



We embrace the United Nation’s Global Compact, and we continuously work to align our operations and business strategy to its ten principles. In the following table, we are providing a summary of the various ways in which we have been working to implement the Global Compact’s principles in 2013. Our complete Communication on Progress report can be found at <http://www.unglobalcompact.org/COPs/detail/70741>.

CEMEX and the United Nations Global Compact

- CEMEX has been a signatory member of the UNGC since 2004.
- On April 19th 2014 we submitted our Communication on Progress (COP), qualifying for the Global Compact Advanced Level.
- All relevant information for our 2014 COP is available in our 2013 Sustainable Development Report and in our GRI Content Index, both available at www.cemex.com.
- In 2014, Lorenzo Zambrano, our CEO and Chairman of the Board, signed a renewal of our commitment to the Compact.
- CEMEX has been a signatory member of the UNGC since 2004.
- CEMEX is part of the Global Compact 100 Index, which identifies 100 publicly listed UNGC signatory companies based on their adherence to the Compact’s ten principles.

HUMAN RIGHTS		
UNGC Principles	2013 CEMEX’s progress in complying with the Principles	Additional reference: GRI Indicators ¹
<p>Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights.</p>	<ul style="list-style-type: none"> • The International Bill of Human Rights and ILO Core Conventions identify a set of internationally recognized human rights encompassing a wide range of issues including health, labor relationships, equality, compensation and association. CEMEX is committed to supporting and respecting these human rights. We proactively work to ensure our own practices, as well as those of our suppliers, partners and others within the value chain, respect the rights of individuals and the communities in which we operate. 	EC5, LA4, LA6 – 9, LA13, LA14, HR1 – HR9, SO5, PR1, PR2 and PR8
<p>Principle 2. Businesses should make sure that they are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> • The CEMEX Code of Ethics and Business Conduct (Code of Ethics) outlines the values and principles all CEMEX employees are expected to uphold, including the respect of human rights. • In 2013, we conducted more than 21,000 employee trainings related to different topics covered in our Code of Ethics and Business Conduct. • We also launched more than 250 global communication campaigns to provide information and raise awareness on important ethics and human rights topics including conflicts of interest, giving/receiving gifts, harassment and theft, among others, and to promote our reporting mechanism, ETHOSline, as well as our Policy Center. • We established a partnership with Shift, and independent, non-profit 	

¹ For more detailed information on the actions we carry out to implement the Principles, see our 2013 Sustainable Development Report and our GRI Content Index available at <http://www.cemex.com/SustainableDevelopment/EsgAnalystSriCenter.aspx>. Refer to the indicators included in this column.

	<p>center that specializes in human rights to help us implement the UN Guiding Principles on Business and Human Rights.</p> <ul style="list-style-type: none"> We have begun developing a comprehensive human rights policy that will expand on our existing programs and reporting mechanisms. 	
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LABOR		
UNGC Principles	CEMEX's progress in complying with the Principles	Additional reference: GRI Indicators
<p>Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<ul style="list-style-type: none"> As stated in our Code of Ethics, CEMEX clearly recognizes, supports and respects the right of its employees to exercise freedom of association in our operations. More than 19,000 employees representing around 75 percent of our operative workforce are represented by a union or covered under a collective bargaining agreement. Additionally, collective bargaining processes are an essential element in our employee engagement activities. 	<p>LA4, LA5, HR1 – 3, HR5, SO5</p>
<p>Principle 4. Businesses should uphold the elimination of all forms of forced and compulsory labor;</p>	<ul style="list-style-type: none"> Our Code of Ethics distinctly states our commitment to comply with all forced labor prohibitions. We do not require anyone to perform tasks against their will or that are detrimental to their health or wellbeing. Our operations in every country comply with local laws and we take measures to prevent workers from falling into debt bondage through company loans. For example, in Brazil loans cannot exceed 30 percent of salary and in the Philippines we ensure a 40 percent net take home pay is still available for employees taking out loans. In Colombia, we only offer loans through the employee fund after conducting an analysis of the worker's borrowing capacity and guaranteeing a minimum wage, and when an employee in Egypt applies for a bank loan, we are required to provide a letter setting the loan amount and verifying that they do not have any other loans. All employees are free to leave the company at any time and we don't offer any benefit as leverage to force labor. 	<p>HR1 – 3, HR7, SO5</p>
<p>Principle 5. Businesses should uphold the effective abolition of child labor.</p>	<ul style="list-style-type: none"> The prohibition of the use of child labor is plainly indicated in our Code of Ethics. We are strongly committed to protecting the rules regarding child labor in every country where we operate. We do not tolerate the use of child labor by anyone associated with our business, and require official government-issued identification as part of our hiring and selection process. In most countries where we operate, the minimum age is 18 and it is strictly adhered to in accordance to local laws. We extend this condition to our suppliers. 	<p>HR1 – 3, HR6, SO5</p>

<p>Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> • As per our Code of Ethics, our employment decisions should be made solely on merit, and not on any legally protected traits such as age, race, ethnicity, religion, disability, marital status or sexual orientation, among other factors. • We enforce a strict Diversity and Equality Policy. • We continuously look for ways to promote diversity of gender within our population and recognize the importance of supporting women in the workforce. To date, we have initiatives and programs for women in place in approximately 50 percent of our operating countries. • We are also committed to creating opportunities for people with disabilities. More than 50 percent of our operations have specific programs for disabled people. 	<p>EC7, LA2, LA13 – 14, HR1 – 4, SO5</p>
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ENVIRONMENT		
UNGC Principles	CEMEX's progress in complying with the Principles	Additional reference: GRI Indicators
<p>Principle 7. Businesses should support a precautionary approach to environmental challenges.</p>	<ul style="list-style-type: none"> • Our Code of Ethics establishes our commitment to improve our processes and procedures to minimize our impact on the environment. • We have developed specific policies to guide our environmental responsibility, including the Corporate Environmental Policy and the Corporate Biodiversity Policy. 	<p>EC2, EN18, EN26, EN30, SO5</p>
<p>Principle 8. Businesses should undertake initiatives to promote greater environmental responsibility.</p>	<ul style="list-style-type: none"> • CEMEX's focus is to achieve and demonstrate sound environmental performance, consistent with our company's sustainability objectives, by controlling the impact of our activities, products, and services. We consistently strive to find and apply solutions to improve air quality, conserve biodiversity, protect water resources, and reduce waste outputs. • As a global building materials company, we are uniquely positioned to help address many environmental challenges. During 2013, we established partnerships to provide an array of sustainable construction services and expanded our contribution to sustainable urbanization. • In 2013, we launched the eCoperating® Buildings Certification to distinguish buildings that demonstrate superior sustainability performance. 	<p>EN1 – 30, SO5, PR3 – 4</p>
<p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> • 27% of our sales this year represent products with outstanding sustainability attributes. • In 2013, we launched our Corporate Water Policy, which defines our global strategy for responsible water management and acts as a framework for the development of local water conservation and efficiency strategies across our operations. The comprehensive approach detailed in CEMEX's water policy includes our compliance with relevant regulations and commitment to protect ecosystems and biodiversity in our sites through sustainable water management. It also pledges to maximize water efficiency by managing water consumption and utilizing sustainable water sources such as rainwater. In addition to preventing water pollution, CEMEX will monitor, review, assess and disclose water efficiency performance against measurable targets to drive continuous improvement. 	<p>EN2, EN5–7, EN10, EN18, EN26–27, EN30, SO5</p>

	<ul style="list-style-type: none"> • It is our goal to have all our operations operate either under an external environmental management system (EMS) such as ISO14000 or our own internal EMS. As of end of 2013, 98 percent of our cement plants, 63 percent of our ready-mix operations and 67 percent of our aggregates quarries have implemented our internal Environmental Management System • In terms of progress promoting environmental responsibility within our supply chain, we engaged a sustainable supply management firm to monitor the sustainability performance of CEMEX suppliers. • In 2013, we avoided 7 million tons of CO2 due to a 23 percent reduction in specific net CO2 emissions from our 1990 baseline. During the year, alternative fuels represented 28.4 percent of our fuel mix including biomass, tires, RDF and other materials. Of the 48 plants burning alternative fuels, 10 have surpassed a 50 percent alternative fuel rate and four achieved a rate above 70 percent. • We have achieved important reductions in air emissions with regard to our 2005 baseline. At the end of 2013, our dust, NOx and SOx emissions were reduced in 59.1, 21.2 and 58.6 percent respectively. • We registered six new initiatives as Clean Development Mechanisms and one new Verified Carbon Standard project in the United States. At the end of last year, our portfolio includes 21 registered initiatives with the combined potential to offset our CO2 emissions by more than 2.8 million tons annually. • For the first time, we externally verified our category 2 environmental incidents. • We also started pre-verifying our water KPIs externally, beginning with the verification of total water withdrawals by source. • CEMEX has developed a user-friendly online learning tool to help top and middle management gain a solid understanding of sustainability. The Leadership in Sustainability Training Program covers key issues impacting executives' lives and the sector in which CEMEX operates, as well as the implications for how we manage and run our operations and provide value to customers. In 2012, 319 executives completed the certification in Egypt, Poland, Switzerland and the UK, and in 2013, 376 more were certified in Mexico. 	
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ANTI-CORRUPTION		
UNGC Principles	CEMEX's progress in complying with the Principles	Additional reference: GRI Content Index Indicators
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> • We have zero tolerance for bribery in any form. In addition to our Code of Ethics, we further communicate our expectations and set global standards through the following company-wide policies, which can be found on the CEMEX website: Anti-Bribery/Anti-Corruption Policy, Antitrust Compliance Policy and Insider Trading Policy. • In 2013, there were no reported incidents of corruption or bribery to government officials. More than 1,600 training courses were conducted with key employees to ensure they understand and identify behavior that does not comply with our principles. • ETHOSline is offered as a safe and confidential tool for employees to ask questions and report potential violations related to questionable market practices, including bribery and extortion. • To further ensure employees are acting in a manner consistent with our values, CEMEX Compliance Legal Department conducted 125 internal legal audits (dawn raids) directed to executives of sensitive business areas in numerous countries in 2013. The audits addressed compliance matters including corruption and antitrust, among other topics. 	<p>SO2 – 6</p>