY-MIX CONCRETE

262 quarries
135 million tons annual sales volume

AGGREGATES

279 land distribution centers
56 marine terminals

TERMINALS

OUR PORTFOLIO OFFERING

A customer-centric, vertically integrated building materials company

We always strive to provide superior building solutions and a superior customer experience in the markets we serve. To this end, we tailor our products and services to suit our customers' specific needs—from home construction, improvement, and renovation to agricultural, industrial, and marine/hydraulic applications.



Cement

A binding agent, when mixed with aggregates and water, produces either ready-mix concrete or mortar

OUR OFFER:

High-quality cement such as Gray Ordinary Portland, White Portland, Masonry or Mortar, Oil-well, and Blended Cement in bags or in bulk, as well as clinker



Ready-Mix Concrete

A combination of cement, aggregates, admixtures, and water

OUR OFFER:

Architectural and decorative, rapid setting, fiber-reinforced, fluid-fill, roller-compacted, self-consolidating, pervious, and antibacterial ready-mix concrete



Aggregates

Obtained from land-based sources or by dredging marine deposits

OUR OFFER:

Crushed stone, manufactured sand, gravel, sand, and recycled concrete

Urbanization Solutions



SOLUTIONS AND SERVICES

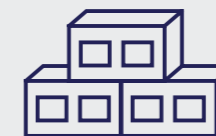
Our growing array of solutions enable us to serve our customers better—from our housing, paving, and Green Building consulting services to our Construrama cement distribution network and our training, financing, and technical support.



BEYOND TRADITIONAL - OUR SUSTAINABLE CONSTRUCTION TECHNOLOGIES

Notably, an important share of our portfolio offers performance characteristics beyond traditional options.

This special category of our cement and ready-mix concrete solutions demonstrate unique sustainability attributes that include saving water and other resources, energy efficiency, resilience, and health and safety benefits. We work hard to not only develop innovative types of cement such as low-carbon solutions, but also produce them in a more sustainable manner, increasing alternative fuels and raw materials while reducing clinker content.



RELATED PRODUCTS

We offer our customers complementary products for their construction needs, including asphalt, concrete blocks, roof tiles, admixtures, blast furnace slag, fly ash, architectural products for different building or landscaping projects, pipes, and other pre-cast products.



DIGITAL SOLUTIONS

Our customer-centric digital solutions, including CEMEX Go and other digital platforms, place the power to succeed in our customers' hands.



PERFORMANCE AND PROGRESS HIGHLIGHTS

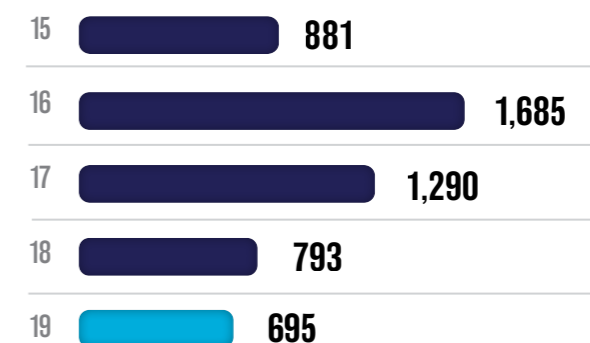
FINANCIAL HIGHLIGHTS

In millions of US dollars¹, except earnings (loss) per ADS

| | 2019 | 2018 | %VAR. |
|---|--------|--------|--------|
| Net sales | 13,130 | 13,531 | (3.0) |
| Operating earnings before other expenses, net | 1,333 | 1,703 | (21.7) |
| Operating EBITDA | 2,378 | 2,685 | (11.4) |
| Controlling interest net income (loss) | 143 | 528 | (73.0) |
| Controlling interest basic earnings (loss) per ADS ² | 0.12 | 0.37 | (68.3) |
| Free cash flow after maintenance capital expenditures | 695 | 793 | (12.3) |
| Total assets | 29,363 | 29,181 | 0.6 |
| Total debt plus perpetual debentures | 11,634 | 11,584 | 0.4 |
| Total controlling stockholders' equity | 9,321 | 9,481 | (1.7) |

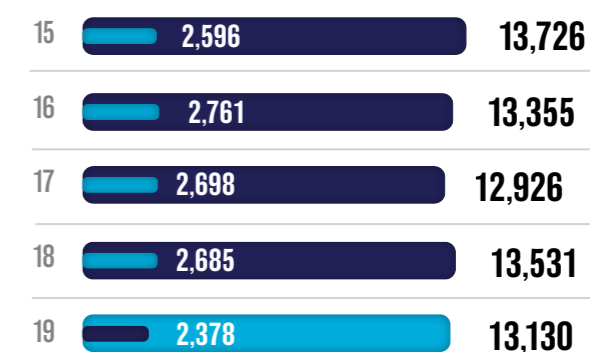
Free cash flow after maintenance capital expenditures

(millions of US dollars)



Net sales and operating EBITDA

(millions of US dollars)



As of December 31, 2019

1. Under IFRS, CEMEX translates the financial statements of foreign subsidiaries using exchange rates at the reporting date for the balance sheet items and the exchange rates at the end of each month for items in the income statement.

2. Based on an average of 1,526 and 1,543 million American Depositary Shares (ADSs) for 2019 and 2018, respectively.

SUSTAINABILITY PERFORMANCE HIGHLIGHTS



HEALTH & SAFETY

96%

of our operations had zero fatalities and injuries



EMPLOYEES

32

EMPLOYEE NET PROMOTER SCORE



CLIMATE CHANGE

30%

of power in cement supplied by renewable energy



CLIMATE CHANGE

22.4%REDUCTION in specific CO₂ emissions vs. 1990

CLIMATE CHANGE



Recognized as climate leader



ENVIRONMENT

93%

of quarries with high biodiversity value implemented Biodiversity Action Plans



ENVIRONMENT

97%

of clinker produced with continuous monitoring of major emissions



CIRCULAR ECONOMY

9.6%

of alternative raw materials in cement production



CIRCULAR ECONOMY

28%

ALTERNATIVE FUELS RATE highest in the past four years



CIRCULAR ECONOMY

Our consumption of non-recyclable waste from other industries was

31 TIMES

the waste we sent for disposal



SUPPLIERS

44%

critical suppliers' spend underwent sustainability assessment



COMMUNITIES

+17.6 MILLION

people positively impacted by social initiatives since 1998



COMMUNITIES

51 CEMENT SITES

and selected aggregate operations have CEPs with stakeholder dialogues



CUSTOMERS

50

NET PROMOTER SCORE



CUSTOMERS

+37,000

customers in 21 countries adopted CEMEX Go

OUR VALUE CREATION MODEL

We remain focused on our top priorities.

OUR PRIORITIES

- HEALTH AND SAFETY
- EBITDA GROWTH TOWARDS INVESTMENT GRADE
- CUSTOMER CENTRICITY
- SUSTAINABILITY
- INNOVATION

WHAT we do



Our mission is to create sustainable value by providing industry-leading products and solutions to satisfy the construction needs of our customers around the world.

Our mission

HOW we do business



People as our N°1 asset



Customer centricity



Profitable markets



Sustainability

Our strategic pillars

WHO we share our value with



Employees



Customers



Shareholders & investors



Communities



Suppliers

VALUE How we create value

- Provide a great workplace that helps employees grow
- Build skills and expertise
- Enable a strong sense of purpose

- Tailor our offerings to solve our clients' construction needs
- Make it easy to work with us
- Provide enhanced performance and reliability

- Grow revenue
- Reduce costs
- Optimize assets
- Keep a tight rein on risks

- Be a relevant engine of economic growth
- Build more capable, inclusive and resilient communities
- Reduce local air, water and waste impacts and conserve biodiversity

- Encourage creation of innovative solutions to reduce costs while promoting sustainable goods and services
- Be a reliable client throughout the value chain, adding a trustworthy reputation to the negotiation

WHY

Our reason for being

Building a better future

Our purpose



Core Functions



Support Functions



Transactional Functions

Our operating model

- Ensure safety
- Focus on customers
- Pursue excellence
- Work as One CEMEX
- Act with integrity

Our values



Board Mgmt.



Ethics and Compliance



Human Rights

Corporate governance

OUR CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

The SDGs represent business opportunities for CEMEX and contribute to the United Nations' 2030 Agenda. Our sustainability goals are aligned with the five priority SDGs for our company, and are designed to enhance CEMEX's economic, environmental, social, and governance pillars and contribute to achieving a better and more sustainable future for all.

Building upon our commitment to the United Nations Sustainable Development Goals (SDGs), we continue our journey to contribute even more to these global goals and unlock business opportunities for our company by creating shared value for society.



OUR FIVE PRIORITY SDGs



OUR 2030 SUSTAINABILITY TARGETS

With the world moving towards a 2030 Agenda, we recognize our responsibility to join the collective action to continue positively impacting the world.

With this in mind, aligned with our Materiality Matrix, we defined a set of ambitions with a 2030 vision that strengthens our commitment to building a better world and helping to alleviate some of the biggest challenges communities are facing today.

These sustainability goals are designed to continue to enhance CEMEX environmental, social, and economic performance and contribute to achieving a better and more sustainable future for all.





PROGRESS ON OUR 2030 TARGETS

| FOCUS AREA | KPI | 2019 | 2030 TARGET | LINK TO PRIORITY SDGs |
|--------------------------|---|------|-------------|-----------------------|
| HEALTH AND SAFETY | ■ Employee fatalities (No.) | 1 | 0 | 8, 9 AND 11 |
| | ■ Employee Lost Time Injuries (No.) | 50 | 0 | 8, 9 AND 11 |
| SUSTAINABLE CONSTRUCTION | ■ Annual sales from cement and ready-mix concrete products with outstanding sustainable attributes (%) | 48 | ≥50 | 9, 11, 13 AND 15 |
| CIRCULAR ECONOMY | ■ Total consumption of waste-derived sources from other industries (million ton) | 13.4 | 19 | 8, 9, 11, 13 AND 15 |
| CLIMATE CHANGE | ■ Reduction of net CO ₂ emissions per cementitious product vs. 1990 aligned with the International Energy Agency's roadmap to reducing CO ₂ emissions (%) | 22.4 | 35 | 9, 11, 13 AND 15 |
| | ■ Power consumption from renewable energy in cement (%) | 30 | 40 | 9, 11, 13 AND 15 |
| AIR EMISSIONS | ■ Reduction of dust emissions per ton of clinker vs. 2005 (%) | 88 | 95 | 11 AND 15 |
| | ■ Reduction of NO _x emissions per ton of clinker vs. 2005 (%) | 47 | 47 | 11 AND 15 |
| | ■ Reduction of SO _x emissions per ton of clinker vs. 2005 (%) | 58 | 67 | 11 AND 15 |
| BIODIVERSITY AND WATER | ■ Quarry rehabilitation plans, Biodiversity Action Plans (BAPs), and third party certification (% from target quarries) | 72 | 100 | 11, 13 AND 15 |
| | ■ Implementation of Water Management Plans in sites located on water-scarce areas (%) | 1 | 100 | 8, 9, 11 AND 15 |
| COMMUNITIES | ■ Community engagement plans with formal stakeholder dialogues and committees in all priority sites (%) | 92 | 100 | 8, 9 AND 11 |
| | ■ Community partners (i.e., individuals positively impacted from our social initiatives) (million people) | 17.6 | 30 | 8, 9, 11, 13 AND 15 |
| EMPLOYEE EXPERIENCE | ■ Employee Net Promoter Score (eNPS) ² | 32 | ≥32 | 8 AND 9 |
| | ■ Implementation of key diversity and inclusion initiatives in our business units (%) | 66 | 100 | 8 AND 9 |
| CUSTOMER CENTRICITY | ■ Net Promoter Score (NPS) | 50 | 60 | 8, 9 AND 11 |
| SUPPLIERS | ■ Sustainability assessment executed by an independent party for our critical suppliers (% spend) | 44 | 80 | 8, 9, 11, 13 AND 15 |
| ETHICS AND COMPLIANCE | ■ Implementation of Ethics and Compliance Continuous Improvement Program (%) | 87 | 100 | 8 AND 9 |

¹ In 2019, we updated our Water Stress Assessment. During 2020, we expect to implement water management plans.

² Former KPI evolved to eNPS methodology.

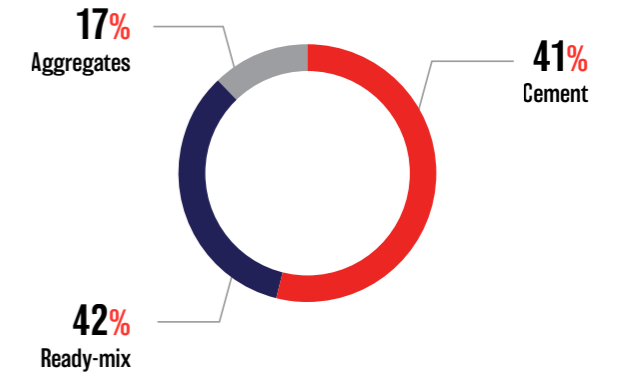
GLOBAL REVIEW OF OPERATIONS

GLOBAL OPERATIONS

millions of US dollars as of December 31, 2019

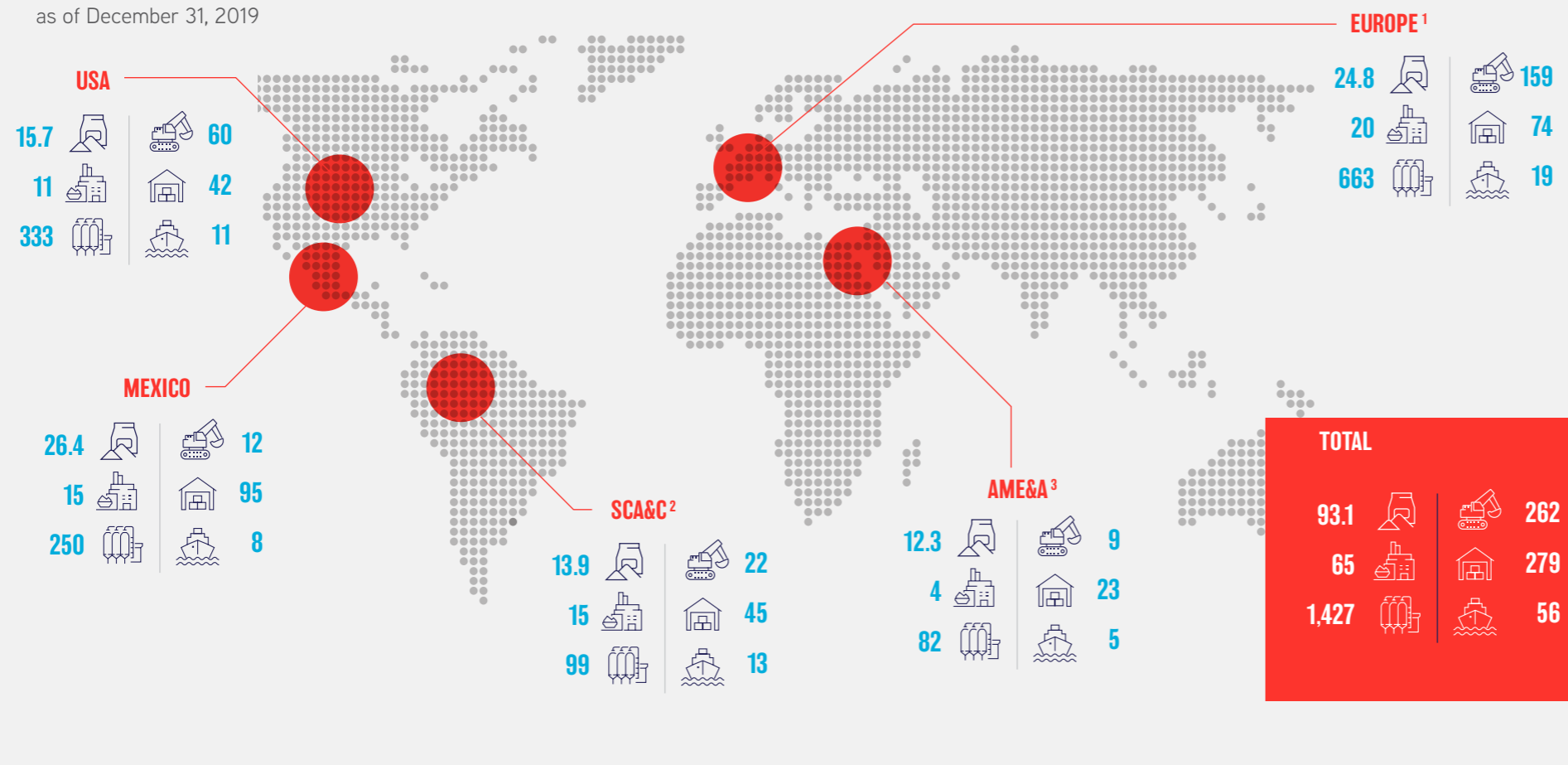
| | MEXICO | USA | EUROPE ¹ | SCA&C ² | AME&A ³ | OTHER ⁴ | TOTAL |
|---|--------|--------|---------------------|--------------------|--------------------|--------------------|---------------|
| NET SALES | 2,897 | 3,780 | 3,048 | 1,689 | 1,404 | 312 | 13,130 |
| OPERATING EARNINGS BEFORE OTHER EXPENSES, NET | 810 | 237 | 188 | 287 | 133 | (322) | 1,333 |
| OPERATING EBITDA | 969 | 629 | 416 | 385 | 216 | (237) | 2,378 |
| ASSETS ⁵ | 3,910 | 14,354 | 5,221 | 2,640 | 1,723 | 1,514 | 29,363 |

Sales distribution by product (percentage)

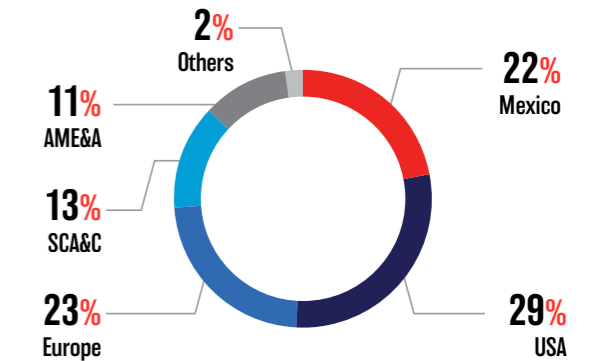


CAPACITY PER REGION

as of December 31, 2019



Sales distribution by region (percentage)



- Includes operations in Croatia, Czech Republic, France, Germany, Poland, Spain, and the United Kingdom
- Includes operations in Barbados, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Guyana, Jamaica, Nicaragua, Panama, Peru, Puerto Rico, Trinidad and Tobago, as well as other operations in the Caribbean region
- Includes operations in Egypt, Israel, the Philippines, and the United Arab Emirates
- Includes minor subsidiaries with different lines of business.
- Includes assets in associated participation.

UNDERSTANDING THE NET VALUE WE CREATE FOR SOCIETY

As a company, we are aware that our financial statements partly reflect how our activities affect society; to do so, we use the Net Value to Society statement, where we consider the positive and negative impacts in monetary terms that do not appear in our traditional profit and loss calculation.

CEMEX Net Value to Society Methodology

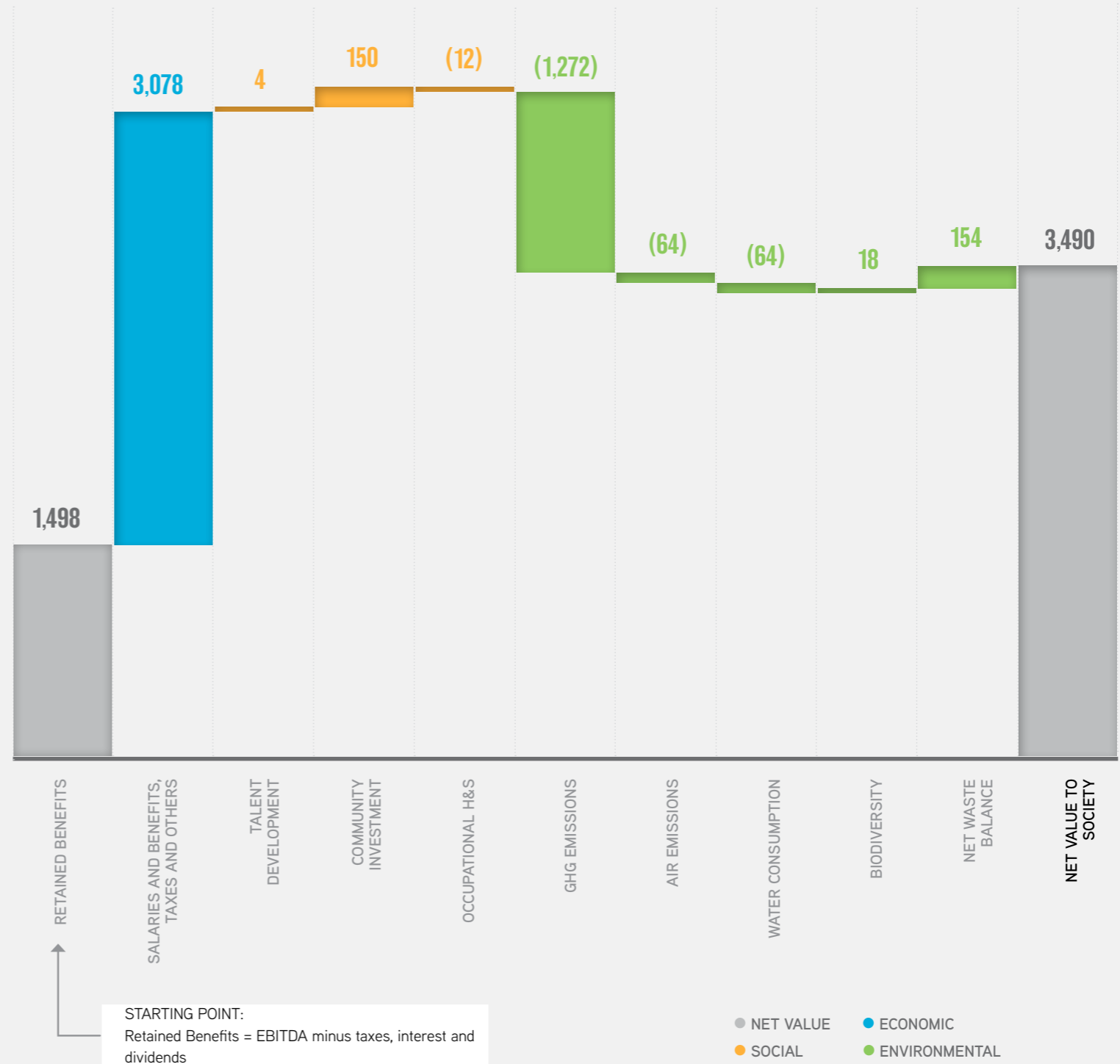
The starting point for our analysis is the retained benefit (EBITDA minus taxes, interests, and dividends). It attributes a monetary value based on available studies to our most material positive and negative economic, social, and environmental impacts and then adds and subtracts this figure to determine the total value that our company creates.



2.3 times
was the Net Value created
by CEMEX in 2019 vs.
retained benefit

CEMEX 2019 NET VALUE TO SOCIETY STATEMENT

(in millions of US dollars)



OUR PEOPLE

As we learn and grow as an organization, adopting innovative ways of thinking and working, we are developing a more people-driven workplace experience.



+40,000
EMPLOYEES FROM OVER
100 NATIONALITIES

Inside and outside of our company, our people have always been the key to unlocking our company's value. Their quality, diversity, and adaptability make us stronger, differentiate us from our competitors, and enable us to remain industry leaders.

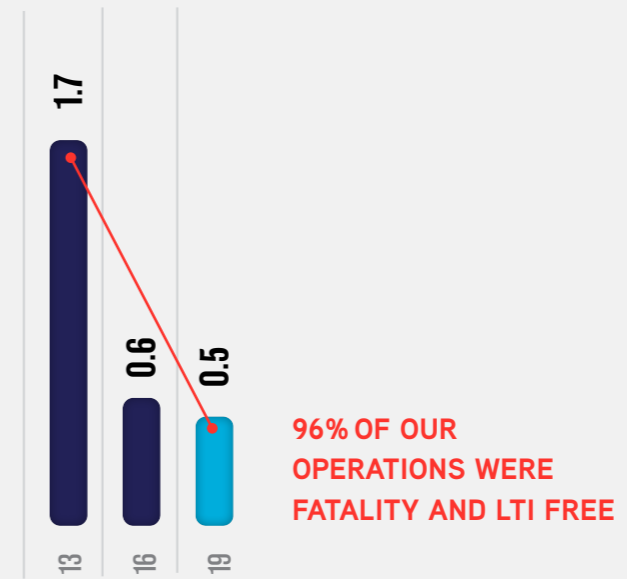
We are proud and protective of our workforce; they live our values every day. Above all, we aspire to provide our people with a safe, healthy work environment—with zero incidents and injuries. Together, we are building a better future for our families, our customers, and the communities in which we live and work. Sadly, this year we had 1 employee fatality and 5 contractor fatalities. We will continue working towards our goal of zero fatalities and zero LTIs.



We reinforced our goal to reach zero employee LTIs by 2030



Employee Lost-time Frequency Rate (per million hours worked)



0.5 Employee LTI Frequency Rate, a continued low level for our industry

7,151 participants in our new Culture & Values Academy

We launched our Workforce Experience Survey to learn our people's perspective, and we decided to leverage the eNPS methodology, a straightforward statistic ultimately reflecting the positive net balance of employee experience. When asked if our employees would recommend CEMEX as a good place to work, our eNPS score is 32, considerably higher than the global benchmark of our survey provider, 16. We have advanced implementation globally, identifying areas for improvement and building an action plan for a better employee experience.

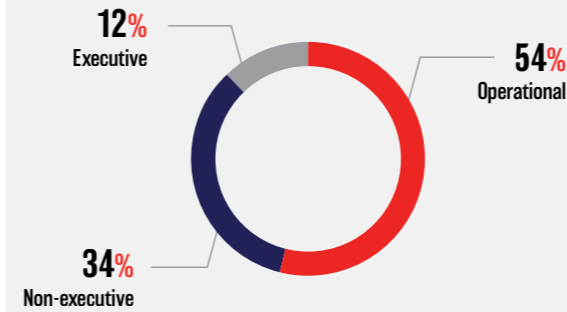


16,350 total participants in our CEMEX University programs during 2019

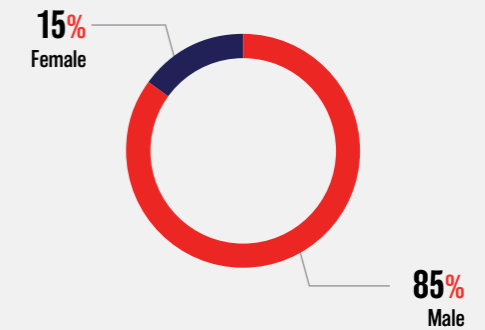
OUR GLOBAL WORKFORCE

percentage

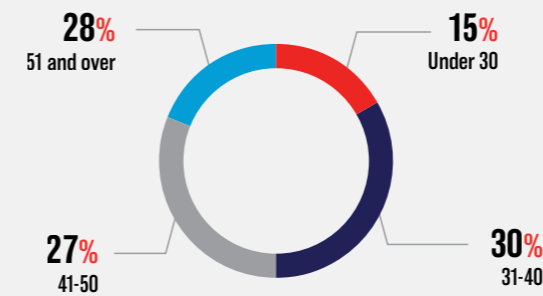
By position



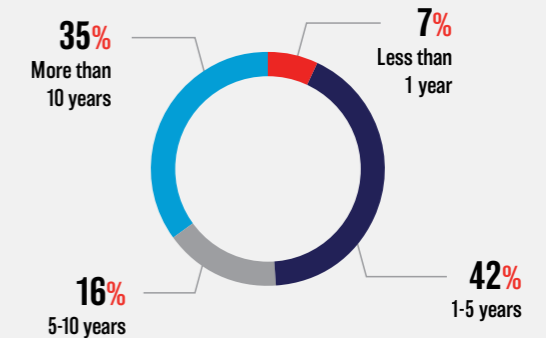
By gender



By age



By seniority



In 2019, more than 5,300 participants completed the three modules of our H&S Academy



DELIVERING A SUPERIOR CUSTOMER EXPERIENCE

We place our customers at the center of everything we do. That's why we're always seeking the most innovative ways to improve their experience, understand their needs, and exceed their expectations.



~50,000 M² OF AFFORDABLE HOUSING UNITS IN WHICH WE CONTRIBUTED



+850 GREEN BUILDING CERTIFICATION PROJECTS WHERE WE PARTICIPATED

Ultimately, we aim to create solid relationships with our customers by establishing the foundations for long-lasting partnerships. We leverage our leading-edge innovation and agility to develop superior building products and solutions that perform at the highest standards across all applications.

FOSTERING CUSTOMER CENTRICITY

To this end, we launched our Customer Experience Behavior Recognition program to acknowledge employees whose behavior exemplifies our company's reputation as a professional, reliable, innovative, and excellent partner with whom it's easy to work.

LISTENING TO OUR CUSTOMERS / NPS

During 2019, we established our Customer Engagement Practice in order to capture our customer's voice through our Net Promoter Score (NPS).

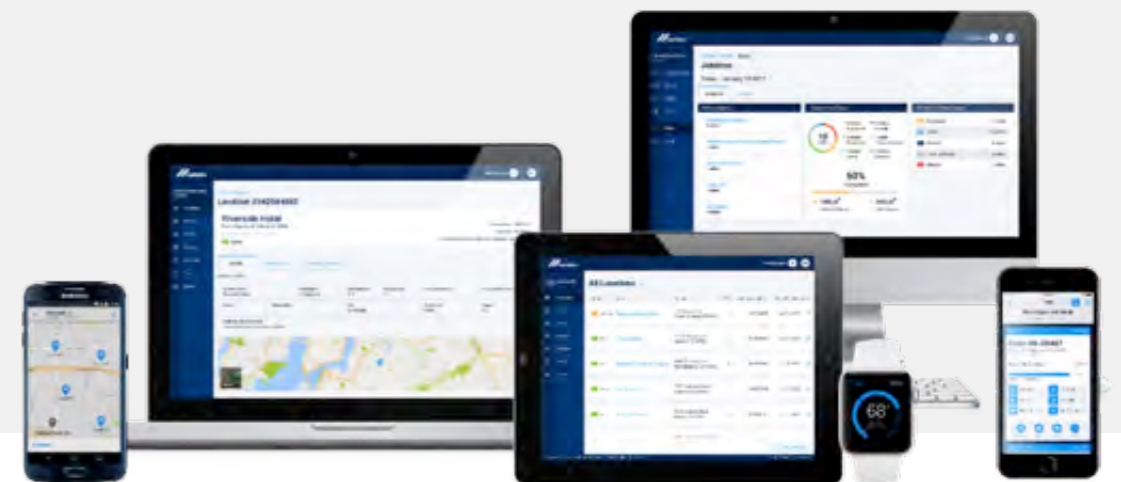
We've reached our 2020 target of an average NPS of 50 globally and set an ambitious objective of 60 for 2030

CEMEX GO COMMERCIAL PLATFORM: A MILESTONE IN CUSTOMER-CENTRIC INNOVATION

During 2019, we successfully completed the deployment of our CEMEX Go digital platform, setting the foundation for a higher standard of customer service in the global building materials industry.

The ongoing success of CEMEX Go is a testament to our company's commitment to customer centricity and focus on continuous innovation and improvement. As of December 2019, CEMEX Go's milestones include:

- AVAILABLE IN 21 COUNTRIES
- 90% OF OUR TOTAL RECURRING CUSTOMERS USE CEMEX GO
- 46% OF OUR TOTAL GLOBAL SALES ARE PROCESSED THROUGH CEMEX GO
- OVER 537,000 PAYMENTS ARE COMPLETED THROUGH CEMEX GO ON AN ANNUALIZED BASIS
- 2.5 MILLION DELIVERIES USE CEMEX GO ON AN ANNUALIZED BASIS



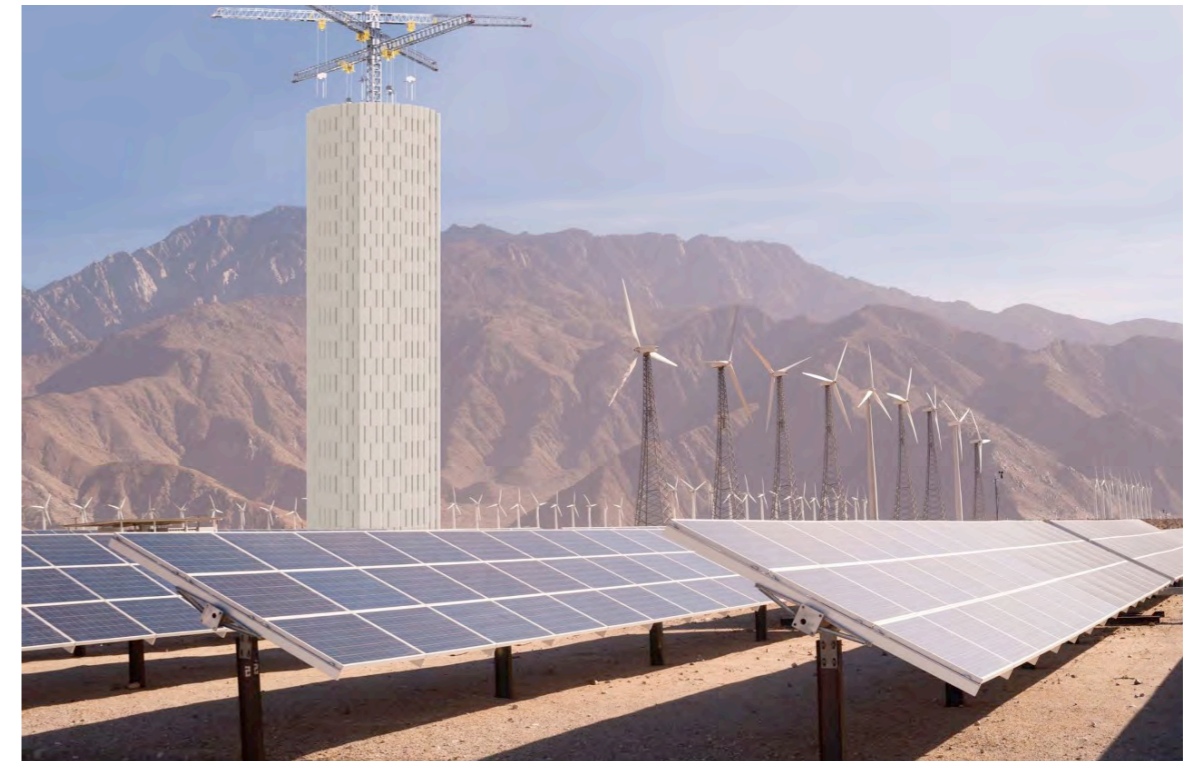


CONSTRURAMA GOES DIGITAL

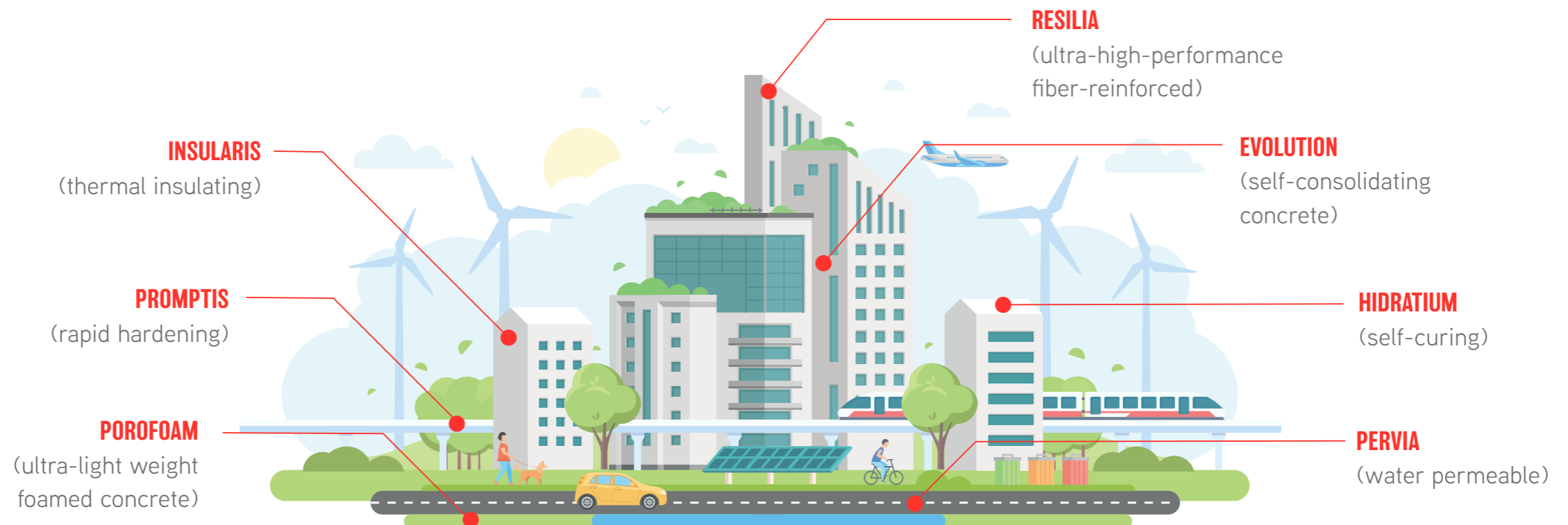
Since its launch in 2018, a total of over 400 Construrama distributors have incorporated our Construrama Online Store into their business with approximately 14,000 clients using this platform to place over 70,000 orders thus far.

OFFERING A GROWING PORTFOLIO OF SUSTAINABLE CONSTRUCTION SOLUTIONS

For 2030, our target is for at least half of our cement and ready-mix concrete sales to come from solutions with outstanding sustainability attributes, contributing to SDG 9, 11, 13, and 15. With this goal in mind, during 2019, 48% of our cement and concrete sales came from solutions with superior sustainability performance.



MEETING THE CHALLENGES OF GROWING MEGALOPOLISES ACROSS THE WORLD



SUSTAINABLE COMMUNITIES



We've collaborated with 17.6 M people in more than 5,000 communities



EDUCATION AND CAPABILITY DEVELOPMENT FOR EMPLOYABILITY

YOUTH EMPLOYABILITY AND ENTREPRENEURSHIP SKILLS

Thus far, our company's employability programs have already reached **45,000** youth, mainly through New Employment Opportunities (NEO).

WOMEN'S ECONOMIC EMPOWERMENT IN THE COMMUNITIES

In 2019, together with OAS and ANSPAC, we provided training for more than **5,000** women in Latin America.

SOCIAL AND ENVIRONMENTAL INNOVATION AND ENTREPRENEURSHIP

The CEMEX-Tec de Monterrey Center for Sustainable Communities provides research, social innovation and entrepreneurship programs.

CEMEX-TEC AWARD

3,700 social innovators and projects from **74** countries

SUSTAINABLE AND RESILIENT INFRASTRUCTURE AND MOBILITY

INNOVATION IN ACTION: GROWING PLATFORM

~3 million people reached with Patrimonio Hoy since 1998

+184,000 individuals have participated in the Construapoyo program since 2006

Yo Construyo trained **1,300** people in 2019

+24,000 homes with clean cook stoves since 2014

Consolidated the **ARISE Mexico National Network** to build cities' disaster preparedness and prevention, considering resilience as key to sustainable development.

CULTURE OF ENVIRONMENTAL PROTECTION, HEALTH & SAFETY

+14,300 youth have been trained as environmental promoters.



VOLUNTEERING AS ONE CEMEX

In 2019, **7,030** employees took part in volunteering activities in all of the countries where we operate.

RESPONSIBLE SUPPLIERS

At CEMEX, our success depends on responsible supplier relationships built on trust, respect, and mutual benefit.



Verification of sustainability practices covered 44% of critical suppliers' spend

80% contractors' spend evaluated on health and safety practices in 2019

90% of the purchases in 2019 were sourced by locally-based suppliers



Our commitment to our values goes beyond our own activities. We continually work to engage and align our suppliers with our core values, including our enduring emphasis on health and safety, our innovation-driven culture, our unwavering pursuit of excellence, and our steadfast focus on integrity.

EXTENDING OUR SUSTAINABILITY COMMITMENT TO OUR SUPPLIERS

In collaboration with third-party evaluators, we invite our suppliers to perform a sustainability assessment based on ISO 26000 guidelines—covering social, environmental, health and safety (H&S), business ethics, stakeholder relationships, and financial performance standards.

SUPPLIERS CODE OF CONDUCT WHEN DOING BUSINESS WITH US

We expect our suppliers to honor our Suppliers Code of Conduct's 12 principles:

- PROMOTE** health and safety as a top priority
- UPHOLD** decent working conditions
- GUARANTEE** freedom of association and non-retaliation
- AVOID** forced labor
- DENY** child labor
- SEEK** equality and fairness in supplier relations
- COMPLY** with environmental regulations
- MANAGE** environmental impacts
- REJECT** bribery and corruption—anti-money laundering
- ENCOURAGE** transparency and integrity
- MAINTAIN** standard business practices related to gifts, services, and other courtesies
- ENHANCE** equality and fairness in supplier relations



Our 2030 goal is to assess at least 80% of the critical suppliers spend under our company's Procurement scope

ENABLING DIGITAL PROCUREMENT

Aligned with our company's digital transformation, we are implementing digital procurement initiatives throughout all of our company's operations.

OUR COMMITMENT TO THE PLANET

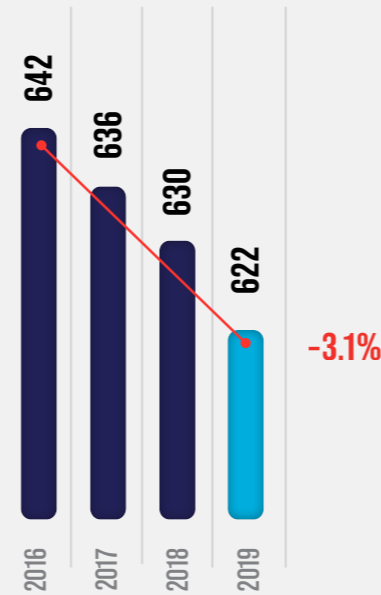
CLIMATE ACTION: INCREASED LEVEL OF AMBITION BY 2030

We believe that climate change is one of the biggest challenges of our time and support urgent collective action, seeking to ensure compliance by all parties in the implementation of the Paris Agreement commitments and the fulfilment of the UN Sustainable Development Goals on Climate Action. Advancing climate solutions requires collaborative cross-industry action and cooperation with governments, non-profit organizations, and multilateral institutions.

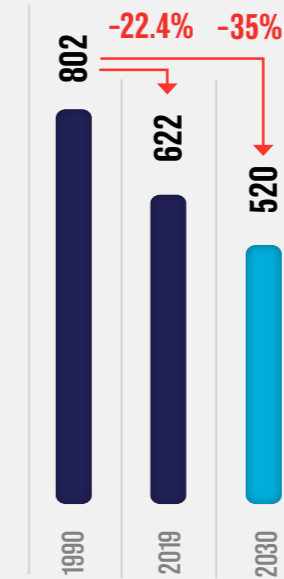


We aim to reach 520 kg CO₂/ton of cementitious product, a reduction of 35% compared to 1990 levels

Specific net CO₂ emissions
(kg CO₂/ton of cementitious product)



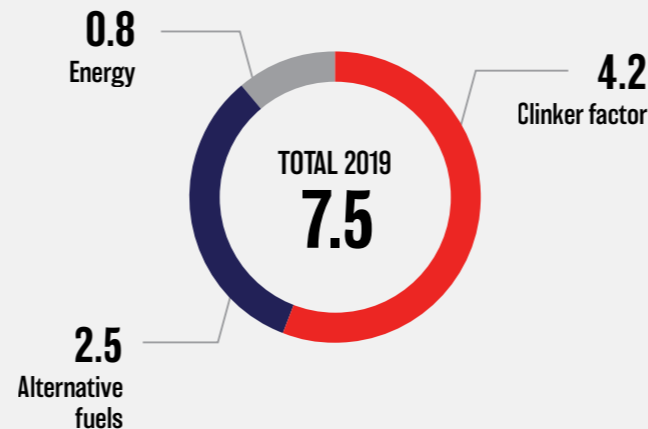
New More Ambitious 2030 Target
(kg CO₂/ton of cementitious product)



New target is aligned with what the science in the International Energy Agency (IEA) roadmap suggest for the cement sector to be aligned in a 2-Degree Scenario.

**1990 baseline reflects current CEMEX portfolio*

Avoided direct and indirect CO₂ emissions vs. 1990 baseline
(million tons)



CO₂ REDUCTION LEVERS:

- 1 DEVELOP NEW TYPES OF CLINKER AND NOVEL TYPES OF CEMENT
- 2 EXTENSIVE USE OF TRADITIONAL AND INNOVATIVE CLINKER SUBSTITUTES
- 3 OPTIMIZE OUR ENERGY EFFICIENCY
- 4 INCREASE THE USE OF ALTERNATIVE FUELS
- 5 MAXIMIZE THE USE OF RENEWABLE ENERGY
- 6 DEVELOP DISRUPTIVE TECHNOLOGIES LIKE CARBON CAPTURE, UTILIZATION, AND STORAGE (CCUS) AND OTHER INNOVATIVE CARBON TECHNOLOGIES
- 7 EXPAND AND PROTECT NATURAL CARBON SINKS

We aspire to deliver NET-ZERO CO₂ concrete globally by 2050

CO₂ reduction levers

Clinker and cement

- Alternative fuels
- Clinker factor
- Novel clinkers & thermal efficiency
- Renewable energy
- Carbon capture, use, and storage (CCUS)

Concrete and aggregates

- Admixtures
- Binders
- Recycled aggregates
- Fast recarbonation

Complementary offsets

- Net-positive quarries reforestation
- Carbon sinks (El Carmen nature reserve)

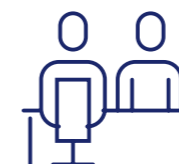
Decisive actions to get to net-zero

- Cross-industry action through GCCA and INNOVANDI research network to collaborate with academics, non-profit organizations and multilateral institutions
- Continue with deep involvement in R&D efforts, pursuing high impact technologies in CCUS and other innovative carbon technologies
- Through CEMEX Ventures, continue investing in most promising startups at early stages
- Collaborate with the industry to develop the technology to accelerate concrete carbonation
- Continue innovating our admixtures technology to use non-cementitious materials in concrete
- Extensive reforestation efforts to offset emissions

Concrete to become the sustainable building material of choice

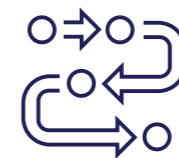
WE ADHERE TO THE RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

We are committed to transparency in climate-related risks and opportunities. We support and adhere to the recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) as it represents the next step in our climate-related disclosures.



GOVERNANCE

Disclose the organization's governance around climate-related risks and opportunities



STRATEGY

Disclose the actual and potential impacts on climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material



RISK MANAGEMENT

Disclose how the organization identifies, assesses, and manages climate-related risks

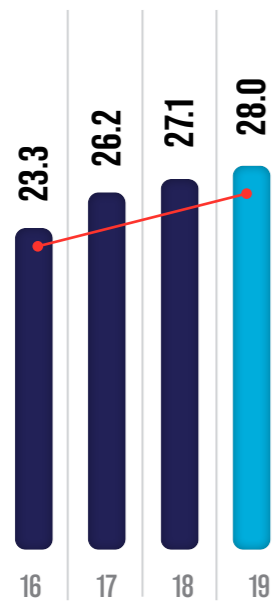


METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

Our consumption of non-recyclable waste from other industries was 31 TIMES the waste we sent for disposal

Alternative Fuels Substitution Rate Evolution
(percentage)



INCREASING THE USE OF ALTERNATIVE FUELS

Our Alternative Fuels Strategy helps us to confront critical challenges such as climate change and waste management while enabling us to become more independent from fossil fuels. We also foster local business creation and employment by developing alternative fuel supply chains.

Our cement operations' co-processing of waste as alternative fuels contributes to four key climate objectives:

- REDUCING THE CO₂ INTENSITY OF CEMENT MANUFACTURING
- REDUCING OUR DEPENDENCE ON FOSSIL FUELS
- DECREASING THE AMOUNT OF LANDFILL WASTE
- MINIMIZING PUBLIC INVESTMENT COSTS IN NEW DEDICATED WASTE MANAGEMENT FACILITIES.

WASTE AND CIRCULAR ECONOMY

Our main waste management objective is to maximize the use of society's and other industries' waste within our cement plants. However, when this is no longer possible, every effort is made to recover waste outside of our plants for other uses.



Only 5% of waste generated is sent to landfill

OPTIMIZING AIR QUALITY

Through our internal Environmental Management System and our Global Atmospheric Emissions Procedure, we are committed to preserve air quality where we operate by continuously reducing our air emissions to the environment.



REDUCTION OF OUR MAJOR AIR EMISSIONS
(vs. 2005 baseline)

DUST
-88%

SO_x
-58%

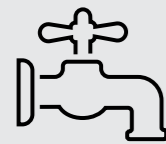
NO_x
-47%

At the end of 2019, 97% of our clinker production had continuous monitoring of major emissions

OPTIMIZING WATER MANAGEMENT

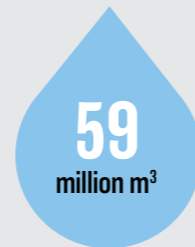
Our operations benefit directly from water, and we must take care of this invaluable resource by optimizing its consumption and discharge quality.

Water consumption by product

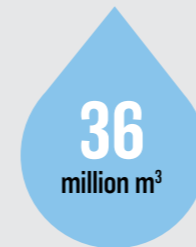


Cement **229 l/ton**
 Ready-mix concrete **214 l/m³**
 Aggregates **100 l/ton**

Total water withdrawals



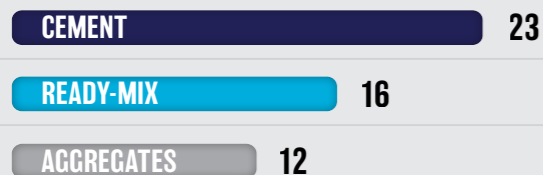
Total water consumption



Geographical mapping of more than 1,500 CEMEX sites for comparison with areas identified as water-stressed zones

64 Cement
>1,235 Ready-mix Concrete
>235 Aggregates

Sites operating within water-stressed areas by business
 (percentage)



Regional distribution of operations in water-stressed areas



16% of our operations are in water-stressed areas

WATER STRESS STUDY

In 2019, we conducted a study to update our water stress map, and we set a new long-term target to develop a specific water management system for each of those operations overlapping water-scarce areas.

This study was carried out in collaboration with University of Alcalá's Foundation, using an online global database tool called Aqueduct, that provides information on water-related risks worldwide.

Developed by the World Resources Institute (WRI), the tool groups water risk indicators into three primary categories: physical water quantity, physical water quality, and regulatory and reputational. The study included our global cement, ready-mix concrete, and aggregates plants.

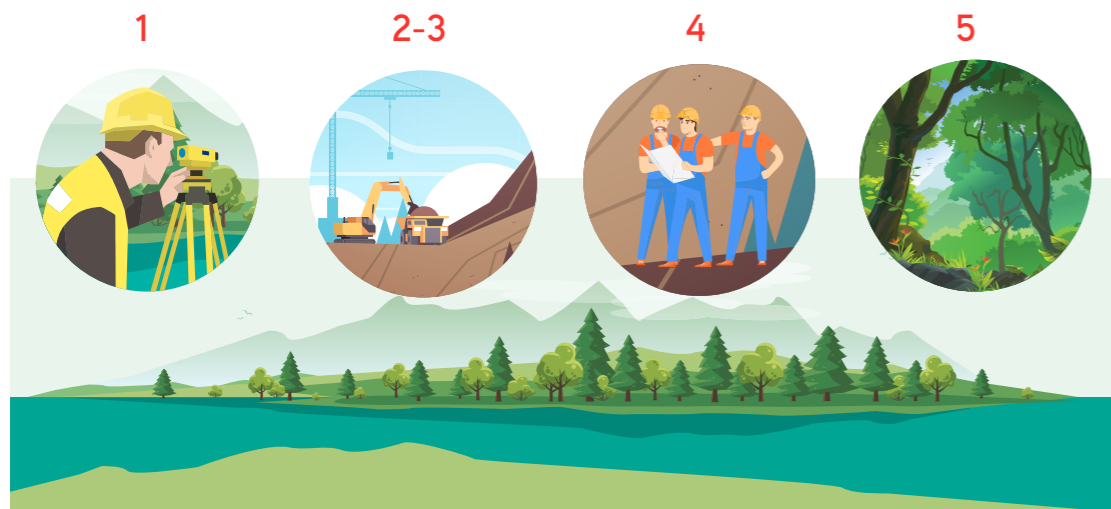
The result of the study shows that 16% of CEMEX operations operate in areas with water stress, and most of these operations are in Mexico, the Middle East and Asia.

The purpose of CEMEX's Water Management Plan is to maximize water use efficiency through process optimization, and the usage of reclaimed water from industrial processes, after appropriate chemical, thermal and/or biological treatment.



PRESERVING LAND, BIODIVERSITY, AND ECOSYSTEM SERVICES

We seek to generate a net positive impact from our mining operations. To this end, CEMEX has a long history of rehabilitating extracted zones and implementing Biodiversity Action Plans (BAPs) in our quarries. For this latter purpose, we have worked in partnership with BirdLife International for more than a decade. We are committed to achieving 100% rehabilitation plans for all our active quarries, continuing with the implementation of BAPs in those quarries classified as sites with high-biodiversity value, and extending our objective to obtain third-party certification for our conservation efforts in those quarries identified as high-risk sites based on a recent updated detailed environmental and social assessment.



1 IMPACT PREDICTION

Before any earthwork is started, an environmental impact analysis is carried out to map possible impacts and extraction possibilities.

2-3 AVOIDANCE AND MINIMIZATION OF IMPACT

From the environmental impact analysis, activities with the least impact on the environment are selected and carried out. These can be either chosen to avoid or minimize impact; for example, stopping extraction where biodiversity is specially high.

4 RESTORATION/REHABILITATION

After and while the extraction activities are done in the quarries, a rehabilitation plan is implemented. This plan's goal is to help return the ecosystem services where they were before extraction.

5 COMPENSATION

Lastly, part of the impact that could not be restored or rehabilitated, compensation is sought with a Biodiversity Action Plan.

EXPANDING AND PROTECTING NATURAL CARBON SINKS

El Carmen: Protecting Endangered Species

We strongly support the role that natural carbon sinks can play in reducing the total CO₂ concentration in the atmosphere. Over the past 19 years, CEMEX's 140,000-hectare biodiversity nature reserve, El Carmen, has provided abundant wildlife management opportunities, including the recovery of several large mammal species, such as desert bighorn sheep, pronghorn antelope, and black bear. In 2019, the American bison was reintroduced to this reserve.

108,000 hectares within protected areas

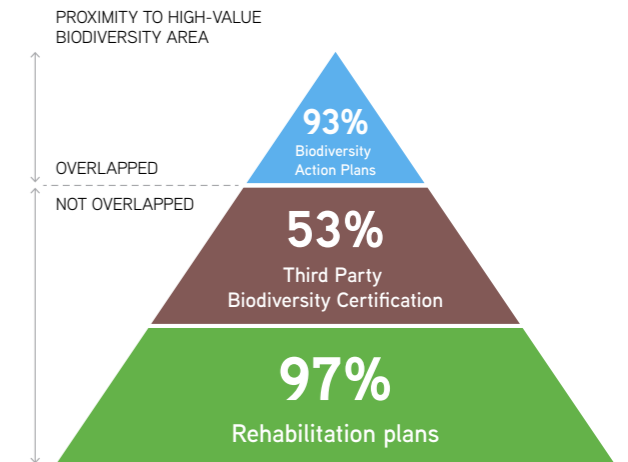
The area of El Carmen is 8 times greater than the area impacted by CEMEX's worldwide extractive activities

Species biodiversity: 1,500 plant, 40 fish, 8 amphibian, 73 reptile, 289 bird, and 80 mammal



Active quarries matrix

(267 total active quarries under our control in 2019)



El Carmen stores around 11 million metric tons of biologically sequestered CO₂

GOVERNANCE

BOARD OF DIRECTORS

Executive Chairman / Non-Independent Director

ROGELIO ZAMBRANO LOZANO

Male (63) - Executive Chairman / Non-independent Director

Non-Independent Directors

FERNANDO Á. GONZÁLEZ OLIVEIRI

Male (65) Non-independent Director - CEO

TOMÁS MILMO SANTOS

Male (55) - Non-independent Director

IAN CHRISTIAN ARMSTRONG ZAMBRANO

Male (40) - Non-independent Director

MARCELO ZAMBRANO LOZANO

Male (64) - Non-independent Director

Independent Directors

ARMANDO J. GARCÍA SEGOVIA

Male (67) - Independent Director

RODOLFO GARCÍA MURIEL

Male (74) - Independent Director

DIONISIO GARZA MEDINA

Male (66) - Independent Director

FRANCISCO JAVIER FERNÁNDEZ CARBAJAL

Male (64) - Independent Director

ARMANDO GARZA SADA

Male (62) - Independent Director

DAVID MARTÍNEZ GUZMÁN

Male (62) - Independent Director

EVERARDO ELIZONDO ALMAGUER

Male (76) - Independent Director

RAMIRO GERARDO VILLARREAL MORALES

Male (72) - Independent Director

GABRIEL JARAMILLO SANINT

Male (70) - Independent Director

ISABEL MARIA AGUILERA NAVARRO

Female (59) - Independent Director

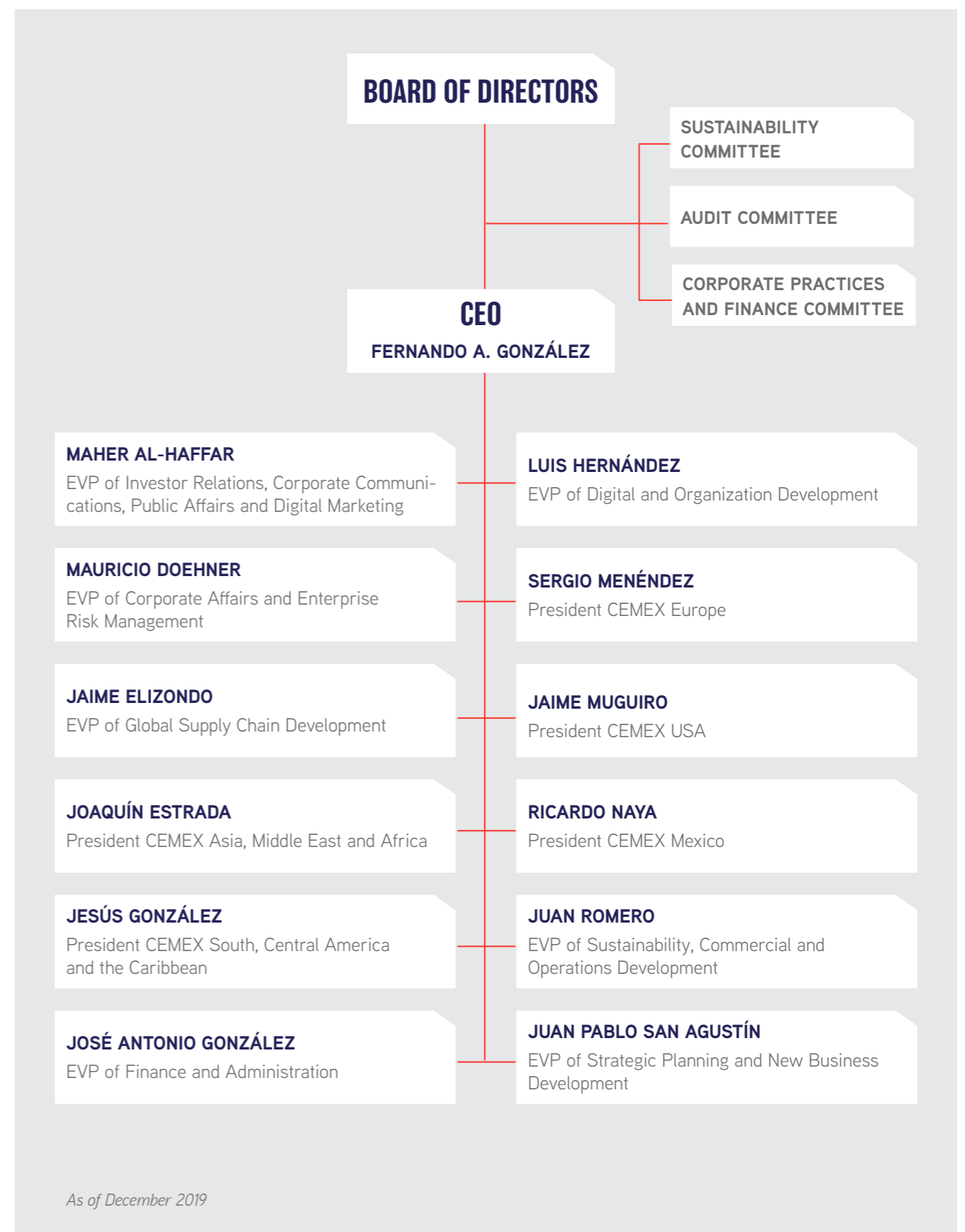
Secretary

ROGER SALDAÑA MADERO

(not a member of the Board of Directors)

RENÉ DELGADILLO GALVÁN

(Alternate) (not a member of the Board of Directors)



OUR REPORTING MECHANISM - ETHOSLINE

If there are concerns or suspected ethics, governance or compliance violations, it's important that our employees, our stakeholders, and the general public have a trusted place to which they can turn. Managed by an autonomous third party, our ETHOSline provides an online portal and phone line for sending comments, requesting advice, and submitting complaints on these topics. Accessible through our company website, this secure, confidential, and independent portal is available 24 hours a day, seven days a week, and it is open and free for all to use.



We conducted 141 internal legal audits in 12 countries

2019 ETHICS AND COMPLIANCE RELATED TRAINING

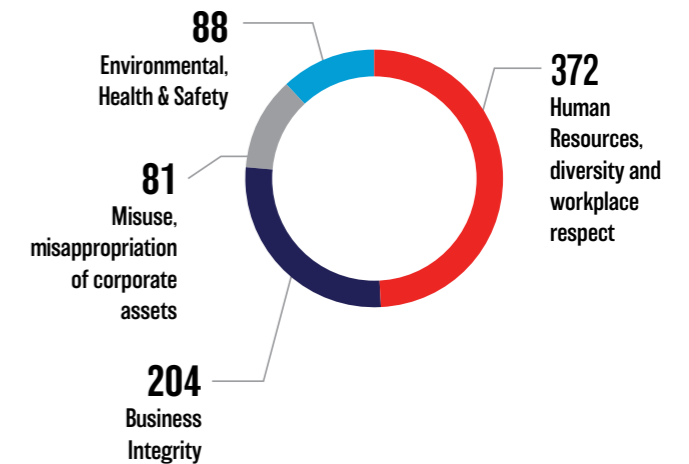
| TOPIC | EMPLOYEES TRAINED | TOTAL TRAINING HOURS |
|--|-------------------|----------------------|
| ANTI-MONEY LAUNDERING | 139 | 242 |
| ANTITRUST, ANTI-CORRUPTION AND ANTIBRIBERY | 12,764 | 22,066 |
| CODE OF ETHICS AND POLICIES | 7,407 | 7,569 |
| CONFLICT OF INTEREST | 332 | 1,037 |
| DATA PROTECTION | 212 | 212 |
| ETHOS AWARENESS SESSIONS | 300 | 874 |
| WORKPLACE BEHAVIOR / WORKPLACE HARASSMENT | 712 | 712 |
| TOTAL | 21,866 | 32,712 |

2019 ETHOS DISCIPLINARY ACTIONS TAKEN

| REGION | NUMBER OF DISCIPLINARY ACTIONS TAKEN AS A RESULT OF THE INVESTIGATIONS | NUMBER OF EMPLOYEES WHO WERE DISMISSED AS A RESULT OF THE INVESTIGATIONS |
|---------------|--|--|
| MEXICO | 89 | 44 |
| UNITED STATES | 43 | 3 |
| SCA&C | 67 | 15 |
| EUROPE | 29 | 10 |
| AME&A | 69 | 19 |
| OTHERS | 16 | 3 |
| TOTAL | 313 | 94 |

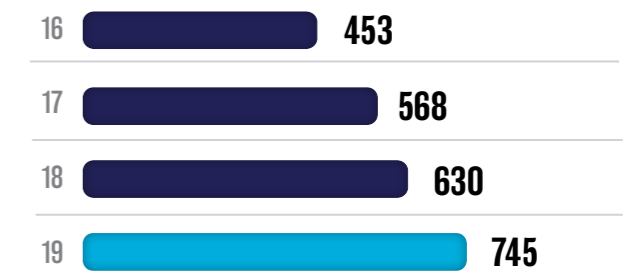
Reported Ethics Breaches by Category

(number of cases)



Cases Reported Through ETHOSline

(number of cases)



RECOGNITION OF OUR SUSTAINABILITY DISCLOSURE AND PERFORMANCE



CDP

In 2019, CDP raised its rating of CEMEX to A for the company's commitment to climate protection, which is the highest score. CEMEX is in the top 2% that earned a spot on the CDP A List. The rating upgrade reflects CEMEX's improvement in governance, risk management, CO₂ emissions reduction initiatives, low carbon products, and value chain engagement.



FTSE4Good

FTSE4GOOD INDEX SERIES

CEMEX became a member of this Index created by the global index provider FTSE Russell to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.



UN GLOBAL COMPACT

Since 2004, CEMEX has been a signatory of the UN Global Compact, and starting 2018 has engaged as a participant. CEMEX supports and complies with the UNGC's principles and values and has submitted its latest 2019 Communication on Progress in the Advanced level.



MEXICAN STOCK EXCHANGE SUSTAINABILITY INDEX

CEMEX remained in this index, as it has been since the Index inception in 2011, and received the highest Sustainability total score among all constituents.



MSCI EM LATIN AMERICA ESG LEADERS INDEXES

CEMEX S.A.B. de C.V. was selected as a member of the MSCI ESG Leaders Indexes constructed by applying a Best-in-Class selection process to companies in the regional indexes that make up MSCI ACWI.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CEMEX supports the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) creating a common understanding of climate-related risks and opportunities to provide consistent and transparent information to global markets.



DOW JONES SUSTAINABILITY MILA PACIFIC ALLIANCE INDEX

CEMEX S.A.B. de C.V. was included in this new Index launched by S&P Dow Jones Indices (S&P DJI), International Finance Corporation (IFC), RobecoSAM and the Exchanges of the Mercado Integrado Latinoamericano (MILA).