



## CEMEX'S COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT

April 10<sup>th</sup>, 2014

CEMEX's mission is to help build the housing and infrastructure needed by the constantly growing global population, while protecting the environment and contributing to the design of resource-efficient products and processes. As the global population expands, the promise of jobs and prosperity increasingly draws people to an urban environment. Today, half of the global population lives in cities, and the United Nations estimates that about 180,000 people are being added to that urban population every day. At this rate, it is estimated that by mid-century more than two-thirds of the world's people will be city dwellers. CEMEX is uniquely positioned to help address the myriad of environmental and social challenges associated with urbanization.

In 2013, CEMEX worked to conceptualize and engineer new products and solutions to promote efficient construction practices, preserve natural resources, lower the carbon footprint of our projects through their lifecycle, improve job site safety and foster a strong relationship with our communities and stakeholders.

We continued our commitment to improve access to quality housing for low income families. Our self-construction initiatives—including Patrimonio Hoy, Construya, and Productive Centers of Self-Employment—have benefited more than 2.3 million people around the world since 1998. We also joined the Business Call to Action and committed to a goal of providing an additional 150,000 low-income families with access to safe and affordable housing by 2016.

CEMEX also has continued to improve the efficiency of our energy use. We are leaders in the use of alternative fuels. By the end of 2013, alternative fuels accounted for 28.4% of our total fuel mix. We registered six new initiatives as Clean Development Mechanisms and one new Verified Carbon Standard project in the United States. At the end of the year, our overall portfolio included 21 registered initiatives with the combined potential to offset our CO<sub>2</sub> emissions by more than 2.8 million tons annually. We have also continued to increase the use of renewable energy sources to power our operations, and to set voluntary targets for emissions reductions.

Additionally, in 2013 we published a new Corporate Water Policy to ensure responsible water management in all of our operations and continued our work on Biodiversity Action Plans in our active quarries within or adjacent to high biodiversity value areas. The effort also includes engaging with global and local partners who share our vision and our commitments.

CEMEX maintains a long-term commitment to human rights, positive and fair labor relations, and the health and safety of our employees, contractors and third parties. We subscribe to global anti-corruption standards in all jurisdictions in which we operate. Through the CEMEX Code of Ethics and Business Conduct and other policies, we seek to ensure that all employees understand and share CEMEX's high standards of conduct by setting and communicating clear guidelines for relationships and fair dealing with employees, customers, suppliers and government officials.

We not only comply with local employment laws, but also ban all forms of harassment and discrimination. Of course, we strictly prohibit the use of child or forced labor, and we guarantee the right to freedom of association. Moreover, we have implemented procedures throughout our global network to prevent even inadvertent violations of these policies and are in the process of extending our compliance standards to our suppliers worldwide.

We also prohibit all forms of bribery. CEMEX's employees cannot directly, or through an intermediary, offer, pay, or promise to pay, a bribe or anything of value to a government official (including employees of state-owned enterprises and officers of international organizations) for the purpose of obtaining or retaining business.

Moreover, we engaged Shift, a third-party non-profit center that specializes in human rights and business consulting, to help us implement the United Nations' Guiding Principles on Business and Human Rights-Protect, Respect and Remedy. In addition, we began developing a comprehensive Human Rights Policy that will make our existing programs and reporting mechanisms more robust.

At CEMEX, we endeavor to work with all our stakeholders—including universities, governments, NGO's, communities where we operate, employees, customers and suppliers—to identify and address opportunities for, and challenges to, sustained growth. We also seek stakeholder input to develop innovative solutions to environmental and policy challenges with the aim of continuously improving our operations.

As a signatory member of the **United Nations Global Compact** since 2004, CEMEX has embraced, supported, and complied with its principles and values. Now, on behalf of CEMEX, I enthusiastically renew our commitment to the **United Nations Global Compact** and, in particular, reaffirm the alignment of our operations and business strategy with the Compact's ten principles.

Good corporate citizenship is a critical component of our business model. I recognize that our future success requires an effective sustainability agenda; this is good for CEMEX and good for the planet.

Sincerely,



Lorenzo H. Zambrano

Chairman of the Board of Directors and Chief Executive Officer