

# GCC SIGNS LONG TERM AGREEMENT WITH RENEWABLE ENERGY SUPPLIER FOR ITS ODESSA, TEXAS CEMENT PLANT

~ 22% decrease from current electricity price; ~ US\$ 4.6 million in total savings

Chihuahua, Mexico, September 12, 2019- Grupo Cementos de Chihuahua, S.A.B. de C.V., or GCC, (BMV: GCC\*), a leading supplier and producer of cement and concrete in the United States, Mexico and Canada today announced that it has signed a long-term agreement with a leading U.S. based energy provider to supply solar and wind power to GCC's Odessa, Texas cement plant, thereby covering 100% of the electricity consumed at these operations. Resulting in approximately 45,000 metric ton reduction in CO2, annually; equivalent to around 9,500 passenger vehicles driven for a year, based on the U.S Environmental Protection Agency estimate\*.

The 10-year fixed-price agreement takes effect beginning July 2022 and represents a ~22% decrease from the current electricity price for the Odessa plant, translating into ~US\$4.6 million in total savings for this period.

Today's announcement is further reflection of GCC's unwavering commitment to the use of clean energy at both its Mexico and U.S operations; reducing overall energy costs while successfully mitigating related price fluctuation.

GCC remains focused on implementing global best practices related to sustainability throughout the organization while further strengthening the Company's overall profitability.

## **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 5.8 million metric tons. Founded in 1941, the Company's shares are listed on the Mexican Stock Exchange under the ticker symbol GCC\*.





## **Forward-Looking Statements**

This press release 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, 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; 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. GCC assumes no obligation to update the information contained in this press release.

\*Source: EPA estimates that the average passenger vehicle emits approximately 4.6 metric ton of carbon dioxide per year, this number can vary based on a vehicle's fuel, fuel economy, and the number of miles driven per year.

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