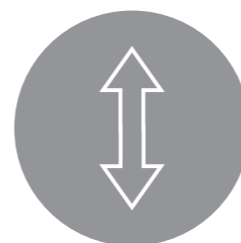
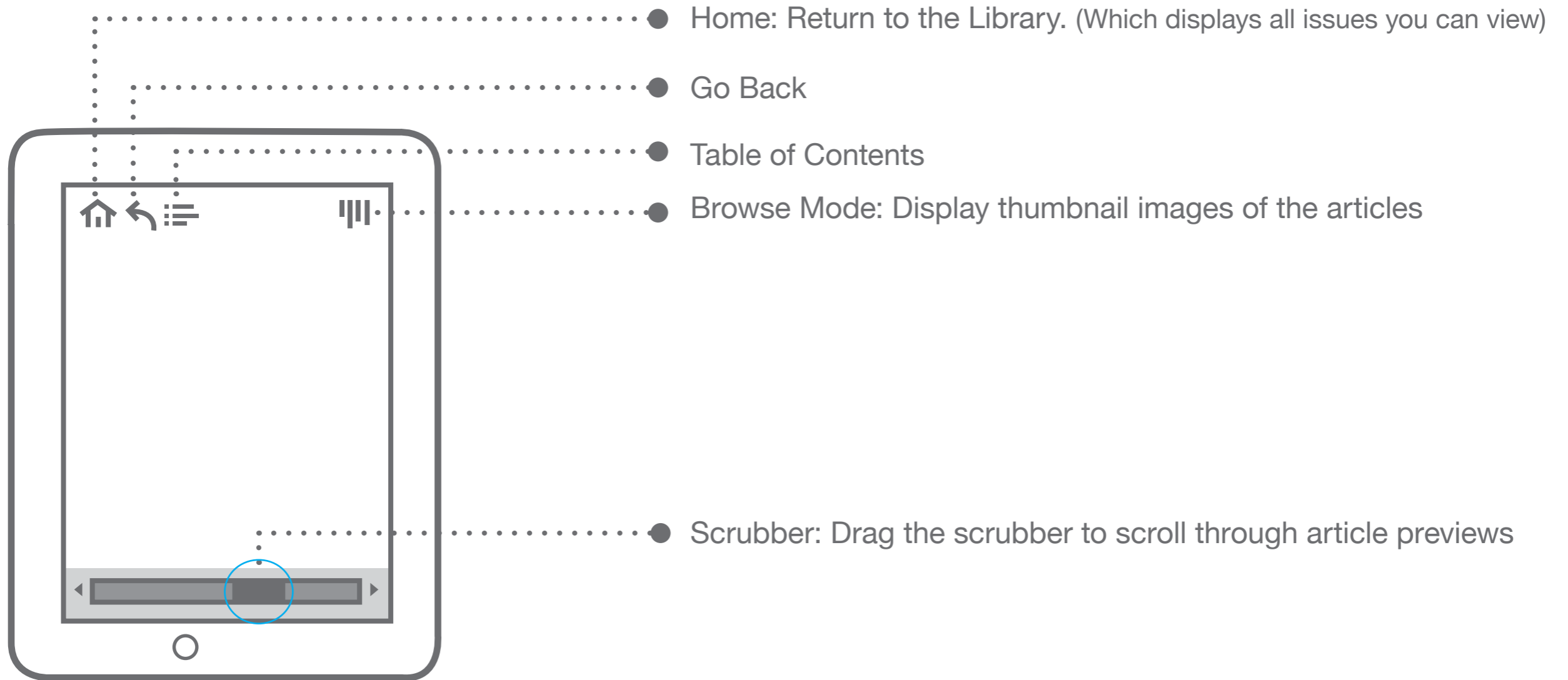


ANNUAL REPORT 2013



Navigation Guide



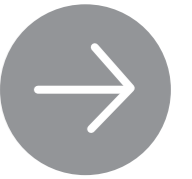
Vertical Swipe



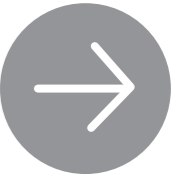
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Global Initiatives



Mobilization



Applied Technologies



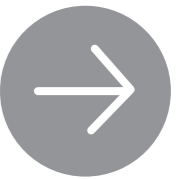
Emerging Sites &
Communities Within Shift



Metrics



Recognitions &
Public Affairs



GLOBAL INITIATIVES

The agility of local competitors to adapt rapidly to changing market conditions has created in CEMEX the need to emphasize on cultural integration, building a professional and mature workforce ready to compete and win on today's economy.

Acting GLOBAL is part of our DNA, where everyone is interconnected, sharing knowledge and best practices.

In 2009, when Shift was born; our world executive leaders committed themselves to a broad array of global initiatives that aim to transform CEMEX into a united enterprise, where any colleague should be eager to help maintaining the company at the forefront of the global building materials industry, serving as the partner of choice.





01

Aggregates

In 2013, CEMEX strengthened the global aggregates leadership through various work streams including the implementation of a continuous improvement culture throughout CEMEX' Aggregates organization worldwide with a Continuous Improvement Methodology, bringing benefits with the creation of a Community of Champions and reinforcing the Human Capital with the Career Development toolkit.





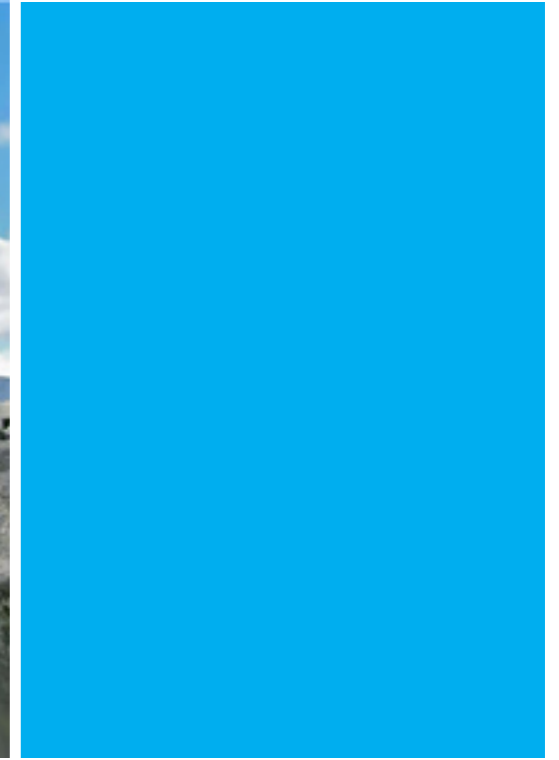
Finding clear definitions with the Continuous Improvement Methodology

Shift has become the spot where experts find relevant information to homologate CEMEX's global operating model.

The community members developed a Continuous Improvement toolkit which encompasses:

- **Ideas:** A collection of ideas, techniques, procedures or behaviors that can be replicated in the company.
- **CI Implementation examples:** Real examples of how the CI elements (Benchmarking, Process Improvement, Idea Sharing & Experts Networks and CI Tracking) are being implemented across CX.
- **Institutional Tools:** For example, a Cost Allocation Methodology for national and international benchmarking comparisons on the KPI Matrix, BI Tool, SOP Catalogue, Peer Review Audit Methodology.





Aspiring to make the best Aggregates team

Career Development Toolkit

An Aggregates training and development plan was created to nurture and retain talent and promote transformation in every way. The toolkit outlines the expected performance and potential perspective from a CEMEX's employee.

Some of the main objectives include the adoption of an effective recruitment and techniques, talent review discussions to review strengths and development needs of the workforce and career development plans.

Furthermore the toolkit has helped to drive coherence through use of standardized processes – job descriptions, CEMEX competencies, Training programs – setting out minimum standards for performance and empowering CEMEX's managers to act as real role models for development.

CI Champions Network

Since March, 2013 a continuous Improvement Team of Champions got together to promote the sharing of best practices.

The meetings are being held once a month to review the overall track and to share specific projects from the Aggregates initiative across all CEMEX's business units.

For example, an event of this network of Champions was the first global video-conference attended by the Heads of The Aggregates Initiatives and the experts from the CI Champions network in nine countries (Germany, France, Austria, Israel, UK, Poland, Colombia, Mexico and US). Best practices like the implementation of the Quarryx laser scanning system in Germany and the use of Biofuels in Austria, among others were discussed by the participants.



Community Achievements

Pricing Initiative on a Global Scale

In an attempt to build a global pricing plan in line with the overall CEMEX “Value before Volume Strategy”, some workshops between USA, Mexico, UK, France and Germany took place since September. Up to date the subjects being discussed include the profitability measure, the pricing roadmap, and the implementation of pricing KPIs, among others. Pilots in these countries are also already on their way.

Cost Allocation Methodology for Benchmarking

Community members under this initiative are working on standardizing cost allocation and reporting in order to foster transparency and international comparability. The international comparison based on these KPIs has helped to identify opportunities for improvement on different levels (quarry/area/cluster/country). The final proposal is being reviewed by Central Controllershship and will go-live in 2014.





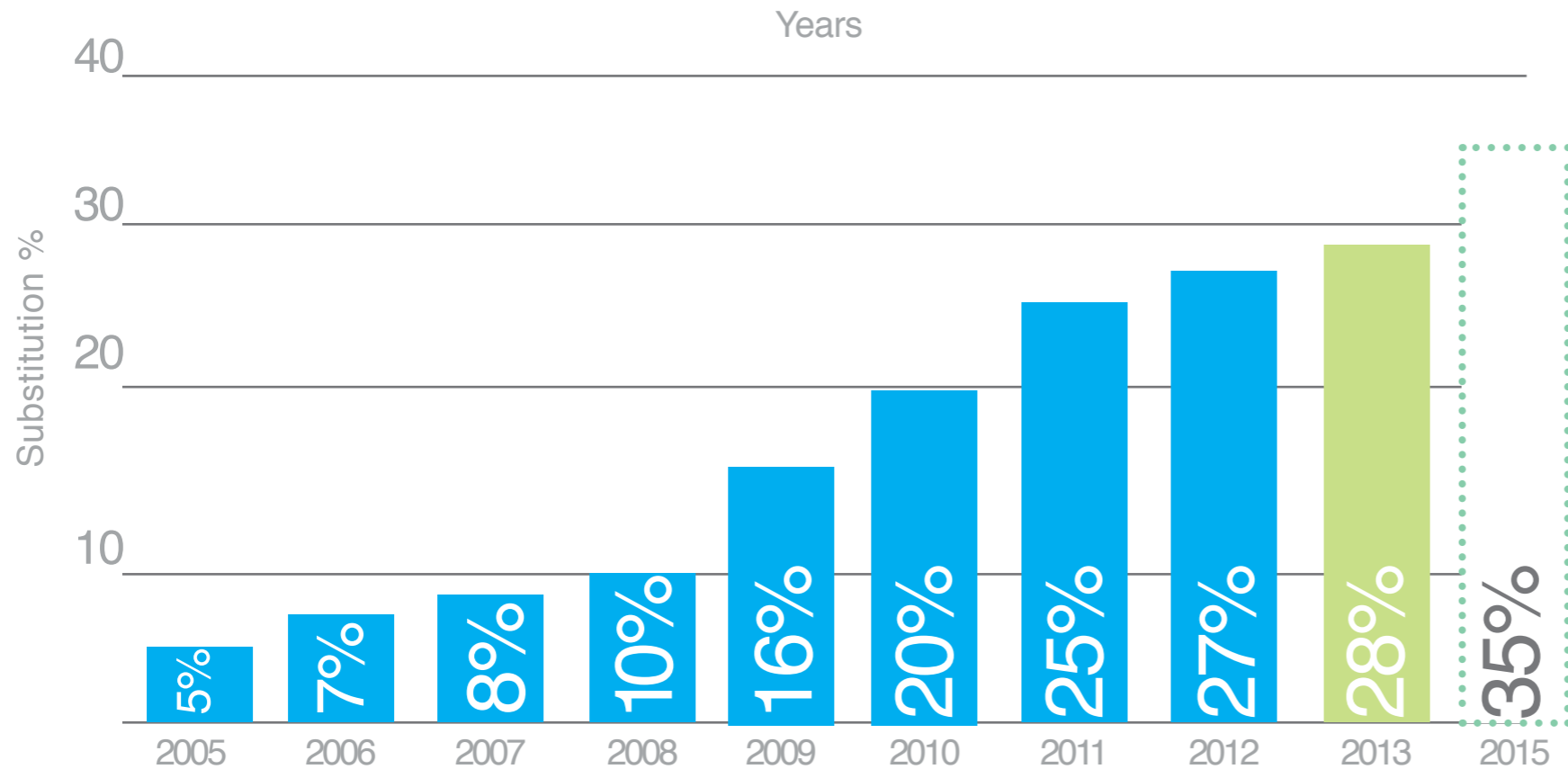
02

Alternative Fuels

CEMEX has been recognized with the “Alternative Fuels-Using Company of the Year” award at the 2013 Global CemFuels Conference in Istanbul, Turkey, given to companies with outstanding performance in the use of alternative fuels.



Sustainability Actions



During mid 2013 CEMEX Mexico introduced an innovative solid waste sorting system in the form of a mobile plant to support its efforts to increase the use of alternative fuels.

A campaign around FIRSU was implemented to involve our own office buildings and business units in the collection and production of alternative fuels that can be later used in our cement kilns.



163,673
Lts. of water saved



21,308
Kw/h saved



21 M³
of space in landfills



75
unlogged trees

2 Million

Metric tons of CO2 avoided in 2012 -14

US\$130 Million

Substitution effort resulted during 2012

US\$8,036 Million

CAPEX expected to be used during December 2013





Groundbreaking Tools

This initiative is a leader in collaboration and knowledge sharing. We are following projects and tools that will allow us to capture the value of the content that has been developed in the community:

Expediting Expertise

This functionality has the objective of dynamically building a heat map of recommended experts, materials and activities in order to become an “expert” in a certain topic of interest for the user. The first invited group to make use of the tool was the Alternative Fuels community.

Unit Converter

Development of a Unit Converter for the AF Community with various types of metrics, complimenting the Engineering tools section of the community.



Serious Games

Developed last year to support the the initiative's objectives and messages showing how new technology allows CEMEX to use waste as a local source of sustainable energy, the Into the Kiln game was released to CEMEX's global audience through its official webpage. A social media campaign will also be developed through CEMEX's official Twitter and Facebook accounts.

After a successful development of the first serious game a second one was developed during this year. Into the Kiln 2 FIRSU promotes and explains the recycling practices to the CEMEX's employees, so they can understand the ideal separation process to be replicated in their offices.



03

Grow the Pie

The Grow the Pie Initiative has increased CEMEX operating cash flow with concrete solutions and pilot projects all over the world. The country leaders involved in the initiative are sharing best practices across borders and growing the demand for concrete solutions used in roads, houses, and other commercial and industrial projects in a global effort to gain market share against other building materials.





Roller Compact Concrete

The USA team and our peers in the network believe there is a great opportunity for a dramatic expansion of RCC in the private sector.

As a result, new talent will be hired to support this business opportunity.





Concrete Paving Solutions

SAC expanded concrete paving business and introduced concrete cast in place.

- Colombia: CEMEX will build more than 1000 affordable housing units.
- Egypt: 300,000 m² were paved, including two airport runways.
- Croatia: The team completed several pilots which showed that we have competitive offers.
- CEMGRA was also launched, a new service to build ICF concrete homes.



Promotion of marketing materials

New Marketing Materials for our Housing & Concrete Pavement Solutions

When CEMEX wants to gain market share against other construction materials, there's no better way to do so than by knowing about and sharing all of CEMEX's available solutions.

The Grow the Pie initiative has precisely taken up this point by producing these new promotional brochures for CEMEX's solutions on Pavements and on Housing. If you work here, this is something you must definitely know about, regardless of your sector, specialty, or business unit.



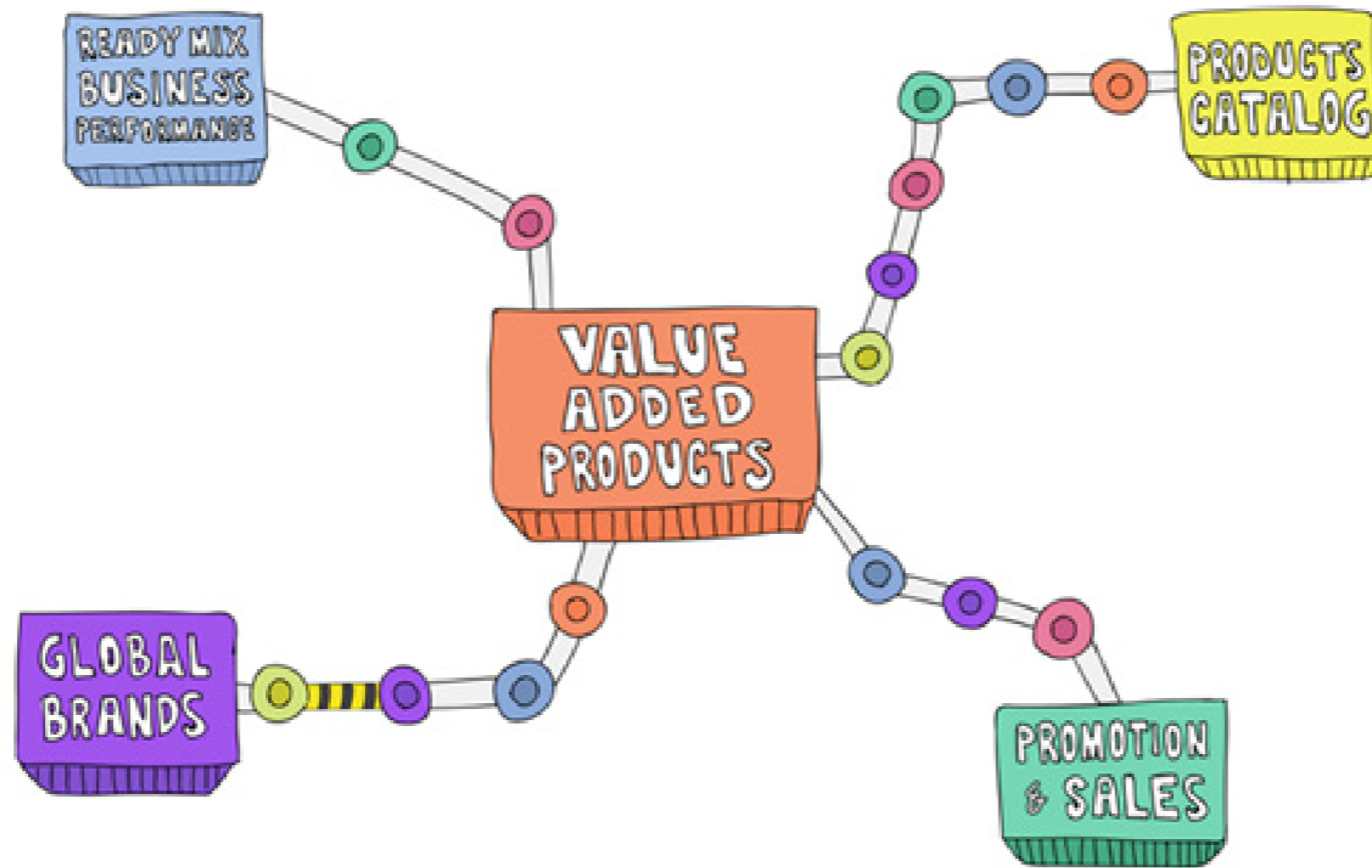
04

Ready Mix

This Global Initiative provides members the opportunity to improve communication & best practices shared by centralizing the information in just one place.

This year innovative ways of sharing information were employed by this Global Initiative, with the aim to increase the collaboration and exceed the community expectations, in order to continue the achievement of the pursued goals.





CEMEX Value Added Products Information Center

There were significant achievements in the four main tracks of the initiative, increasing the visibility of the Ready-Mix business and its “Value before Volume” approach.



Ready Mix Sales Performance

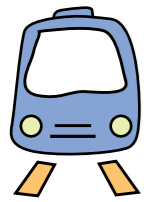
From prototype to institutional dashboard:

A comprehensive yet intuitive “INSIGHT ACTION” tool was designed based on CEMEX Operations’ guidance and feedback. It aims to enable a better management of the Value Added Products Sales Performance Operations.



- This Dashboard was tested since June and finally deployed in August.
- Its scope has grown from 5 to 25 countries.





VALUE ADDED PRODUCTS Information Center

3 Concrete Talks

during 2013



Products Catalog

- This year, the Products Catalog was launched. An image of a subway was used in a promotional video, to make members of the community feel more identified with the community and are able to find the information they need in a more practical way.
- There have been also some training sessions with countries, to make more understandable the management of the Products Catalog.

Sales & Promotions

- During this year, the second round of Concrete Talks took place , which contributed to the ideas and best practices sharing.
- To promote collaboration and participation among the members of the Ready Mix Initiative, an innovative approach regarding the webcast's mechanism was implemented at the past Special Concrete Talk, making the conversation more informal and leaving out any formal scripts.

These innovative improvements will certainly contribute to the future achievements of the initiative.

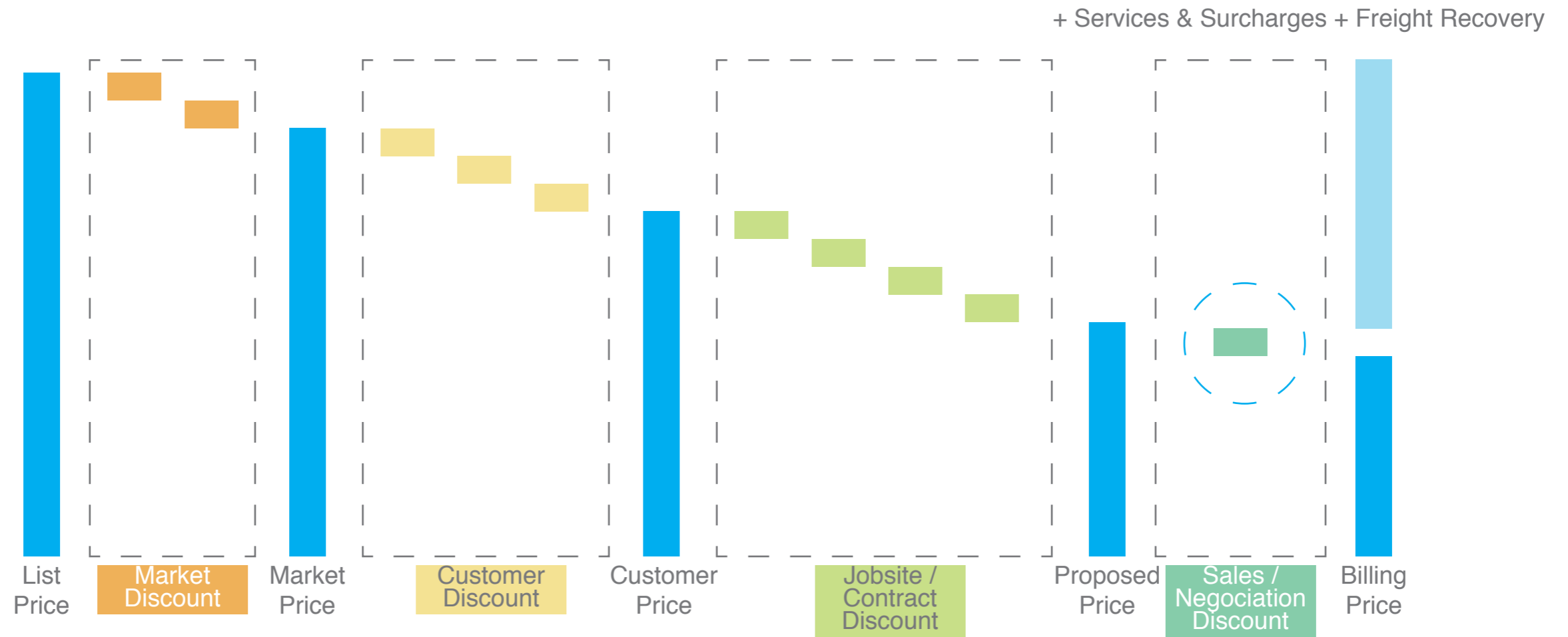
Global Brands

- Two new global brands were developed and are in the pipeline, planned to be launched in the upcoming months.



Ready Mix Pricing Corridor Set Up

- A common Pricing corridor model for CEMEX was defined during this year, with the aim of having a “common language” among the initiative and capture the right value from our products.
- The Pilot Country set was Poland.
- During this year the characteristics of process, tools and roadmap were defined.



- Geographical Market
- Market Segment

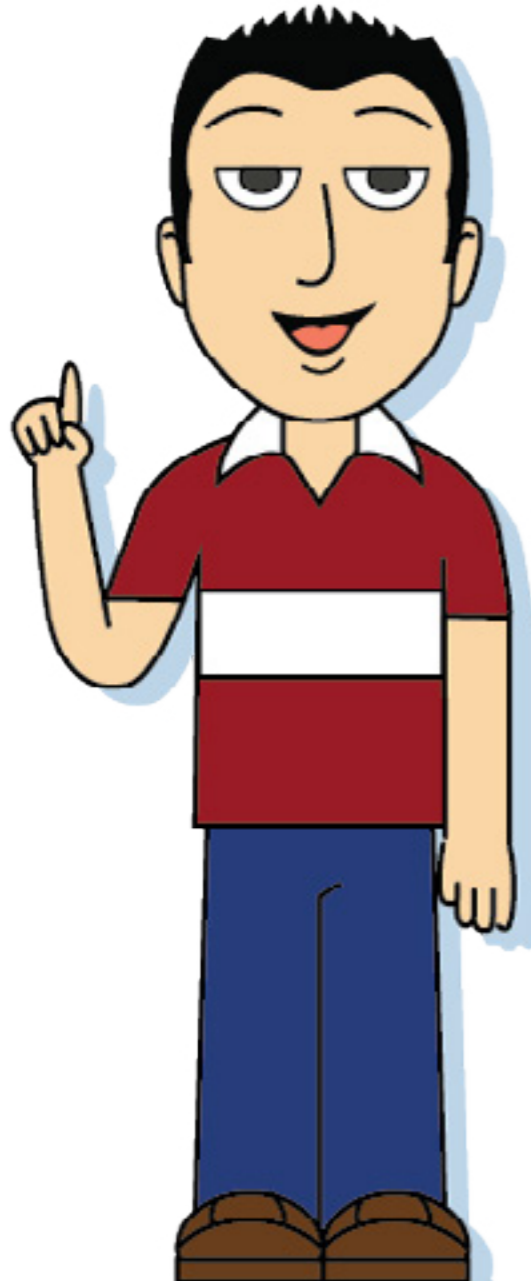
- Customer Attractiveness
- Loyalty
- Size / Potential

- Volume Discount
- Contract Attractiveness
- Logistics Conditions
- Jobsite Discount



RMX COMICX:

“Full Freight Recapture”



RMX ComiCX

A new tool for dissemination of knowledge.

In an attempt to communicate CEMEX’s pricing strategy, the Ready Mix initiative deployed the RMX ComiCX. The project started on June 2013 presenting five chapters about Full Freight Recapture.

Executive leaders from the initiative appeared as the main characters explaining best practices on how CEMEX seeks to recover 100% of its freight costs through load fees on partial deliveries.

This project has received positive feedback due to the engagement of the community members.

In spite of supporting this communication channel, a Pricing Playbook has been also been integrated. All these actions have provoked reflections and discussions about Pricing Principles within the company.





05

Commercial Development

The Commercial Development Initiative was launched at the beginning of 2013 to position CEMEX ahead of its competitors through the strength of its commercial team.



More than 400 members building the best sales force

Market Development knowledge:

CEMEX's employees shared knowledge about commercial strategies and actions to understand the market & the industry. So far, South and Central America and the Caribbean exchanged experiences with Mexico about the commercial intelligence model.

Using streaming media technology for Channel Development content:

Construrama has been the main distribution channel for CEMEX in Latin America, on October 3rd, 2013; the first Construrama Round Table Webcast took place in collaboration with CEMEX Research Group (CRG) to share differences of Construrama's business models from Mexico, Costa Rica and Dominican Republic.





(OBSESIONADOS CON NUESTROS CLIENTES) (COMPROMISO)
+ VENDER MÁS Y VENDER MEJOR
PROFESIONALES EXCELENTES



Customer Relationships based on Value and Unique Needs

Sales Force Development: The first Global Project

The Commercial Academy, is an internal online university for developing world-class sales capabilities.

Mexico, USA, UK, SAC and Asia have trained more than 1200 employees between Executives and Sales Representatives at the Commercial Academy Community. In order to reinforce the knowledge acquired, employees have access to business cases, lectures, concepts and online quizzes.





Replication of Value Added Services in all CEMEX's business locations

In terms of products and services, CEMEX is looking for adding value proposition to their customers around the world.

Related to Sustainability solutions, Egypt learned from Mexico about "Patrimonio Hoy"; a market based program to address the housing needs of low-income families.

Mexico gave a clear guide to UK on how to improve the "EXTRA" cement. This product was specially designed at the molecular level to reduce cracking due to plastic contraction by up to 80% during the curing periods for concrete and mortars.



MOBILIZATION

In order to foster collaboration and participation among CEMEX's workforce, as well as to help in the process of objectives' achievement, several activities have been implemented, with the aim of mobilizing the new products and solutions developed by the Innovation team, for the rest of the company.



Shift 2.0

Try the new features



My Page

My page is your own space at Shift. Here, you can see the latest updates for specific applications in widget format.

More agile, more collaborative, more you

On the beginning of 2013, Shift evolved to become more social and adaptable to the new technological trends. A set of features was launched to collaborate and interact socially from a single place while providing more personalization features and collaboration services within the Shift Communities.

New practices enabled:

- Shift customization
- Social Interaction
- Improved community management
- Improved document management
- Monitor community participation.



Shift the way you work

New components available : Shift Radar, Shift Awards, Social Mail and CEMEXpedia



Social interaction from a single place

- New Activity Stream Dashboard
- Email Integration



Customize your own Shift

- My Page



Suggest network activities

- Likes
- Repost



Visualize social content in a single view

- Radar



Motivate broader user adoption

- Shift Awards: Thank U! + Cards and Badges



Monitor community participation

- Metrics



Improve community management

- Community Updates
- Events
- Related Communities

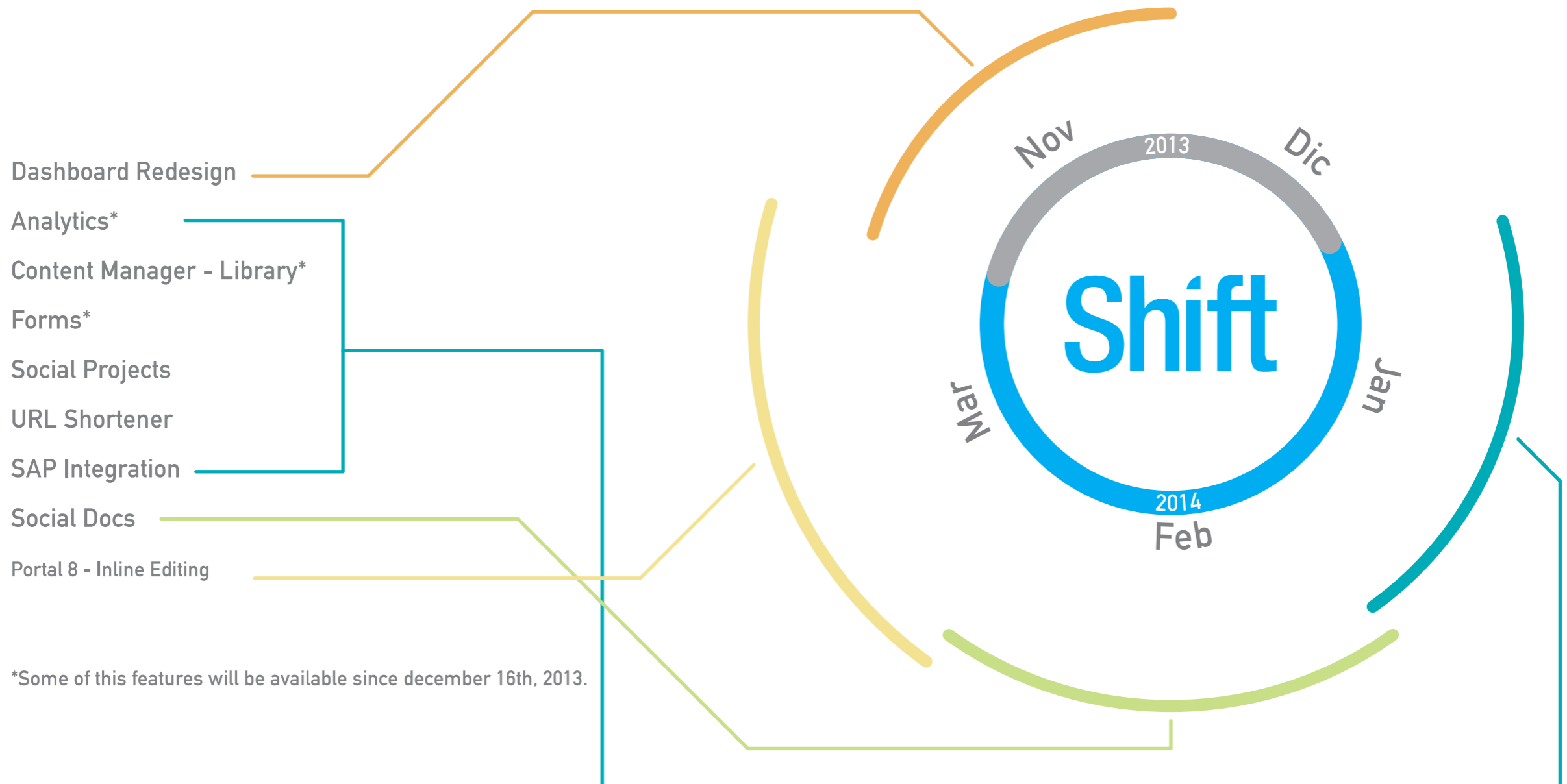


Share documents more easily

- Community Folders
- Files New Features
- Genius File Management Upgrade



What's next at Shift



*Some of these features will be available since December 16th, 2013.





Thank Different! Shift Awards

Shift Awards Program's objective is to recognize each member of the CEMEX's community for their outstanding work and behavior in the organization, whereas it comes from a peer or from our management areas. This year, Badges were introduced to accelerate the adoption and participation of the network.

	Intent	Assigned	Who Assigns?
Thank You!	Social recognition for outstanding behavior.	Manually	Peer to Peer
+ Card	Defined by each area to give recognition for completion of specified criteria.	Manually	Area or Program Managers
Badge	Promote Shift adoption and participation.	Automatically	Shift

Recognition: The most powerful motivator to strengthen the team performance leverage on Shift, +Cards for recognition of OHR programs.





CEMEXpedia: A collaborative source of information

Adapting to ever-changing business environment requires of innovation. Global enterprises nowadays must be innovative not only in their products but also in their processes. In this scenario, knowledge becomes an important asset and knowledge management plays an essential role in taking accurate business decisions.

Innovation at CEMEX has focused its efforts on providing to our workforce the tools for expanding expertise as well as those to manage knowledge within the company. With this goal in mind CEMEXpedia was born as a repository of best practices and CEMEX global concepts that our workforce can consult to extend their knowledge about our processes and common interest topics. Furthermore, CEMEXpedia serves as an access point to specialized repositories for topics such as Processes Documentation, Company Policies or Help Support and Scripts.

“CEMEXpedia has enabled our company to better understand our clients’ needs and to ensure that we remain the supplier, employer, and partner of choice for our stakeholders”.



106,168 # Visits until October 2013

813 # Articles until October 2013

CEMEXpedia: New possibilities to share knowledge

CEMEXmedia is a new section to share media content such as videos and photographs. Users find communication material and campaigns that have been developed across our company as well as content that can help them build new communication campaigns.

One of the newest sections at CEMEXpedia, is the Global Initiatives Newsletter, a section created to share progress, milestones and business value of each Global Initiative

Today users can read CEMEXpedia content with the Shift Mobile app. The design is friendly and innovative, making it easier for users to research anytime, anywhere.





“Shift has given us the opportunity to share opinions and increase the visibility of what we do”

Ana Lilia Fernández
Initiative Leader

How they did it: Reinforcing adoption practices at Shift

Visibility, Knowledge, Communication and Innovation were the main subjects promoted at “How they Did it” campaign, created to foster networking collaboration culture in all geographies by communicating successful cases and business value generated by social enterprise.

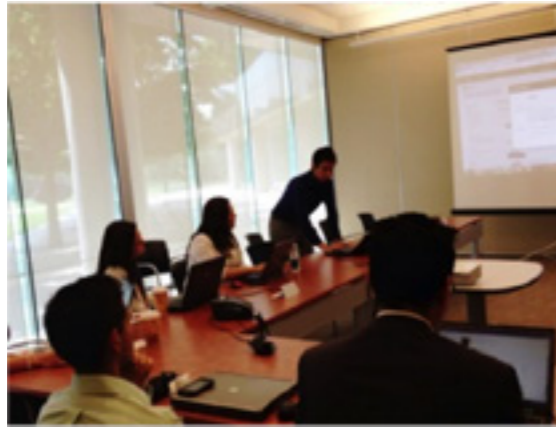
Supported by visual materials (posters & videos) the “How they did it” campaign gave visibility to Shift Key Users and Initiative Leaders such as Ana Lilia Fernández, Luis Farías, Benito Gámez and Karl Watson.

The material was shared to all BU with the support of the CCPA

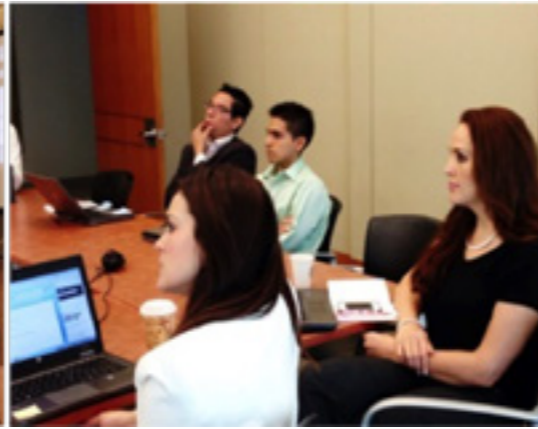
Countries participating in the campaign:

- France
- Phillipines
- Poland
- Hungary
- Mexico
- CEMEX Central

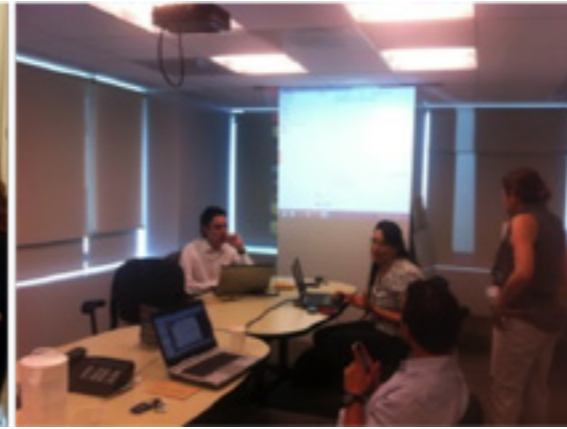




Shift Mornings



Shift Mornings



Shift Mornings



On Boarding

Increasing Business Value through casual Meetings: Shift Mornings / On Boarding

On Boardings:

3 Group Sessions = **49** people
9 One on One Sessions

Shift Mornings:

16 Group Sessions = **74** people

Shift Mornings:

Weekly Shift Mornings sessions were scheduled every Friday at Margain and CEMEX Constitución.

The participants came from different departments, such as: Logistics, Transport, HR, Communication, Processes, Planning and ASSET departments.

On Boarding sessions:

Were training sessions for new employees in order to let them know about CEMEX's working processes.

Groups from Monterrey, Mexico DF and Guadalajara were introduced to the key concepts of social business networks.

Shared Practices, Procurement information, Financial and Currency information:

- CEMEXpedia
- Regional folders and files for sharing instead of mailing by GSO
- Activity tracking for Construrama collaborators through Shift





APPLIED TECHNOLOGIES



The path to Innovation

Social Network:

CEMEX designed Shift as a social business network. When employees use Shift, ideas, suggestions, and recommendations bubble up across our global workforce. Communities of interest are formed to tackle challenges. Projects can move forward without the barriers posed by traditional hurdles, such as over rely on emails and live meetings. The payoff is lower cycle time, faster time to market, and real time process improvement.

Shift is ultimately designed for a new kind of workforce, one that is mobile, global, and empowered.

Shift Mobile:

At CEMEX we are increasing enterprise mobility, BYOD and Shift AppStore are the two strategies Innovation is developing to promote mobility in our company. This will change working behaviors, our workforce will be using mobile and touch devices to access CEMEX's applications, platforms & ERP'S.

Cloud:

The Cloud can be defined as place where CEMEX's people can access all their files, no matter where they are or if they are using their personal computer, their mobile or a colleague's tablet. Now it is even possible to work on a document, with colleagues at the same time, thanks to the new Shift features that will be launched soon.

Analytics:

Social, Mobile and Cloud make analytics accessible information at first hand to take business decisions and achieve true collaboration in a more effective and agile way. Providing tools for analytics gives our company a gain of competitive edge and a strategic weapon for information sharing enterprise-wide, grow revenues and streamline operations.



Transforming CEMEX into a mobile company

As the world has become more agile, social and changeful, mobile devices have been adopted successfully for efficient interactions and rapid communication. During the last three years, CEMEX has explored and developed new mobile platforms and services. As of the beginning of 2012, CEMEX's employees have had access to different applications through their mobile devices, increasing the range of collaboration channels offered by the applied technology projects. Shift Mobile was officially launched in 2013, and became the central place to find suitable apps to improve productivity, enhance communication and speed decision-making, to exceed our customers' needs, anytime, anywhere.

Shiftmobile
[CEMEX just one click away]



CEMEX's Mobile Apps to Drive Productivity

Mobile technology is available for iOS, Android and Blackberry devices helping employees enhance their productivity.

Shift Calendar:

Mobile application that brings access to relevant information such as future events and activities organized at the company.

Wiki Reader:

This application shows wiki pages in Shift in a friendly view. It employs search capabilities and different ways to sort the information. CEMEXpedia was the first wiki available in the Wiki Reader with the implementation of a Flipboard like experience. Users can have tablets and smartphone views with Responsive Web Design techniques.



Shift Mobile Dashboards



CFO Dashboard:

Different PDF Reports were uploaded in Shift in order to make them available to be viewed with Shift Mobile. Email, news, MTM Reports and the Council Community are available in this dashboard.

Commercial Academy Mexico:

This dashboard seeks to spread commercial best practices among all the Commercial Academies through Shift. So far Mexico is the first country applying the mobile app to provide valuable content like academy reinforcement materials, online quizzes, collaborative calendars, concepts and readings.

Vendor Management Office:

We provided VMO's community with a mobile version of their most important commercial content in order to increase their proficiency. Members track relevant data that is always up to date.

Accounting Policies and Procedures:

Provide a space where all of the information concerning the accounting policies and procedures converge, as an effort to keep a transparent access to it, evolving in the way information is shared and acquired.



Decision making at a hand

CEMEX seeks to become a more agile, flexible and competitive enterprise to exceed its customers' needs and to strengthen its capital structure; therefore innovation has been a key to optimize the company's performance.

By developing Business Intelligence technologies we provided our internal clients with meaningful information at a hand to enhance decision making.

OTM SIM fully leveraged existing monthly and annual reports from all CEMEX's business units (including MTM reports) for delivering the right information to our Executives at the EVP Financial & Administration area on an accurate time.

Improving Responsive Time and Performance





Engaging employees through communications

CX@Sight was created as a channel to communicate information in a massive way inside CEMEX, sharing relevant news, achievements, webcasts and other information.

Corporate Communications, Innovation, Human Resources and Process & IT Organization are departments that are sharing videos and news through the platform to keep everyone informed about what matters at CEMEX.

The content administrators for CX@Sight now can capture all the articles in Shift's Wikis, leveraging on the editing tools and making easier the use of that kind of pages.

For January 2014, it is expected that CEMEX Mexico will replace its current applications with CX@Sight saving more than 900k MXN by year.

“Implementation of CX@Sight at CEMEX Mexico is expected to save more than 900k MXN”.



Empowering CEMEX's reports for an agile response to our business needs

The Innovation team worked together with CEMEX's executives to provide them with the appropriate dashboards and reports to get data by themselves in a rapid and easy way.

Tableau, SAP and Power Pivot were the softwares proposed to customize their data and provide them with clean and relevant information.

Choose a Report

Install the software

Reproduce the visualization

Report results

Executives from P&IT, Global Sourcing, Innovation and the Commercial area adopted Self-Service Analytics Reports to identify business opportunities at a glance.





Intelligent Fleet Monitoring

As CEMEX moves a large amount of products it is necessary to ensure excellence at our delivery services.

By using technologies such as RFID, GPS and SMS; SCA&C is working on a pilot to track pallets and analyze insights about the real distribution of our products and cost efficiency.

“RFID, GPS, and SMS for smarter logistics expected to save more than 900k MXN”.

Tracking pallets instead of trucks allow us to obtain real time information, enforce our price policies, increase operating efficiency & training and improve our drivers' performance.



Google Maps Integration for Responsive Time on delivering our products



Using information from Google Maps and the Intelligent Fleet Monitoring Project will provide our executives with graphic information for better decision making.

By having full visibility of business units, trucks, customers, products, routes, times, traffic, as many other factors; the process areas will be more well-organized allowing them to significantly reduce their costs.





CEMEX
Holiday Card

CEMEX's Holiday Card building strong relationships with our stakeholders

This year CEMEX's electronic holiday card was again available with two design options that can be customized, allowing users to include a personal message.

The card offers 14 different languages and can be sent to one person or to a group of people. Users can also send their cards with the iPad Holiday Card Application available at the CEMEX AppStore.





Augmented Reality

A new way to experience our global voice newsletter

Augmented Reality is an innovative way of sharing information and knowledge in a fresh and interactive way. It can be embedded in products or marketing printed materials to enhance the information provided for products and services. So far, Human Resources will use this technology next year to communicate CEMEX's news using iPhone and Android applications .

The Audience will experience sensory data such as sound, video and graphics, therefore they will be able to perceive an increase view of reality.

Creating a WOW factor for marketing & communications



EMERGING SITES & COMMUNITIES WITHIN SHIFT

With the aim of increasing the collaboration at CEMEX, several communities were created this year, helping their members to share best practices and transfer knowledge. Once again, the Innovation team contributed to their creation and development.



CEMEX UK Helping to build a greater Britain



Jesús González
CEMEX UK President

This year CEMEX UK launched its site at Shift offering interesting content, such as information regarding to their operations, the vision & strategy, their commitment to sustainability and biodiversity, their best practices on Health and Safety, their philosophy to empower customer service and engage their employees, among other subjects regarding CEMEX's five Stakeholders.

“Open Line to Jesus” is a blog space where members interact directly with the UK Country President to propose ideas on how CEMEX can become the best to their Families, Customers, Employees, Communities, and Shareholders.

The Communications Transformation team developed this site to help communicate more effectively.



Reinventing CEMEX CENTRAL

The logo features a white stylized 'C' containing a person icon, followed by the text 'CENTRAL Contigo' in white on a red background.

CEMEX Central introduced a site where all employees could review their news and benefits.

Main Areas:

- Mis beneficios

Users can view their current benefits like health and wellness, investments, agreements, among other topics.

- Mi carrera

Career development, job opportunities, local scholarships.

- Central contigo

Weekly newsletters containing activities of interest to our employees.

- Avisos de ocasión

Central publication policies.

- Nuestro ambiente de trabajo

This space relates to CEMEX's culture, our values , code of ethics, galleries, corporate newsletters, social responsibility activities and events.



Public Affairs European Community sharing global best practices



The Public Affairs European Community was developed to enable a repository of policies issued in several countries to track their impact for CEMEX and its current status.

Reviewing the Public Affairs agenda, comparing best practices, as well as promote and access to an information center of internal and external newsletters are some of the activities performed by community members

Business to social

- A conference call involving 50 worldwide Public Affairs Professionals was hosted by Maher Al- Haffar, Head of Investor Relations, to kick off the Initiative.
- Shift training sessions for key adopters
- Webcast featuring Mexico Public Affairs
- Webcast hosted at NY by Alcoa Foundation
- CEMEX Mexico Patrimonio Hoy shared their best practices



Improving Transnational Operations: GSO

An open channel where employees can review transactional operations' guides and FAQ's.

The GSO Community provides the opportunity to accelerate the transactional services by presenting a section of frequently asked questions that users can consult to resolve their doubts. Members are able to share quick guides about their transactional services, and make the processes more self centered.

Back Office Operations:

CEMEX collaborators find information and related documents about commercial processes like income control, re invoicing and centralized processes.



VP Global Technology & Safety



A single community that gathers VP Technology, best practices and knowledge to improve collaboration and information consulting.

Community's creation and development:

All content and related communities were integrated under the same structure to create more unity.

Six subcommunities were developed with sections for files and report sharing, expert forums and related community connections. Besides, there are 3 subcommunities now in development, which are: Production Technologies, Product & Construction Solution and CRG.





Building the best Logistics for CEMEX Mexico



Logística México

With more than 600 members; Logística Mexico exposes practices, achievements and results of the Logistics VP under a single community where collaborators can add knowledge and get recognized to continue with a good performance at their activities.

Alongside, this community enables a space to share information about distribution points, clients, types of equipment, reports and the 2013 objectives.

Proyecto Pallet Perfecto

Under this community users share best practices of the pallet packaging process across Mexico's plants and establish standard indicators for the perfect packaging.

Besides, members developed a tool to report key breaks and rejection indicators, as well as training and guidance to key stakeholders.

CEMEX Transporte

A community where base managers report and keep track of the current inventory at their disposal and their main indicators, while also they are able to interact and share knowledge with personnel from all other Mexico's bases.



A vertical stack of three images showing a silver condenser microphone with a black pop filter, positioned against a dark background. The microphone is the central focus of the left side of the slide.

Orchestrating Global Voices: OHR- engagement survey community

Community created to connect a global communications network and deploy the engagement survey campaign, which had as main objective to discover CEMEX's people opinions. For that reason, this community supplied different features to foster the process of sharing ideas, such as the open forums.

It was also a place where members could find engagement and training materials, as well as the collaborative timeline and activities follow up, in order to see the advances of the campaign and the survey results.

Participation Indexes

- 2012: **75%**

- 2013: **78%** (results above the industry standards)



Linking HR Teams through HR Connects



This community enabled open dialogs with HR leaders to unify efforts and create more collaboration synergy between them. HR Connects yield spaces where employees gave their opinion and enriched conversations with new ideas and proposals.

Career Building Webcast:

The webcast was organized to present the Career Building Initiative.

Broaden perspective, talent review and engagement were the implemented topics.



Creating new interactions through unified Communities: HR MEXICO

A single community was created in order to integrate the HR Mexico topics and transfer the information through one single communication channel.

This community is integrated by 4 new HR Mexico subcommunities, which are: Un día en la vida de..., CEMEX Desarrolla, Oportunidades CEMEX Mexico and Avisos de Ocasión.

“Oportunidades CEMEX Mexico” is a subcommunity where CEMEX’s workforce can get information about the available job posts and application requirements, to continue their growth at the company.

Another remarkable subcommunity, is “Un dia en la vida de” community with more than 300 members whom post testimonials and share photos of their experience participating at the initiative .



METRICS

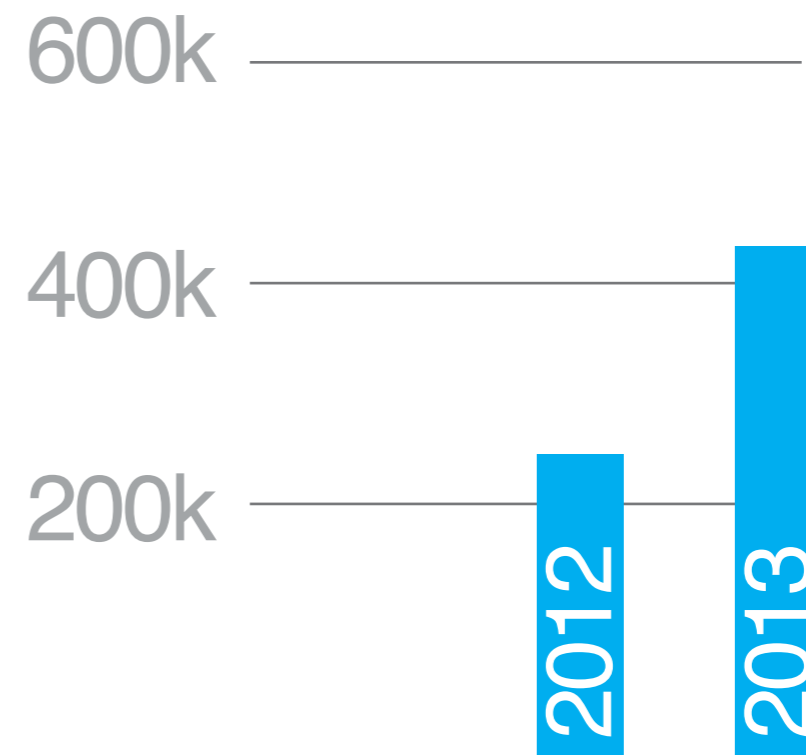


Leveraging Collaboration through Shift: Connections

The following graphic shows a considerable improvement in collaboration, among CEMEX's people, due to the increment of 40.08% of visits at the Collaborative part of Shift (Connections) during 2013.

This increment has been achieved thanks to the benefits provided by the applications and features available at Shift, which helps and simplifies the process of collaboration and sharing best practices.

451,110 # Visits in 2013
270,293 # Visits in 2012

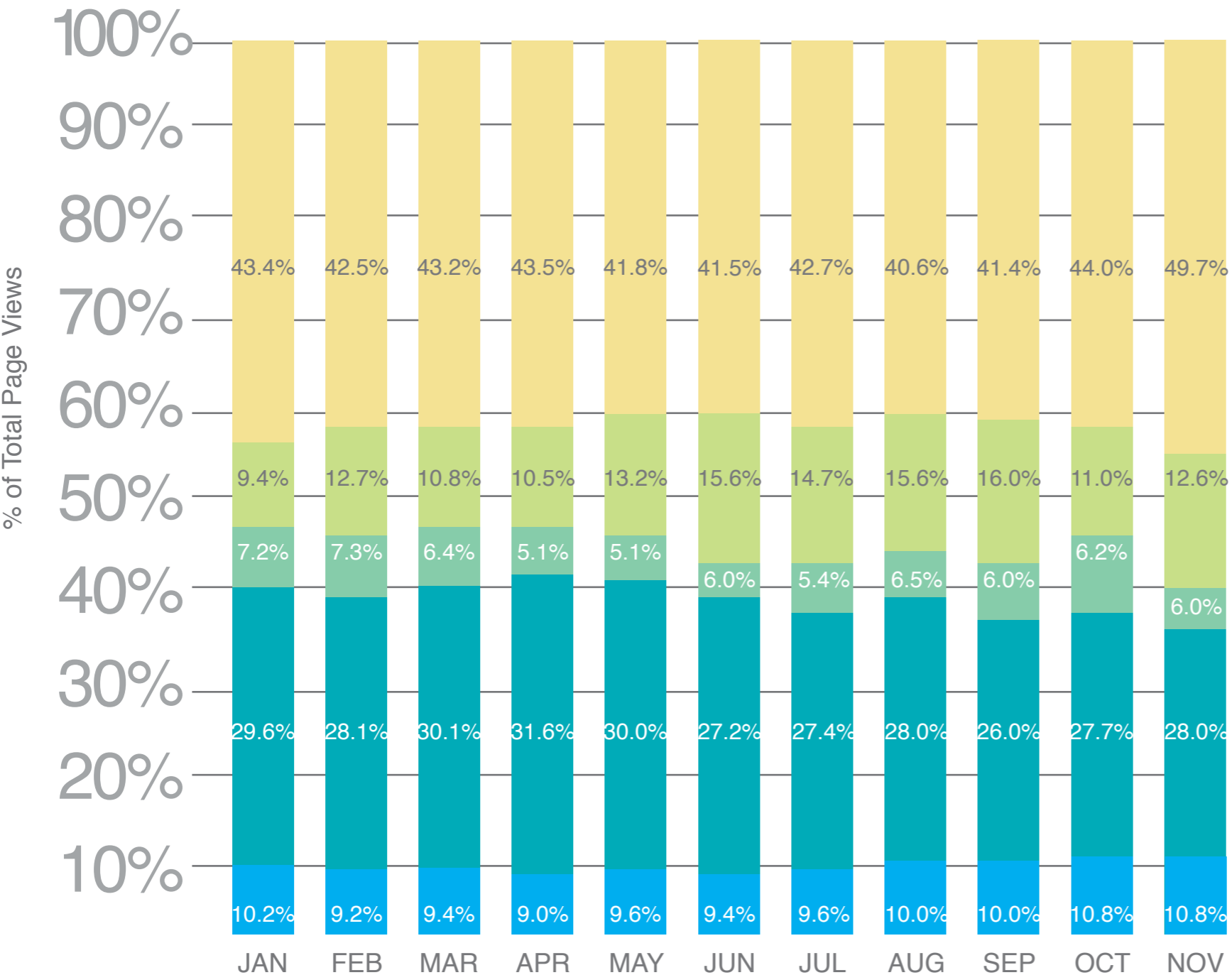


Portal's Performance 2013

The Portal's performance stayed constant during the present year.

Also, Home and My Services were the sections that obtained more page views during the current year.

The Logins registered an increase of **19.69%** compared to the result obtained last year.



Shift Portal	2012	2013
Page views	2,140,874	2,665,091
Logins	814,190	968,942
New Visits	113,429	145,956
Av. Time on Page	02:28	02:20

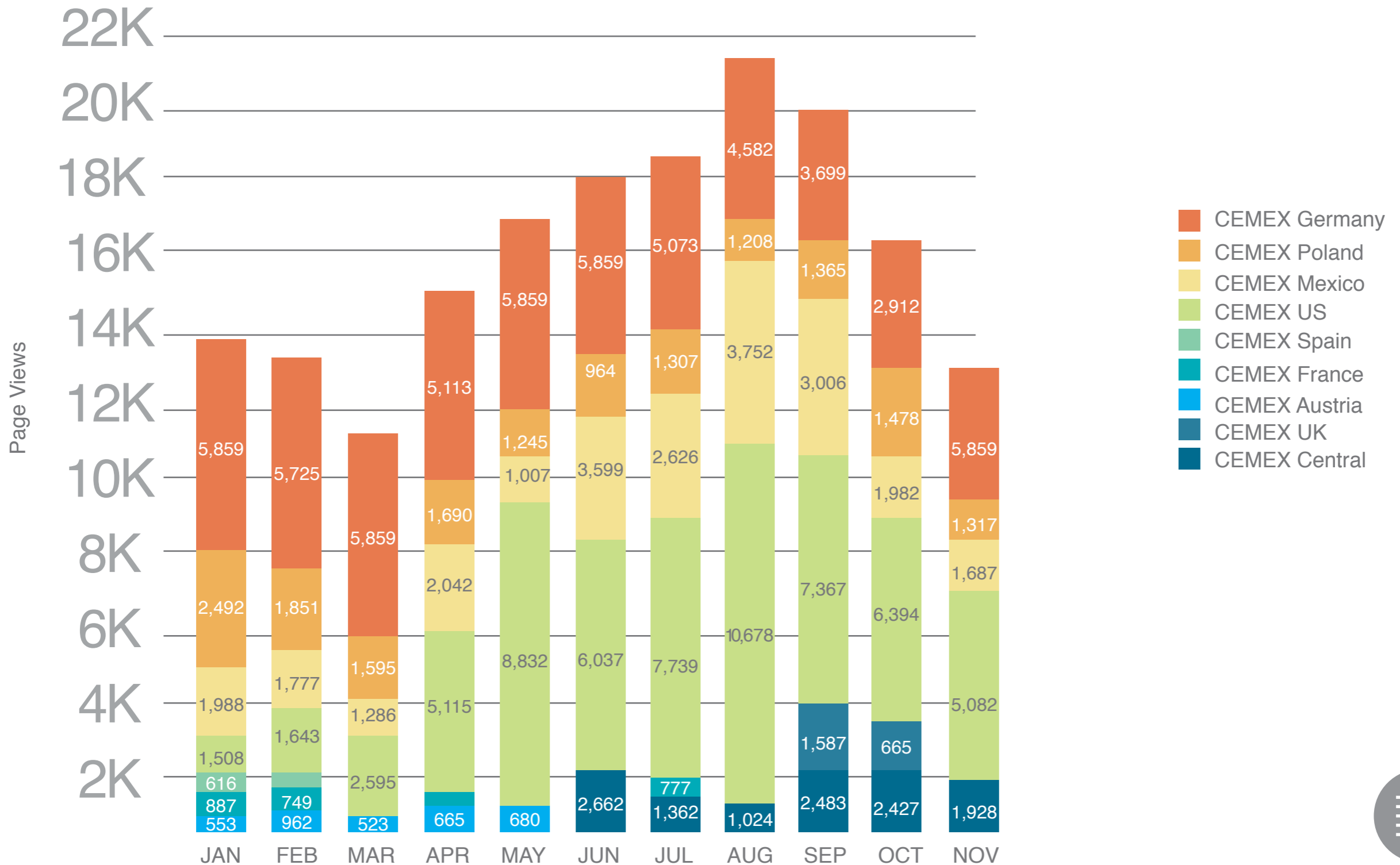
- Home
- Inside CEMEX
- Life at CEMEX
- My Services
- My Workplace



Sites' Performance 2013

This year, the most visited sites were US and Germany.

Moreover, this year new sites were integrated to Shift like CEMEX UK and CEMEX Central, both with considerable participation, thanks to Communication efforts.

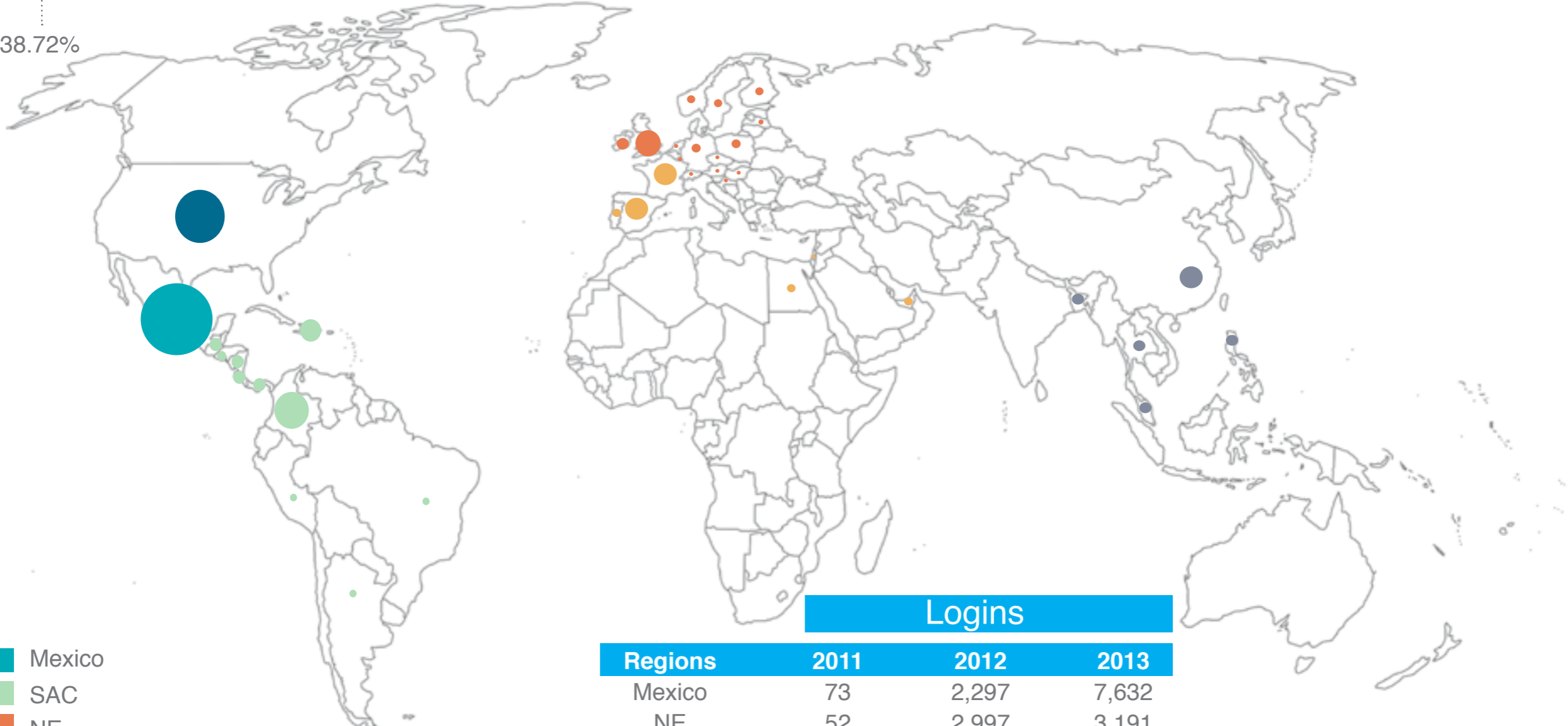
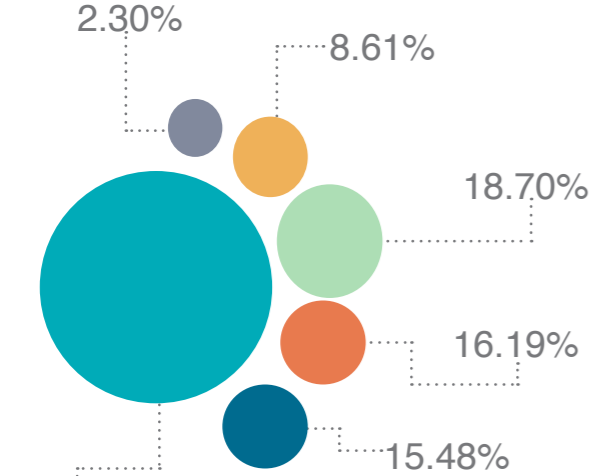


Participation per Region

Considerable Participation Improvement in just 2 years:

98.9% of improvement in the total participation (logins) of 2013, compared with the results of 2011.

Mexico continues as the leader region, followed by Northern Europe and South America.



- Mexico
- SAC
- NE
- USA
- MED
- ASIA

Logins

Regions	2011	2012	2013
Mexico	73	2,297	7,632
NE	52	2,997	3,191
SAC	19	2,331	3,685
MED	35	2,367	1,697
USA	27	291	3,051
ASIA	3	537	453
TOTAL	209	10,856	19,709



Top 5 Countries in Performance

Thanks to successful communication strategies in countries like US, Germany and Mexico, metrics reflect significant visits increases in later months meaning positive reaction at adoption.

However, there are still opportunities to share and adapt these practices to increase communication channels in other countries

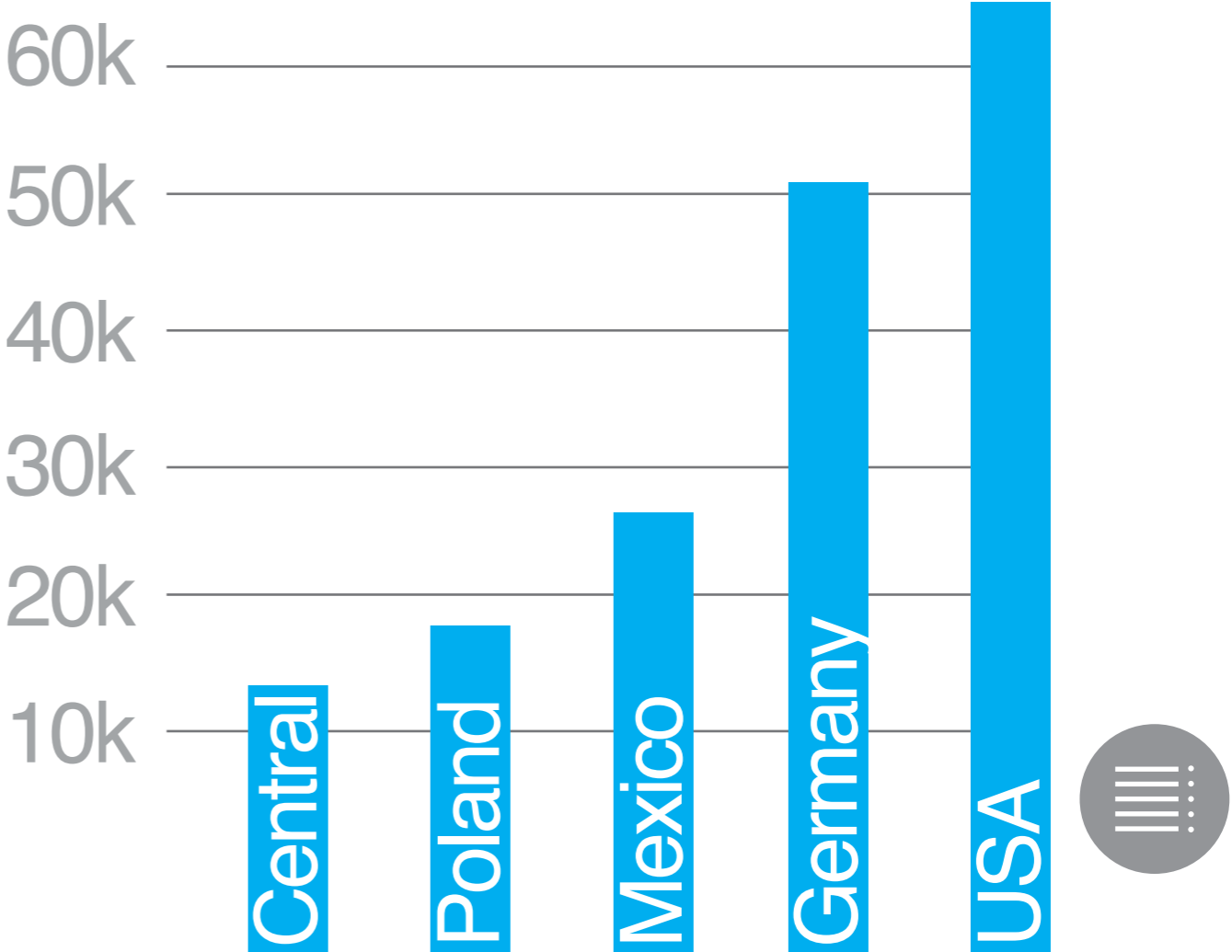
64,165 CEMEX USA

51,005 CEMEX Germany

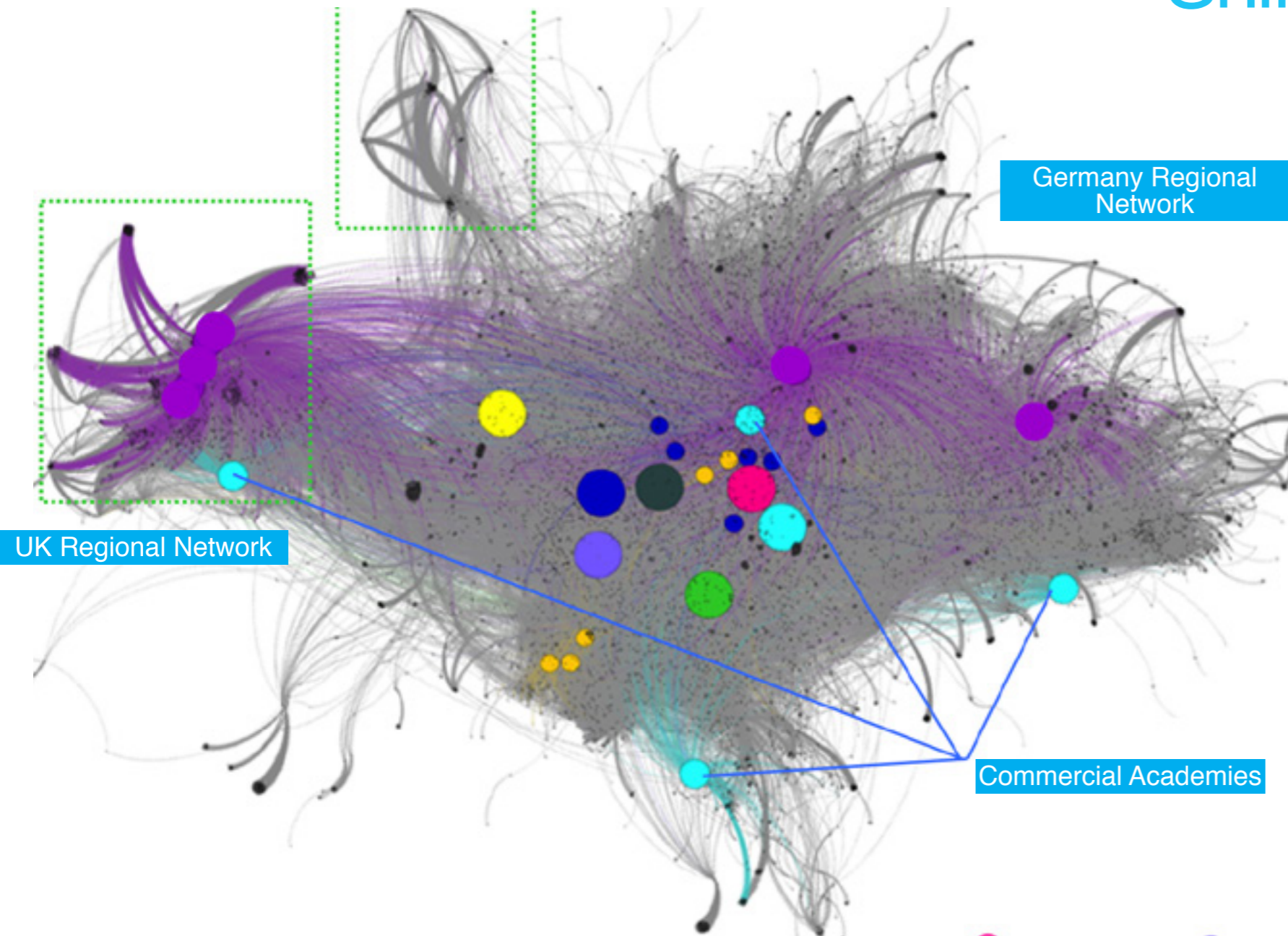
26,024 CEMEX Mexico

17,188 CEMEX Poland

13,112 CEMEX Central



Key Interactions and collaborations – Shift Network Analysis



Functional and Regional networks continue to expand across Shift.

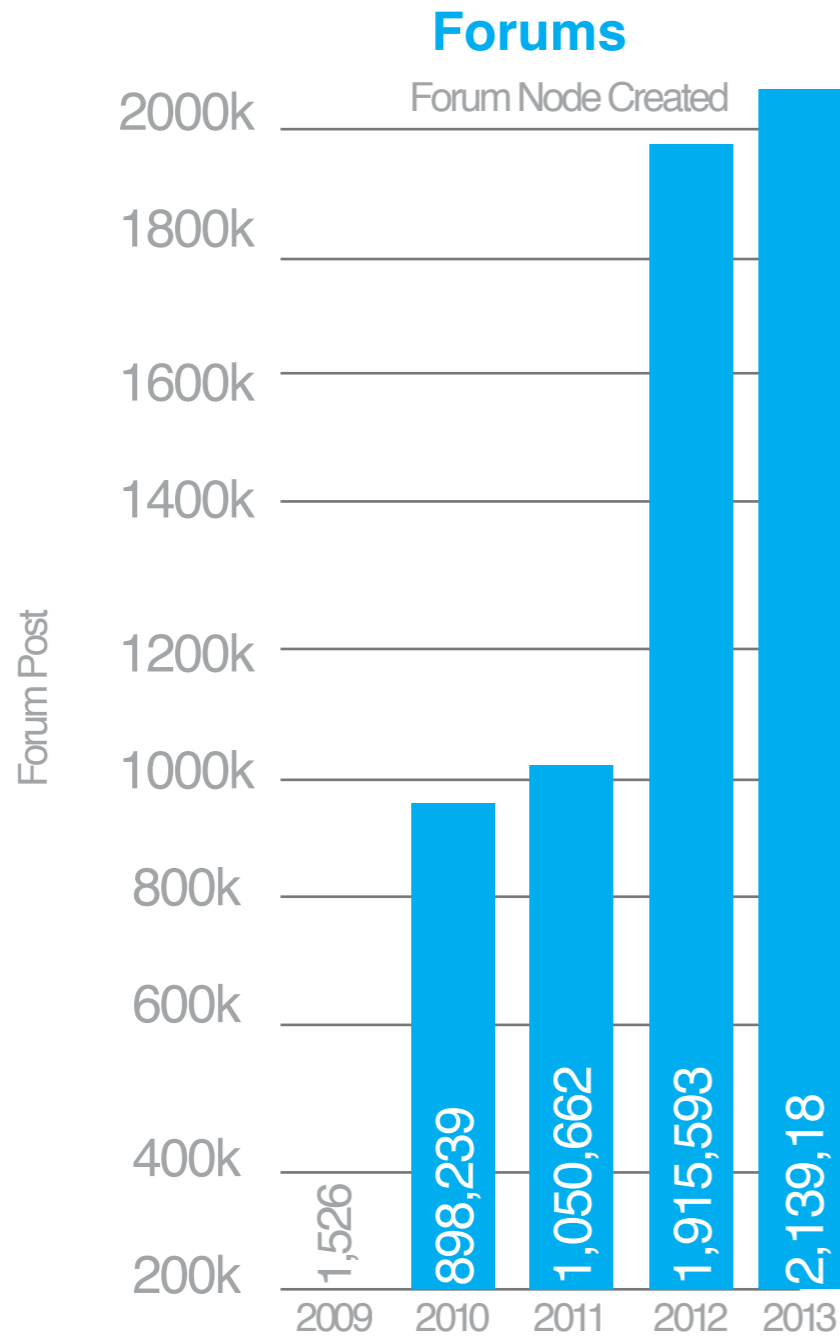
The graphic shows Global Initiatives gathered at the center as the most interconnected points, with a key role of the Commercial Academies well distributed across the whole network.

Top Communities (+1000 members) are mainly structured around UK, while others are related to the Process functional area.

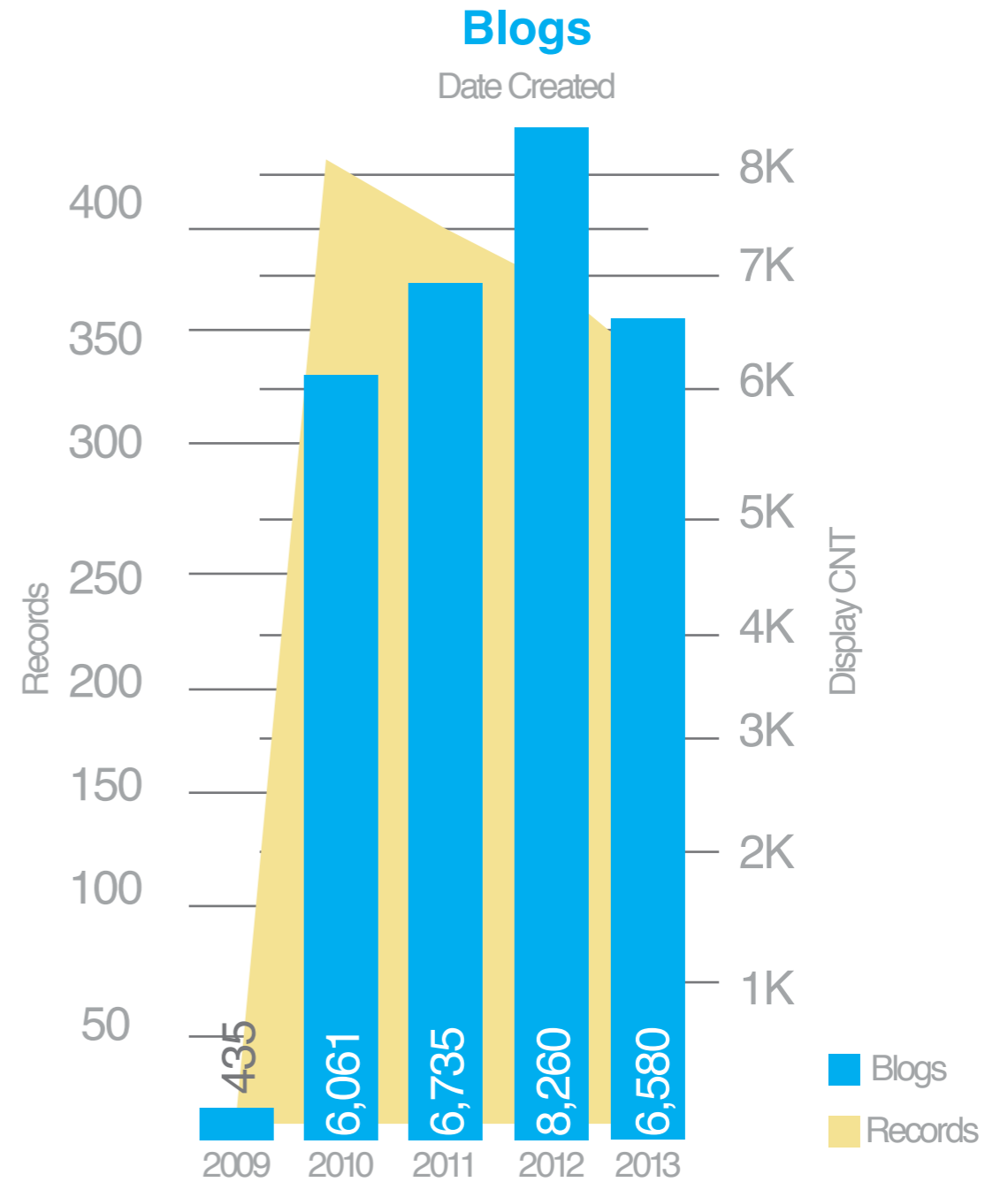
- | | | |
|---------------------|--------------------------|-------------------------|
| ● Global Innovation | ● Ready Mix | ● VP Process & IT |
| ● Aggregates | ● Commercial Development | ● Optimización Procesos |
| ● Alternative Fuels | ● UK Sustainability | ● Key Adopters |
| ● Grow the Pie | ● UK Health & Safety | ● Innovation Mobilizers |
| ● Public Affairs | | ● Regional Networks |



Collaborating through:



Forums, have showed to be one of the best tools for teamwork, thanks to the 50.60% of increment in posts, compared to the results obtained in 2011.



The number of Blogs this year was 20.33% more in 2012, compared to the current year.

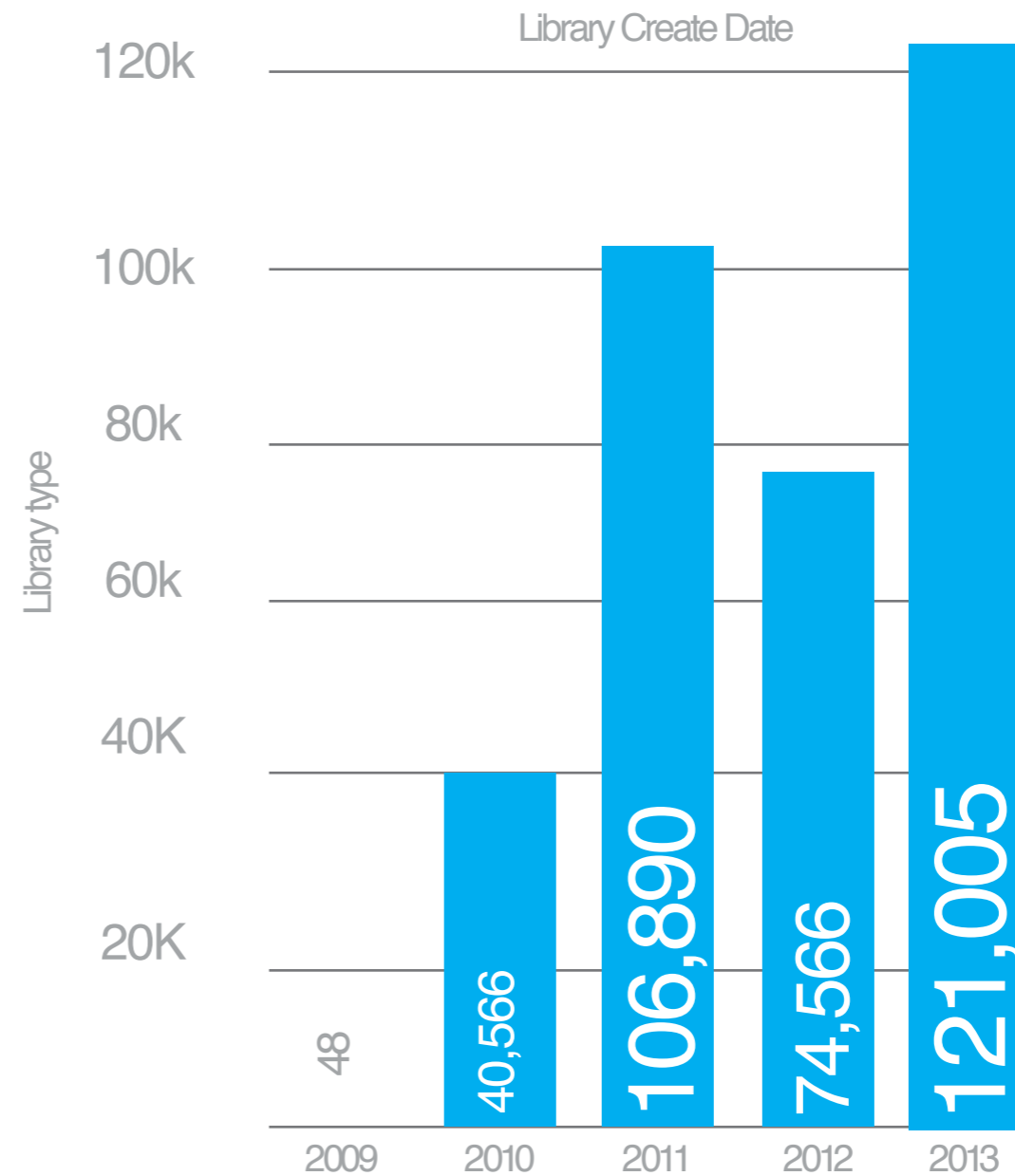
However, the main blogs such as Juan Romero's Blog, still register a high number of visits.

The comments' (records) rate, is 25.85% less than the rate reported in 2012.



Collaborating through:

Wikis



There's been an increment of 66.47% on the Wiki's creation, since 2010.

Compared to last year, the number of wikis grew 38.37%, which demonstrates the successful adoption and implementation of Shift by CEMEX's people.



RECOGNITIONS & PUBLIC AFFAIRS

The Innovation Team has been a strong newcomer to wear the CEMEX's brand, and has positioned itself among the most innovative companies while being recognized by worldwide renowned publishers due to the implementation of Shift, our business social network. Several magazines, partners, and renowned personalities and companies, have mentioned and recognized all the benefits and improvements that CEMEX has achieved through Shift.

This year we continue reinforcing CEMEX's prestige by sharing best practices with top industry leaders and winning the high achievement at the ML100 Awards to engage our workforce and encourage the adoption of collaboration through social enterprise.



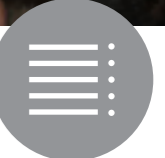
CEMEX an Outstanding Innovate Enterprise

Manufacturing Leadership Awards 2013

In February 2013, CEMEX was recognized as the most Innovative Enterprise, with the High Achieve mention in the category over other winners like Ford Motor Company and GE Global Research.

The Manufacturing Leadership Council, Frost & Sullivan, is the world's first member-driven global business leadership network dedicated to senior executives in the manufacturing industry.

Recently, Miguel Lozano, Innovation Director in CEMEX; has been invited to participate as a member of the Judging Panel to evaluate international industry leaders at the ML100 Awards 2014.



Sharing Collaboration Efforts Experiences and Learning from Other Top Industry Leaders



Ian Jones
Senior Consultant
in Learning and OE-1

CEMEX has shared best practices regarding innovation with companies like Statoil, Xintéo, Shell among others.

Shell and CEMEX tackled the journey of knowledge management in both companies covering:

- Current KM situation in Projects and Technology areas.
- Implemented solutions, processes and goals.
- Business outcomes.
- Tools and capabilities.

Liz Hector
Partner, IBM Global
Business Services



Luis Carlos Garza, Innovation Manager at CEMEX had an exclusive participation as a speaker at the key note IBM Social Connections V held at Zurich on June 2013, where he explained to more than 200 members around the world the strong business results that CEMEX has achieved with Shift, like the rapid process of developing three global brands, the opportunities gained with the Alternative Fuels Initiative, and the opportunities being unveiled with mobile devices. Other success stories at this event were presented by Bosch, Gore, SSP and Skoda.



Samuel Ronquillo
Former Innovation
Manager

In the final keynote, Michael Sampson, a collaboration guru from New Zealand, provided an overview of what lies ahead on the road of social collaboration. Michael Sampson's book "Doing Business with IBM Connections" includes a mention of CEMEX's case study.



CEMEX's Innovation Manager was recognized as a Champion by IBM

An IBM Champion is someone who contributes sharing knowledge and best practices using IBM Connections with other IT professionals. Luis Carlos Garza, Innovation Manager at CEMEX Switzerland was recently been honored with the IBM Champion title in the category collaboration solutions for creating a smarter workforce through Shift, CEMEX's Social Business Network.

Champions enjoy from special visibility, recognition and networking opportunities within IBM communities, events and conferences. Their qualifications include evangelization and advocacy for IBM, share knowledge and expertise, help grow and nurture IBM's community, expand reach across the IBM portfolio and provide constructive feedback to other champions.



Shift

THE WAY WE WORK

What is Shift?

Shift is CEMEX's Social Business Network. The company's new innovation and collaboration practices are supported by this platform, designed to empower the mobile and global workforce. Employees now work through communities of interest formed to create value by identifying, developing, evaluating, and replicating knowledge and best practices worldwide.

SHIFT'S FEATURES ENABLE COLLABORATION

- COMMUNITIES**
Groups collaborating for a common goal
- CEMEXPEDIA**
Expert-maintained source of information
- FILE SHARING**
Documents, media files, and links
- SHIFT AWARDS**
Social recognition through healthy competition
- SHIFT MOBILE**
Connect anywhere, anytime via apps
- HELP CENTER**
Support with how-to guides and videos
- ONLINE MEETINGS**
Screen sharing, audio, and real-time chat
- HOLA**
TRANSLATE
Instant translation of Shift content
- SOCIAL PROJECTS**
Manage team projects through Shift
- PERSONAL PROFILES**
Publicize experience and expertise
- SOCIAL MAIL**
Email integrated into Shift
- THINK & BUILD**
Open innovation jam and idea management

SHIFT'S NETWORKS BRING US TOGETHER

- GLOBAL INNOVATION INITIATIVE: 5 NETWORKS**
Groups of global experts formed by the Executive Committee to solve strategic company-wide issues.
- FUNCTIONAL: 15 NETWORKS**
Experts connected worldwide around a functional area or topic—can be created or grow organically.
- ORGANIC SELF-ORGANIZED: 2200+ NETWORKS**
Fill a necessity identified by operational areas or projects—created by any user in Shift.

FUNCTIONAL NETWORK
400+ members

NEW COMMUNICATION PRACTICES THROUGH BLOGS AND FORUMS

AGGREGATES UK A strong team of engaged employees needed a way to spread messages quickly, to communicate with the business faster, and to share best practices and ideas. So, Lex Russell of Aggregates UK created an open communications channel with his team through Shift. Now, all conversations happen in Shift, creating transparency and improved operations.

GLOBAL INNOVATION INITIATIVE
550+ members

18% INCREASE IN GLOBAL ALTERNATIVE FUEL SUBSTITUTION
\$140 MILLION IN SAVINGS

ALTERNATIVE FUELS The employees at a German plant replaced 80% of the site's fossil fuels with alternative fuels. Then, Poland adopted the same knowledge and practices, moving from nearly zero to 84% of fossil fuel replacement. Today, CEMEX has increased its fuel substitution rate globally, positioning the company among the world's leaders in alternative fuel use.

ORGANIC SELF-ORGANIZED
MORE THAN 22,000 VISITS IN 2013

LEADERSHIP BLOGS Executives at CEMEX leverage blogs to reach their teams quickly and to share direction. Jesus Gonzalez, President of CEMEX UK, uses blogs as his main communication channel; Juan Romero, President of CEMEX Mexico, publishes a monthly topic-specific blog. Both show how blogs and forums enhance management style and increase engagement.

GLOBAL INNOVATION INITIATIVE
650+ members

THREE NEW GLOBAL BRANDS
OVER 3,000 RECIPES SHARED

READY MIX The diversity of this business line, including sourcing mostly local materials, makes it a complex business to industrialize. Through Shift, the Ready Mix initiative has created three global brands to date; members share best practices and formulas across the globe to generate new products and marketing opportunities to all locations.

GLOBAL INNOVATION INITIATIVE
400+ members

COMMERCIAL ACADEMY
2,000+ CERTIFIED FIELD SALES REPS

COMMERCIAL DEVELOPMENT To open up the discussion of best practices and develop a world-class sales force with deep knowledge, global sales teams were connected in order to share value propositions that worked in their country. As a result, the Commercial Academy was created to enable a common sales language and to expand skills across product lines.

FUNCTIONAL NETWORK
10 subcommittees

ALL CAPITAL EXPENDITURES OVER \$1 MILLION MUST BE APPROVED BY THE EXPERTS

EXPERTS **RESEARCH**

TECHNOLOGY, HEALTH & SAFETY CEMEX wanted to spread the many years of operational expertise found in the globally distributed Technology, Health & Safety team. Initially reluctant, the team has found Shift valuable in sharing knowledge through collaborative problem solving, aligning on best practices, and even conducting and publishing materials research.

ORGANIC SELF-ORGANIZED
70+ members

20% LESS BROKEN SACKS

THE PERFECT PALLET Logistics Mexico wanted to reduce the number of broken sacks in their plant but needed new ideas. So, they started a Shift community of pallet packers in Mexico to share ideas and best practices. Their goal was no broken sacks. They discussed ideas in a forum, shared photos and files, and cataloged best practices in a wiki.

XPLANAT^{IONS} by XPLANE
© XPLANE 2013



CEMEX's Shift Strategy

Growing traffic through visuals.

CEMEX worked with XPLANE, a design consultancy, to create a compelling visual and social infographic.

"Shift the way you work" tells CEMEX's cultural change related to the implementation of Enterprise Social Networks which conveys CEMEX's strategy and the benefits received with the collaboration platform.



