

**BOARD OF DIRECTORS
CEMEX, S.A.B. DE C.V.
ING. ROGELIO ZAMBRANO LOZANO
CHAIRMAN**

Pursuant to article 43 of the Mexican Securities Market Law (*Ley del Mercado de Valores*), we hereby submit through you, for consideration of the Board of Directors of Cemex, S.A.B. de C.V., the following activities report:

- (i) The results for the year 2015 were evaluated and the budget and financial plan for the year 2016 were analyzed, the budget and plan were reviewed during the year and updated as required.
- (ii) The measures that Management has implemented to reduce consolidated debt, monitoring the Asset Sale Program and evaluating the goals that were reported to the General Investors were analyzed.
- (iii) The Committee was duly informed of the performance of the securities issued by the Company, representing its share capital, as well as the opinions and evaluations of analysts and General Investors.

Quarterly results and information to be disclosed to General Investors and Stock Market Authorities were analyzed.

- (iv) The Committee analyzed the compensation of the Executive Chairman of the Board of Directors and of the Chief Executive Officer, as well as the compensation policies applicable to Relevant Executives.

The compensation of the Executive Chairman of the Board of Directors and of the Chief Executive Officer was only adjusted, during 2016, with the general wages increase of 3%.

The Committee suggested that consideration be given to modifying some parameters for determining variable compensation.

- (v) Business risks that may affect the Company and its subsidiaries in the different countries in which operations are carried out were analyzed and evaluated, based on available public information.
- (vi) The Committee reviewed that the actions of the Relevant Directors are in accordance with the Bylaws and applicable Regulations.

- (vii) The different proposals for donations and transactions with related parties were reviewed, issuing the corresponding recommendations to the Board of Directors.

The Committee authorized to extend the authorization to operate derivatives outside a regulated market, which was conditioned to limits related to the value of Assets and margin calls, in addition they should not be speculative.

- (viii) Exchange rate risk and possible hedging alternatives were evaluated.

Monterrey, N.L. on February 2, 2017

By the Corporate Practices and Finance Committee

Ing. Dionisio Garza Medina
President

Lic. Ramiro G. Villarreal Morales
Secretary