GCC strives to be the supplier of choice in cement, concrete and innovative solutions, with a vision focused on being recognized as the best cement company in North America with the proper balance of people, profit and the planet.

Operating in three different countries, we recognize the importance of corporate governance and strong leadership. We seek to maximize stakeholder value, enhance our value proposition and foster the company’s growth through the implementation of our business strategy, always promoting accountability, providing security, impartiality and transparency in our decision-making processes.

Corporate governance is part of GCC’s culture and we are committed to behave ethically, meet the highest corporate governance standards, and recognize our obligations to all stakeholders; our shareholders, customers, employees, and the communities where we operate.
CONTENTS

1. Shareholding Structure
2. Board of Directors
3. Committees
4. Transactions with Related Parties
5. Risk Management
6. Shareholders’ Meetings
7. Best Practices
GCC has an ownership threshold of 3% or more of total outstanding shares; a position equal to or greater requires prior approval from the Board of Directors.
The management of GCC is entrusted to the Chief Executive Officer and the Board of Directors. The Board sets guidelines and the overall strategy to direct the business, shares perspectives, provides advice, and monitors and assesses management’s implementation.

- No proprietary director holds a management position
- The Chairman and CEO roles are separated
- Proprietary directors suggest their alternate
- Independent directors have independent alternates
- GCC’s CEO, Enrique Escalante, is an alternate director

"GCC Directors bring a variety of skills, experience and knowledge that contribute to the company’s long-term success."

14 PROPRIETARY DIRECTORS
14 ALTERNATE DIRECTORS
28% INDEPENDENT 14% FEMALE

The Board of Directors ensures all shareholders are treated equally, respecting their rights and protecting their interests, and promotes that customers, employees and all stakeholders are considered in the decision-making process.
BOARD MEETINGS

Board meetings are held at least every three months and may be summoned as often as needed. Meetings are considered held if at least a majority of its members attend and resolutions shall be valid if approved by a majority of the members attending the meeting.

INFORMATION MANAGEMENT

Directors receive the necessary information for decision making three days prior to meetings.

BOARD COMPENSATION

Compensation is reviewed annually by the Shareholders Meeting and had not changed since 2017.

BOARD MAIN ACTIVITIES

- Establish the business strategy
- Oversee management and operation
- Approve financial results, transactions with related parties, unusual acquisitions, divestments and other activities
- Select key executives and review their compensation
- Manage strategic risks
- Promote a socially and environmentally responsible company

Senior management activities are separated from those of the Board of Directors to improve transparency.
BOARD MEMBERS

The Board composition is reviewed annually by the Shareholders’ Meeting. Current Directors were appointed in the meeting held in April 2022.

CHANGES IN 2022

Armando García was appointed Director, replacing Héctor Medina

CHAIRMAN
Federico Terrazas
since 2013

SECRETARY
César Conde
since 2022

DIRECTORS’ RESUMES

NON-EXECUTIVE DIRECTORS
Federico Terrazas
Carolina Mares
Miguel Márquez
Enrique Terrazas
Martha Márquez
Luis Márquez
Fernando González
José A. González
Ramiro Villarreal
Juan Romero
Armando García
Fernando Ruiz
Luis Fernández
Luis Nicolau

INDEPENDENT DIRECTORS
COMMITTEES
AUDIT & CORPORATE PRACTICES COMMITTEE TO THE BOARD

3 INDEPENDENT DIRECTORS & 3 ALTERNATE DIRECTORS

The Committee advises the Board on matters related to audit, best corporate practices, risk management, compliance, evaluation and compensation. It is also in charge of evaluating the external auditor, the internal control and audit system, and informing the Board of any irregularities detected.

The Board appoints committee members and each member selects his alternate. Shareholders appoint the Chairman and define compensation. The Committee meets quarterly as a minimum.

Compensation is reviewed annually and had not changed since 2015
- Chairman $60,000 MXN* / Members $40,000 MXN*

CHAIRMAN
Fernando Ruiz

MEMBERS
Fernando Ruiz
Luis Nicolau
Armando García

SUSTAINABILITY COMMITTEE

10 MEMBERS LED BY THE CEO AND THE CORPORATE VP OF SUSTAINABILITY

The Committee identifies and manages the impacts, risks and opportunities that may arise in the social and environmental fields, and is in charge of developing and implementing GCC’s sustainability strategy.

Members consider implications of governmental regulations in Mexico and the U.S. to develop a strategy that maximizes resources and technologies to reach our sustainability goals.

GCC’s sustainability strategy focuses on environmental responsibility and climate protection, fostering social responsibility and ensuring economic sustainability.
ETHICS COMMITTEE

7 MEMBERS LED BY THE CEO; 2 PERMANENT AND 7 ROTATED PERIODICALLY

The Committee ensures proper disclosure and enforcement of the Code of Ethics by promoting values and behaviors encouraged by the organization, channeling cases, being a consultation party and defining corrective measures.

Employees submit their concerns, suggestions, complaints and inquiries through email, an anonymous hotline, an independently managed website or through the departments of human resources, legal and corporate audit.

DURING 2021

The Ethics Committee resolved 19 cases, primarily related to conflicts of interest, abuse of authority and ethical concerns.

DIVERSITY & INCLUSION COMMITTEE

11 CORE MEMBERS & 29 CHAMPIONS

The Committee ensures respectful treatment for all employees and vendors, as well as equal opportunities for recruitment, personal development, and professional and social growth, regardless of race, gender, sexual orientation, physical abilities, religion, ideology or age.

Champions support the execution of projects and initiatives throughout GCC.

GCC is committed to transparency and honesty. We encourage you to report any irregularities you are aware of. PwC manages the website and hotline, and GCC doesn't have direct access to the information.

gcc@ethic-line.com
www.ethic-line.com/gcc
US (855) 423 5422
MX (800) 062 4008
TRANSACTIONS WITH RELATED PARTIES
Within the normal course of business, GCC conducts transactions with related parties. Unusual transactions must be submitted to the Audit and Corporate Practices Committee and approved by the Board of Directors.

Transactions with related parties may create potential conflicts of interest, which GCC mitigates by performing a transfer pricing study to determine the value of the services and goods provided.

**IN 2021**

GCC did not carry out operations with related parties outside the normal course of business or out of market conditions.

**POTENTIAL CONFLICTS OF INTEREST**

Directors and officers who have a conflict of interest in any transaction or decision must disclose it to the Chairman or the Secretary of the Board of Directors and refrain from any deliberation and resolution.

The Board of Directors establishes guidelines for transactions with related parties and reviews unusual transactions.

For more detail on transactions with related parties, refer to section 4.b of the annual report.
RISK MANAGEMENT
GCC recognizes the importance of the different risks and uncertainties related to its operations and the countries in which it operates, therefore, we developed a risk management process to monitor, analyze and mitigate risk exposures, and thus ensure the company’s long-term stability and success.

**RISK IDENTIFICATION**

GCC constantly works on identifying risks and scenarios that could materially and negatively impact the company’s business, results of operations or financial condition.

**RISK ASSESSMENT**

GCC conducts regular assessments of identified risks based on their likelihood and impact, to be aware of any changes in relevance.

**RISK MANAGEMENT**

GCC creates heat maps to review risk materiality, improve visualization and analysis to develop risk management strategies.

**RISK CONTROL**

GCC constantly monitors strategy implementation and execution to reduce or eliminate threats, prevent losses and optimize resources.

For more detail on risks and uncertainties, refer to section 1.c of the annual report.
SHAREHOLDERS’ MEETINGS
CALLS AND INFORMATION MANAGEMENT

The meetings are called at least 15 days in advance and from that moment on, shareholders can request the information and documents related to the items to be discussed in the meeting.

Meetings may be summoned by shareholders representing at least 10% of GCC’s equity.

MEETINGS

The shareholders’ meeting are held at least once a year within the 4 months following the end of the fiscal year.

ANNUAL SHAREHOLDERS’ MEETINGS

Meetings are considered held if at least a majority of shareholders attend and resolutions are valid if approved by a majority of the shareholders attending the meeting.

PROXY VOTING

Shareholders may grant proxies and give specific voting instruction for each resolution in respect of which the proxy-holder has to vote on behalf of the shareholder.

EXTRAORDINARY SHAREHOLDERS’ MEETINGS

Meetings are considered held if at least 75% of GCC’s capital is represented and resolutions are valid if approved by a majority of shareholders attending the meeting.
Shareholders approved the allocation of up to $1 billion pesos ($1,000,000,000) to the shares buyback program.

A dividend of Ps. 1.1621 per share was declared at the meeting and paid on May 17, 2022.

RESOLUTIONS PASSED AT THE MEETING

Approval of:
- CEO’s report on 2021 performance
- Board of Directors’ opinion on the CEO’s report
- 2021 financial statements
- Audit and Corporate Practices Committee’s report

Appointment and remuneration of:
- Members of the Board of Directors
- Members of the Audit and Corporate Practices Committee
BEST PRACTICES
INFORMATION MECHANISMS

Website available in English and Spanish

Annual Shareholders’ Meetings

Quarterly earnings calls hosted by GCC’s CEO and CFO

Press releases posted on the BMV, CNBV and GCC website

Investor relations contact:

email: investors@gcc.com
www.gcc.com

Phone: US (303) 739 5943
MX (614) 442 3176

Email us to subscribe and receive GCC’s latest news and results

COMMUNICATION WITH THE FINANCIAL COMMUNITY IN 2021

4 EARNINGS CALLS

15 CONFERENCES & BROKER EVENTS

+140 MEETINGS ATTENDED
GCC was recognized by the Institutional Investor magazine for one of the best management, investor relations programs and analyst days in the cement and construction sector.

**ANALYSTS COVERING GCC’S STOCK**

- **ACTINVER**
  rortiz@actinver.com.mx

- **BANK OF AMERICA**
  carlos.peyrelongue@bofa.com

- **BANORTE**
  jose.espitia@banorte.com

- **CREDIT SUISSE**
  vanessa.quiroga@credit-suisse.com

- **DATA BASED ANALYSIS**
  mbetts@databasedanalysis.com

- **GBM**
  aazar@gbm.com.mx

- **ITAÚ BBA**
  daniel.sasson@itaubba.com

- **J.P. MORGAN**
  adrian.huerta@jpmorgan.com

- **MORGAN STANLEY**
  nikolaj.lippmann@morganstanley.com

- **NAU SECURITIES**
  luisprieto@nau-securities.com

- **SANTANDER**
  jmramirezma@santander.com.mx

- **SCOTIABANK**
  francisco.suarez@scotiabank.com

- **UBS**
  alberto.valerio@ubsbb.com

- **VE POR MÁS**
  evargas@vepormas.com
EXECUTIVE COMPENSATION PLAN

LONG-TERM INCENTIVE
Largest component of target, based on ROIC and paid in restricted stock with a 5-year vesting period
CEO: 36%  Key executives: 15% - 34%

ANNUAL INCENTIVE
Based on budgeted EBITDA growth and EBITDA margin
Pays out between 0% and 205% of target
CEO: 33%  Key executives: 18% - 28%

FIXED PAY
Smallest component of target compensation
Base salary
CEO: 31%  Key executives: 40% - 62%

69% PERFORMANCE BASED

GCC seeks to align pay with company performance and value creation over the short- and long-term
ABOUT GCC

GCC is a leading supplier and producer of cement, concrete, aggregates and construction-related services in the United States, Mexico and Canada, with an annual cement production capacity of 5.85 million metric tons.

SAFE HARBOR STATEMENT

This report has been prepared by GCC, S.A.B. de C.V. (together with its subsidiaries, “GCC”). Nothing in this report is intended to be taken by any person as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security.

This report is a compendium of data from our archives, for more detail please refer to the original documents located in www.gcc.com inside the investor relations section.

GCC is not responsible for errors and/or omissions with respect to the information contained herein. Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

FORWARD LOOKING STATEMENTS

This report may contain forward looking statements. All statements that are not clearly historical in nature are forward-looking, and the words “anticipate,” “believe,” “expect,” “estimate,” “intend,” “project” and similar expressions are generally intended to identify forward-looking statements. These statements are subject to risks and uncertainties including, among others, changes in macroeconomic, political, legal, public health crises including COVID-19, governmental or business conditions in the markets where GCC operates; changes in interest rates, inflation rates and currency exchange rates; performance of the construction industry; and pricing, business strategy and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from the beliefs, projections and estimates described herein.

The information in this report, including but not limited to forward-looking statements, applies only as of the date of this report. GCC expressly disclaims any obligation or undertaking to update or revise the information contained in this report.

FOR MORE INFORMATION

Ricardo Martinez, IRC
Head of Investor Relations
rmartinezg@gcc.com

Sahory Ogushi
Investor Relations Analyst
soguship@gcc.com

MX (614) 442 3176
US (303) 739 5943
investors@gcc.com