



# Coca-Cola FEMSA

Roadshow Presentation

UPDATED AS OF AUGUST 2020





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## INVESTOR RELATIONS

[kofmxinves@kof.com.mx](mailto:kofmxinves@kof.com.mx)

# Summary of the Offering

<b>Issuer:</b>	Coca-Cola FEMSA, S.A.B. de C.V. (“KOF” or “the Company”)
<b>Ranking:</b>	Senior Unsecured Notes
<b>Format:</b>	SEC Registered
<b>Issuer Ratings<sup>(1)</sup>:</b>	A2 (negative) / A- (stable); Moody’s / Fitch
<b>Amount:</b>	USD Benchmark Size
<b>Use of Proceeds:</b>	An amount equal to the net proceeds from the sale of the green bond is expected to finance or refinance, in whole or in part, one or more new or existing Eligible Green Projects, which are defined as investments and expenditures to be made by KOF after the issuance date of the green bond or made by KOF in the 24 months prior to such date, in eligible Green Projects as defined in and aligned with the four core components of the Green Bond Principles (GBP) 2018, issued by the International Capital Markets Association.
<b>Maturity:</b>	Intermediate to long term
<b>Amortization:</b>	Bullet
<b>Minimum Denominations:</b>	\$150,000 and integral multiples of \$1,000 in excess thereof
<b>Governing Law:</b>	State of New York
<b>Expected Listing:</b>	New York Stock Exchange
<b>Joint Bookrunners:</b>	 <b>J.P.Morgan</b> <b>Morgan Stanley</b>

# Agenda

1. Company Overview
2. KOF's COVID-19 Strategy and 2Q'20 Update
3. KOF's Sustainability Strategy

## Appendix



# Company Overview



# Coca-Cola FEMSA at a Glance

- Largest franchise bottler of Coca-Cola trademark beverages in the world in terms of volume
- We are a multinational, multi-category beverage leader, serving over 261 million people and 2 million points of sale through 49 plants and 268 distribution centers across 9 countries<sup>(1)</sup>

Figures in Ps.mm	2017	2018	2019	2Q'20 LTM <sup>(3)</sup>	2019 US\$mm <sup>(4)</sup>
Total Revenues	\$183,256	\$182,342	\$194,471	\$188,368	\$10,311
Gross Profit	83,508	83,938	87,507	84,160	4,640
Gross Margin	45.6%	46.0%	45.0%	44.7%	45.0%
Total Debt <sup>(2)</sup>	83,360	81,805	69,977	91,286	3,710
Cash & Cash Equivalents	18,767	23,727	20,491	41,473	1,086
Cash Flow from Operations	26,536	27,581	31,289	33,505	1,660

## Shareholder Structure

(As of December 31, 2019)

**FEMSA**

Voting: 56.0%  
Economic: 47.2%

*The Coca-Cola Company*

Voting: 32.9%  
Economic: 27.8%



LISTED  
NYSE

Voting: 11.1%  
Economic: 25.0%



Source: Company filings.

(1) Excludes operations in Venezuela through KOF's investment.

(2) Includes Bank loans and notes payable, current and non-current portion. Includes the effect of derivative financial instruments on the non-current portion.

(3) Computed as 2019 less 6M19 plus 6M20.

(4) Converted at FX rate 18.86 MXN to US\$ as of December 31, 2019.

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## Attractive Regions

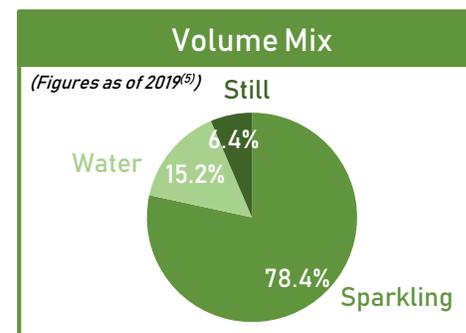
Strategic Partner to The Coca-Cola System Representing 11% of Global Volume<sup>(6)</sup>

+3.4bn  
Unit Cases<sup>(5)</sup>

Carbonated Soft Drinks  
Coca-Cola Brands  
Market Position<sup>(8)</sup>



+80,000 Employees<sup>(5)</sup>



(5) Coca-Cola FEMSA's filings.

(6) The Coca-Cola Company and Coca-Cola FEMSA filings.

(7) Operations in Venezuela through KOF's investment.

(8) Market position by volume. Euromonitor as of 2019.

(9) Comprised of Guatemala, Nicaragua, Costa Rica and Panama.

# Investment Highlights



1

STRATEGIC PARTNER TO THE COCA-COLA COMPANY - KOF IS THE LARGEST FRANCHISE BOTTLER IN THE WORLD BY VOLUME



2

PRESENCE IN MARKETS WITH LONG TERM CONSUMPTION TAILWINDS



3

MARKET LEADERSHIP SUPPORTED BY STRONG BRANDS AND CONTINUOUS INNOVATION ADDRESSING CONSUMER DEMANDS



4

CONSUMER-CENTRIC BUSINESS MODEL ANCHORED BY A DIFFICULT TO REPLICATE COMMERCIAL CAPABILITIES AND DISTRIBUTION NETWORK



5

TRACK-RECORD OF DELIVERING STRONG FREE CASH FLOW GENERATION WITH A DISCIPLINED APPROACH TO LEVERAGE

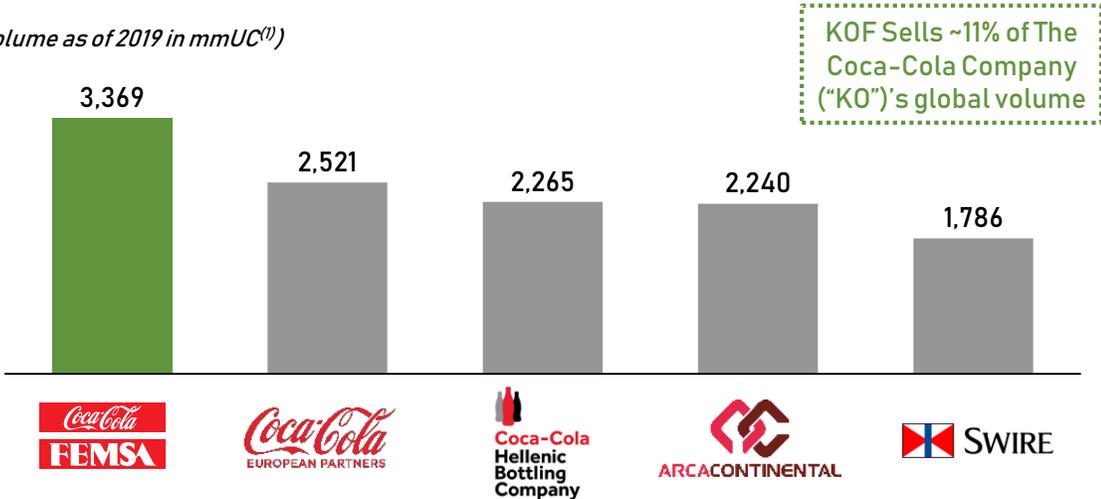


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EXPERIENCED MANAGEMENT TEAM

# 1 Strategic Partner to The Coca-Cola Company and the Largest Franchise Bottler in the World by Volume

(Volume as of 2019 in mmUC<sup>(1)</sup>)

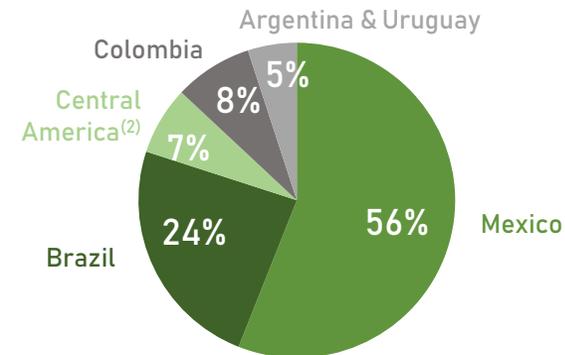


Mutually beneficial relationship dating back for 25 years, providing KOF:

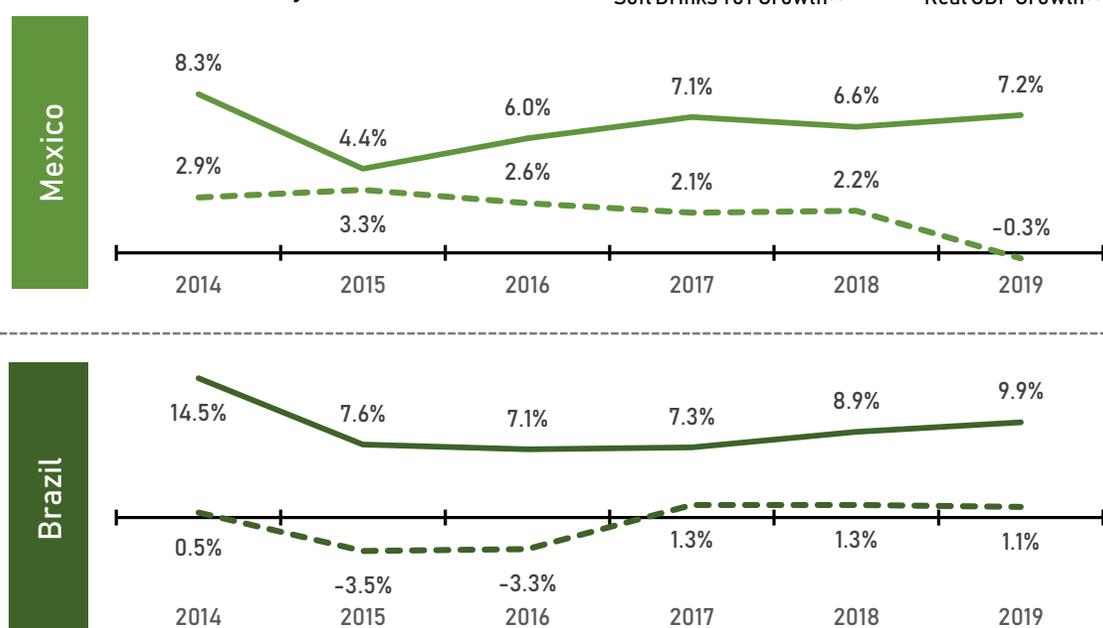
- PREMIUM BRANDS
- DIVERSIFIED PORTFOLIO
- COLLABORATION
- SUSTAINABILITY

# 2 Presence in Markets with Long-term Consumption Tailwinds

## 1H'20 Volume Breakdown



## Soft Drinks Industry Growth vs GDP



Source: Company filings, Economist Intelligence Unit and Euromonitor  
 (1) MMUC: Million Unit Cases. Each unit case is 24 eight-ounce servings of finished beverage equivalent to 5.678 liters.  
 (2) Comprised of Guatemala, Nicaragua, Costa Rica and Panama.

(3) Source: Euromonitor. MSP sales value.  
 (4) Economist Intelligence Unit.

3

### Market Leadership Supported by a Portfolio of Brands and Continuous Innovation

#### Coca-Cola Brands



The Coca-Cola Logo is Recognized by 94% of the world<sup>(1)</sup>



Carbonated soft Drinks



Non-Carbonated Soft Drinks



Energy and Sports



Bottled Water



Portfolio +300 annual launches, including +100 in Brazil

Driven by our strict focus on our consumers, we are consolidating a tailored total beverage portfolio to satisfy evolving tastes and lifestyles

4

### Consumer-centric Business Model Strongly Committed to Sustainability Goals

Powerful consumer-centric business model



*Digital tools improving service level & efficiencies in our commercial service and distribution model*

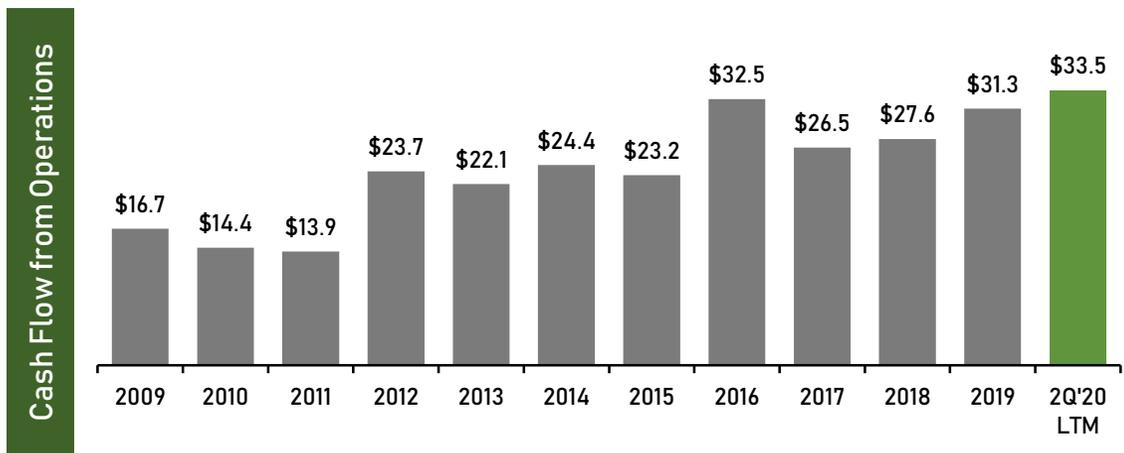


First Mexican company to receive the approval of the Science Based Targets Initiative (SBTi) for its greenhouse gas (GHG) emissions reduction targets

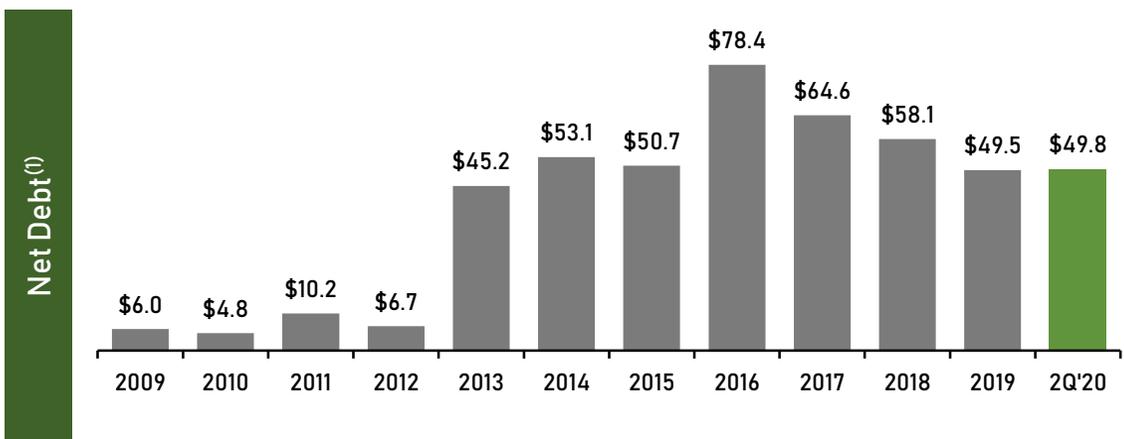
(1) As per The Coca-Cola Company website.

## 5 Track-Record of Delivering Strong Cash Flow with a Disciplined Approach to Leverage

(Figures in Ps.bn)



(Figures in Ps.bn)



## 6 Experienced Management Team

■ Years at KOF    🌿 Green project approver



**John Santa Maria**  
CEO



**Constantino Spas**  
CFO



**José Ramón Martínez**  
CAO



**Karina Paola Awad**  
HRO



**Rafael Alberto Suarez**  
ITTO



**Rafael Ramos**  
SCEO



**Washington Fabricio Ponce**  
COO - Mexico



**Ian Marcel Craig**  
COO - Brazil



**Eduardo Guillermo Hernández**  
COO - LatAm

### Resilience

- Stable profitable performance
- Leadership position across LatAm
- Ongoing value chain optimization

### Discipline

- Transformation driving efficiencies and growth
- Opportunistic consolidator
- Disciplined and returns-oriented approach

### Commitment

- Strong track record of management and governance
- Best in class approach to sustainability and societal needs

7

(1) Includes Bank loans and notes payable, current and non-current portion. Includes the effect of derivative financial instruments on the non-current portion, less cash and cash equivalents.

(2) Operating cash flow = operating income + depreciation, amortization & other operating non-cash charges.

# KOF's COVID-19 Strategy and 2Q'20 Update



# COVID-19 Strategy – KOF's 5 C's Program Key Actions

Guiding our business through short-term operating disruptions while ensuring execution of our long-term goals

Collaborators	Clients	Consumers	Communities	Cash Flow
<p>Preserve the safety and well-being of our employees</p>	<p>Remain close to our clients and help them to remain open for business in a safe way</p>	<p>Leverage our direct to consumer channels while offering unmatched affordability</p>	<p>Help communities in need through different social initiatives</p>	<p>Implement measures to further strengthen our balance sheet and protect our cash flow</p>
<ul style="list-style-type: none"> <li>Reinforced health, sanitation and hygiene protocols</li> <li>Deployment of protective equipment</li> <li>Protocols and practices have become a <b>daily routine</b></li> </ul> 	<ul style="list-style-type: none"> <li>Implementation of <b>omni-channel strategies</b> (i.e., via B2B platforms, contact centers, and messaging and voice over IP services)</li> <li><b>Protective screens donation</b> to clients to support their safe reopening</li> </ul> 	<ul style="list-style-type: none"> <li><b>Returnables and "magic" price</b></li> <li>Reinforcing our <b>direct to home routes</b> (+500k homes in Mexico)</li> <li><b>Food aggregators</b> and other <b>B2C channels</b> growing importantly (+140% YoY growth in digital channels)</li> </ul> 	<ul style="list-style-type: none"> <li><b>Medical Supplies:</b> Transporting medical supplies, contributing to the construction of alternative health centers, and acquiring medical equipment</li> <li><b>Beverage Donation:</b> Donated + 3.3 million liters</li> </ul> 	<ul style="list-style-type: none"> <li><b>Pricing initiatives</b> to help offset unfavorable price-mix effects</li> <li>Ps. 11.2bn <b>short-term financing</b> as a preventive measure, current cash &amp; cash equivalents balance of Ps. 41.5bn<sup>(1)</sup></li> <li>Partially <b>reduced and postponed CAPEX</b>, focusing on immediate needs for business continuity</li> </ul>

(1) As of 2Q'20.

# KOF's Strategy Yielding Successful Results as Demonstrated by 2020 Performance

## Resilient Volume Performance

June 2020 YTD vs. June 2019 YTD



## Ability to Mitigate Headwinds

Impact was **mostly mitigated**  
driven by our **countermeasures**

## Resilient Margins

June 2020 YTD vs. June 2019 YTD

**-50bps** Operating Income Margin<sup>(1)</sup>

## Boost to Affordability Strategy

As of June 2020 YTD

**Q2 Refillables growth**  
**+25 %** vs PY in **Mexico**  
**+20 %** vs PY in **Brazil**

**Strong Liquidity Position**  
with **Ps. 41.5bn** of cash on hand as  
of 2Q'20<sup>(1)</sup>

## Effective Cash Conversion

**+14% YoY** Cash from operations<sup>(1)</sup>  
**Ps. 18.1bn<sup>(1)</sup>**

Source: Company filings.

(1) Coca-Cola FEMSA 2Q'20 filings.

(2) INEGI - Mexican National Institute of Statistics and Geography.

(3) IBGE - Brazilian Institute of Geography and Statistics.

(4) DANE - Colombian National Administrative Department of Statistics.

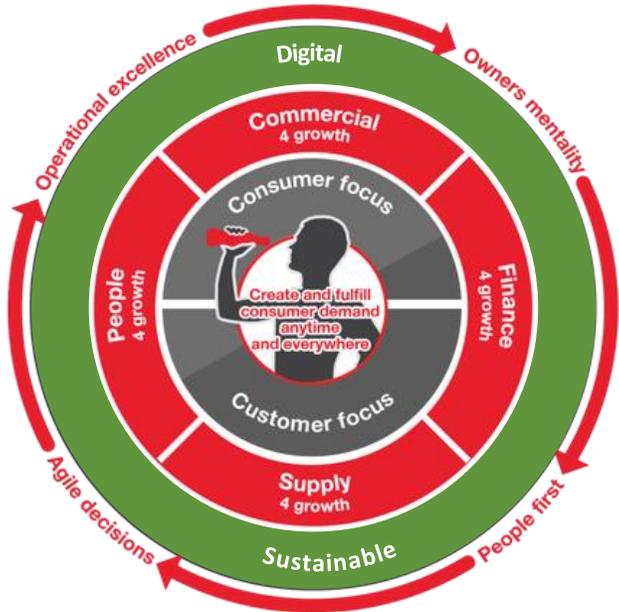
(5) Banco de Guatemala - Guatemala National Bank.

# KOF's Sustainability Strategy



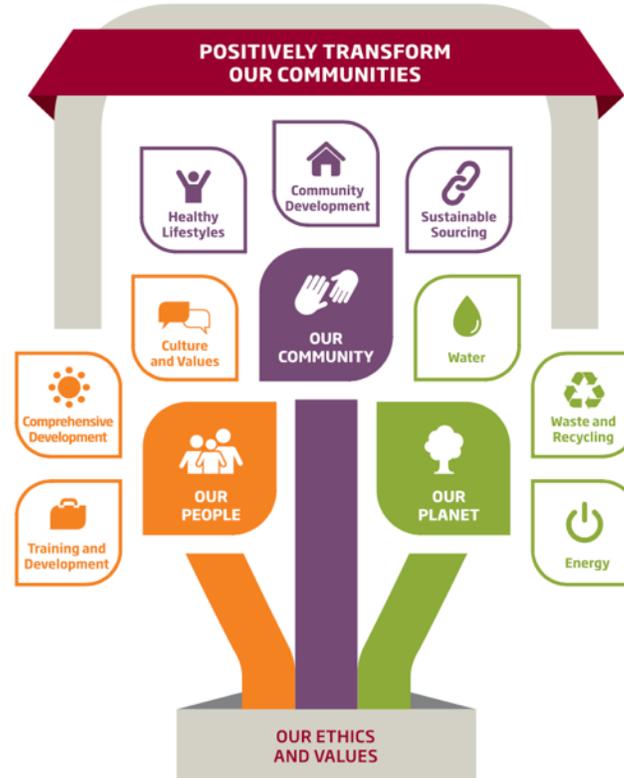
# Sustainability is Core to KOF's Business Model

## Business Strategy



We are convinced that Sustainability is a business enabler

## Sustainability Framework



This enabler has specific priorities in HR, environment and community

## Awards & Recognitions



Our performance has granted us recognition amongst top Sustainability Raters

*We aim to simultaneously create economic, social and environmental value*

# Building on Our Environmental Commitment

Issuing Green bonds is the **logical step forward** to maximize the impact of our Green initiatives, to achieve our sustainability goals and to contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs). There are 3 main strategic areas where we can make the **most positive environmental impact**:



## Climate Change

Climate change risks mitigation and adaptation for our operations



## Water Stewardship

Efficient use of water resources and hydrological safety in the territories where we operate



## Circular Economy

Waste management and recycling of polyethylene terephthalate (PET) bottles



# First Mexican Company to Have Science-Based Targets, with Clear Action Plan



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION  
Goals for 2030

**50%**<sup>(1)</sup> emissions reduction in own operations (2030 vs 2015)  
Achieved to date **13%**<sup>(2)</sup>

**20%**<sup>(1)</sup> emissions reduction from suppliers (2030 vs 2015)  
Previous Achievement **16%**<sup>(3)</sup>

**100%**<sup>(1)</sup> renewable energy use by 2030  
Current **71%**<sup>(2)</sup> renewable energy in bottling  
**46%**<sup>(2)</sup> efficiency increase



## Suppliers

- Third party transportation fleet
- Ingredients: Sugar, HFCS, CO2
- Packages: PET, aluminum labels, Caps



## Operations

- Own transportation fleet
- Refrigerant Gases
- Electricity consumption in bottling facilities, Distribution Centers and Offices



## Clients & Consumers

- Electricity consumption of cool drink equipment

On this front, we have generated USD 8MM of savings in 2019

(1) Coca-Cola FEMSA 6K filing.  
(2) Coca-Cola FEMSA Integrated Report 2019.  
(3) KOF's Annual Report 2019. Reduction from 2010 to 2019.

# A Comprehensive Approach to Water Management

**Protect**

Proactive Water Source Stewardship

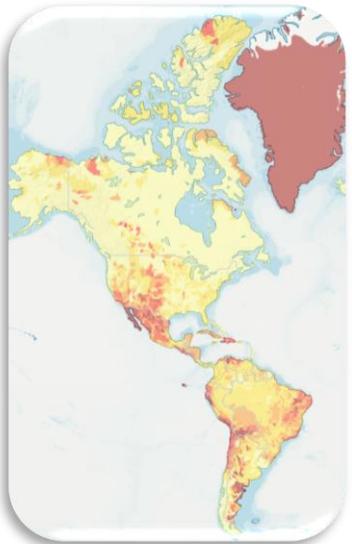
**Produce**

Best-in-class **water use efficiency**

**Wastewater** treatment with enough quality to **support aquatic life**

**Return**

Return to the environment **100% of water used in production of beverages**

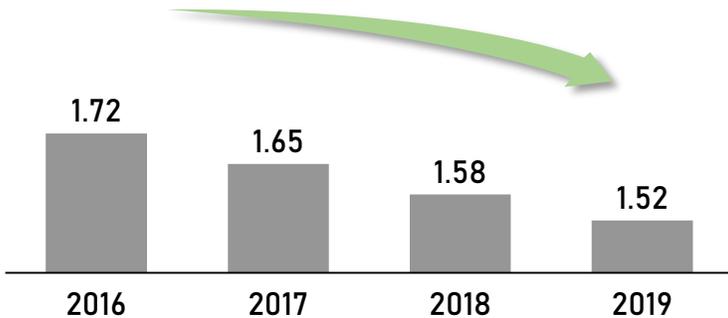


 WORLD RESOURCES INSTITUTE

 AQUEDUCT

Current increase in water efficiency **+22.5%**<sup>(1)</sup>

**Water Efficiency**  
*(Liters of Water per Liter of Beverage)*



**100%**<sup>(1)</sup> Replenishment in most geographies

**5 Water Funds** established in countries in which we have presence



FOUNDING PARTNERS



On this front, we have generated USD 1.6MM of savings in 2019

<sup>(1)</sup> Coca-Cola FEMSA Green Bond Framework.

## National Reforestation and Water Harvesting Program

### Reforestation project

Focused on **ecological restoration** and social impact

Reforestation is the most effective way of **recharging nature with water**, both in the aquifers and the surface

Strong results **compared to international levels**



### Impact & Results<sup>(1)</sup>

**44.7 million trees planted**  
**74.9 K hectares preserved**  
**560 water infrastructure projects**

## Latin American Water Funds Partnership



**Water Funds** finance green infrastructure projects to ensure hydrological safety of region



We help to develop management capabilities, knowledge sharing and technical monitoring for the projects

FOUNDING PARTNERS



### Impact & Results<sup>(2)</sup>

**65.4 K hectares preserved**  
**9.4 K families directly benefited**  
**\$149 M USD raised and leveraged**

# Leading The Way Towards Circular Economies Around Plastics

As signatories of the Ellen McArthur Foundation's New Plastics Economy Global Commitment, our approach towards circular economy is to **design lightweight, recyclable packages with an increasing recycled content** and **collecting 100%** of them aided by **strong partners** to achieve a **World Without Waste**



**100%**<sup>(1)</sup> recyclable packaging  
by 2025

**50%**<sup>(1)</sup> recycled content  
by 2030

Current **24%**<sup>(2)</sup> recycled content  
(as of Dec 31, 2019)



**100%**<sup>(2)</sup> Collection  
by 2030

Current **50%**<sup>(2)</sup> collection in KOF's  
main markets



Multi-sector  
Alliances

Current **96%**<sup>(1)</sup> post-industrial  
recycling

## ECOCE: Placing Mexico as the Top PET recycler in America



A shared responsibility mechanism created by the Mexican CPG<sup>(1)</sup> companies to promote collection and recycling



We have a 56% collection & recycling rate<sup>(2)</sup> in Mexico, only below the European Union with 57%<sup>(3)</sup>



## IMER: 1<sup>st</sup> Food-Grade PET Recycling Facility in LatAm



The first food-grade, bottle-to-bottle PET recycling facility in Latin America was born in 2006<sup>(2)</sup>

Partnership

*The Coca-Cola Company*

**ALPLA**



We have recycled over 220K tons of PET through 8 collection centers employing more than 310 waste-pickers<sup>(2)</sup>



# Eligible Green Projects Are Aligned to The Green Bond Principles, 2018 (GBP) and Contribute to The Achievement of The UN SDGs



**Our Strategic Intent**



**Climate Change**



**Water Stewardship**



**Circular Economy**

**SDG Alignment**



**Eligible GBP Project Categories**

- Climate Change Adaptation
- Clean and mass transportation
- Energy efficiency
- Renewable energy
- Environmentally sustainable management of living natural resources and land use

- Sustainable Water and Wastewater Management

- Pollution Prevention and Control
- Eco-efficient and/or circular economy products, production technologies and processes

# Appendix

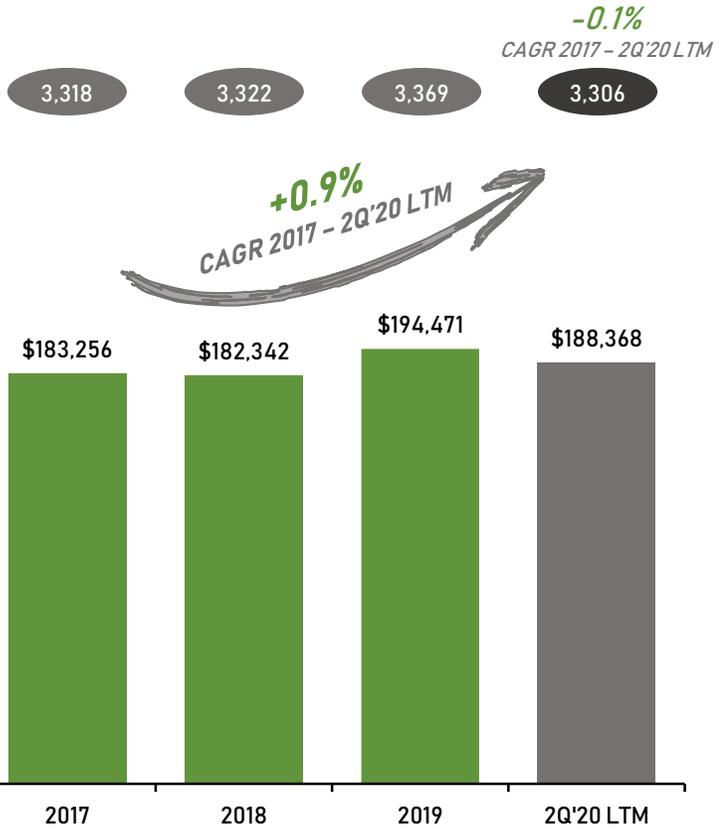


# Consolidated Financial Summary

## Total Revenues

Ps.mm

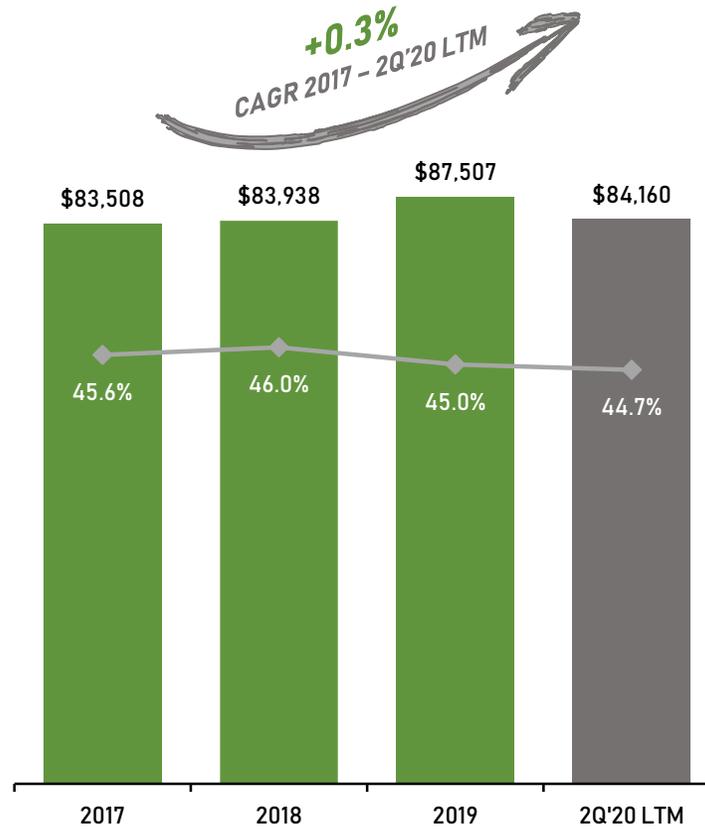
● Volume (million unit cases)



## Gross Profit

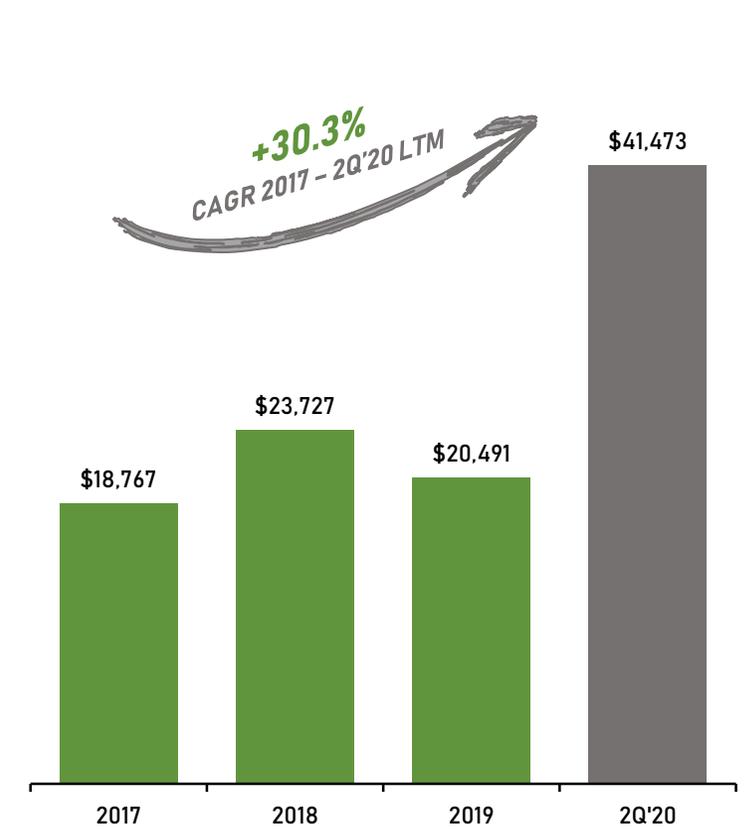
Ps.mm

◆ Gross Margin

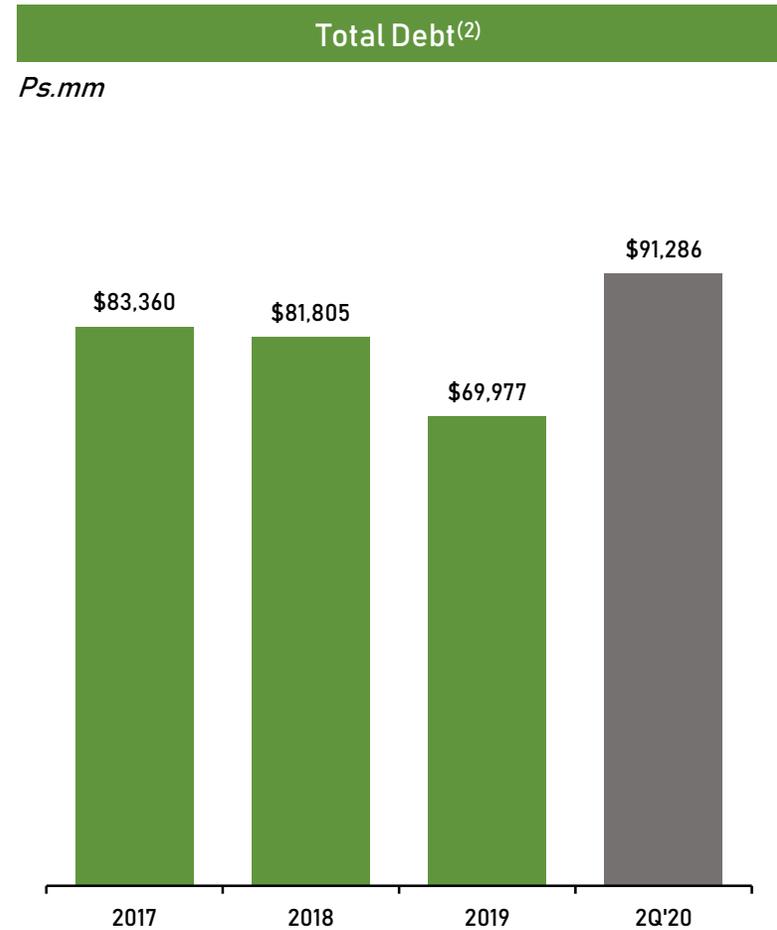
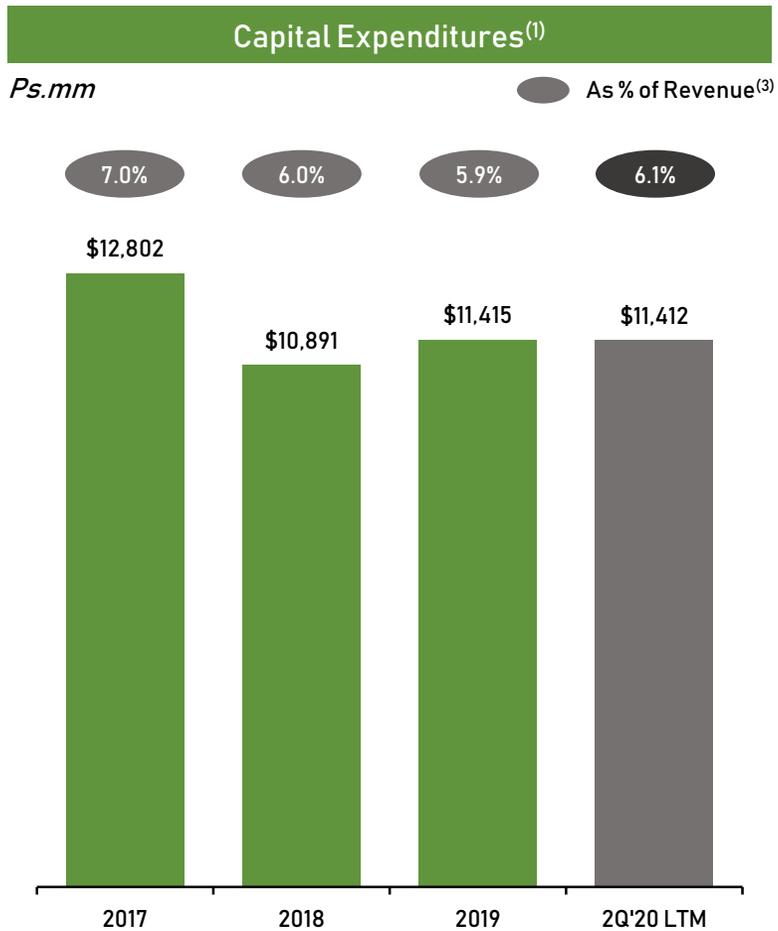


## Cash and Cash Equivalents

Ps.mm



# Consolidated Financial Summary (Cont'd)



Source: Coca-Cola FEMSA filings.

(1) Includes acquisitions of long-lived assets minus proceeds from sale of long-lived assets plus acquisitions of intangible assets.

(2) Includes Bank loans and notes payable, current and non-current portion.

(3) Computed as capital expenditures over total revenues.

# Consolidated Financial Summary

(Figures in Ps.mm, unless otherwise stated)

	2017	2018	2019	6M'19	6M'20	2Q'20 LTM <sup>(1)</sup>
<b>Income Statement</b>						
Total revenues	183,256	182,342	194,471	94,444	88,341	188,368
YoY Growth	16.6%	(0.5%)	6.7%		(6.5%)	
Cost of goods sold	(99,748)	(98,404)	(106,964)	(51,349)	(48,593)	(104,208)
Gross profit	83,508	83,938	87,507	43,095	39,748	84,160
Gross Margin	45.6%	46.0%	45.0%	45.6%	45.0%	44.7%
Operative expenses	(58,044)	(57,924)	(60,537)	(29,963)	(28,132)	(58,706)
Other (expenses) income	(31,357)	(1,881)	(2,490)	(1,041)	(1,512)	(2,961)
Interest expenses	(8,777)	(7,568)	(6,904)	(3,475)	(4,691)	(8,120)
Interest income	791	1,004	1,230	551	556	1,235
Foreign exchange gain (loss), net	788	(277)	(330)	(199)	493	362
Gain (loss) on monetary position for subsidiaries in hyperinflationary economies	1,590	212	221	(30)	175	426
Market value gain (loss) on financial instruments	246	(314)	(288)	1	-	(289)
Income (loss) before income taxes	(11,255)	17,190	18,409	8,939	6,637	16,107
Income taxes	(4,184)	(5,260)	(5,648)	(2,519)	(2,091)	(5,220)
Share of the profit of associates and joint ventures accounted for using the equity method, net of taxes	60	(226)	(131)	(64)	(143)	(210)
Net income (loss) for continuing operations	(15,379)	11,704	12,630	6,356	4,403	10,677
Net income (loss) for discontinued operations	3,725	3,366	-	-	-	-
Consolidated net income (loss)	(11,654)	15,070	12,630	6,356	4,403	10,677
<b>Other Key Metrics</b>						
Capital expenditures <sup>(2)</sup>	12,802	10,891	11,415	3,672	3,669	11,412
<b>Balance Sheet</b>						
Cash and cash equivalents	18,767	23,727	20,491	23,486	41,473	41,473
Total debt <sup>(3)</sup>	83,360	81,805	69,977	75,589	91,286	91,286
Net Debt	64,593	58,078	49,486	52,103	49,813	49,813
Total Equity	140,710	131,750	129,685	129,190	125,883	125,883
Book Capitalization	205,303	189,828	179,171	181,293	175,696	175,696

20 Source: Coca-Cola FEMSA filings.

(1) Computed as 2019 less 6M'19 plus 6M'20.

(2) Includes acquisitions of long-lived assets minus proceeds from sale of long-lived assets plus acquisitions of intangible assets.

(3) Includes Bank loans and notes payable, current and non-current portion.

# Green Bond Framework Summary

1

## Use of Proceeds

- Climate Change Adaptation
- Clean and mass transportation
- Energy efficiency
- Renewable energy
- Environmentally sustainable management of living natural resources and land use
- Sustainable Water and Wastewater Management
- Pollution Prevention and Control
- Eco-efficient and/or circular economy products, production technologies and processes

2

## Project Evaluation and Selection

- Our Sustainability Team will identify, evaluate and select Eligible Green Projects based on the criteria described in this presentation and up to the amount of the net proceeds from the sale of the Green Bond
- Final approval will be made jointly by the **Chief Financial Officer, Chief Supply Chain and Engineering Officer and the Corporate Affairs Officer**

3

## Management of Proceeds

- Our Sustainability and Finance Teams will monitor and account for the proceeds from the Green Bond
- Pending the full allocation of the net proceeds to one or more Eligible Green Project, we may invest an amount equal to the balance pending application of the net proceeds in cash, cash equivalents or liquid securities in accordance with our investment policy

4

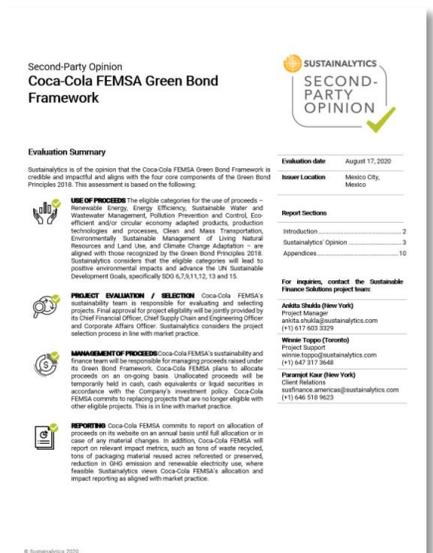
## Reporting

- Annually, until all the proceeds have been allocated, and on a timely basis in case of material developments, we will publish the Green Bond Report including progress on the environmental and sustainability commitments within our Annual Integrated Report on our website
- Annually, until proceeds are fully allocated, and on a timely basis in the case of material developments we will report:
  - The amount of net proceeds allocated to each Eligible Green Project
  - Expected impact metrics, where feasible
  - A selection of brief project descriptions
  - Outstanding amount of net proceeds to be allocated to Eligible Green Projects at the end of the reporting period

5

## External Review

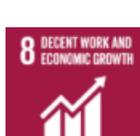
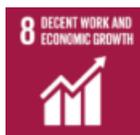
- Second Party Opinion provided by an independent consultant with recognized environmental and social expertise
- Green Bond Report to include a report from an independent third-party who will examine and verify our management of the net proceeds from the sale of the Green Bond



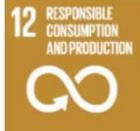
# Green Bond Framework Summary (Cont'd)

GBP Eligible Project Category	Example Expected Impact Metrics
Climate Change Adaptation	% reduction in GHG emissions Renewable energy use
Clean and Mass Transportation	% reduction in GHG emissions
Energy Efficiency	% reduction in GHG emissions % reduction in electricity usage in our operations (MWh saved)
Renewable Energy	% reduction in GHG emissions % reduction in electricity usage in our operations (MWh saved)
Environmentally Sustainable Management of Living Natural Resources and Land Use	Ha. (acres) reforested / preserved
Sustainable Water and Wastewater Management	% improvement in water use efficiency in our manufacturing operations Water replenished (m <sup>3</sup> )
Pollution Prevention and Control	Tonnes of waste recycled / properly disposed of via company-owned operations % of post-consumption primary packages collected as result of waste management initiatives
Eco-efficient and/or circular economy adapted products, production technologies and processes	% of rPET included in our PET bottles Tonnes of rPET purchased

# Use of Proceeds

Use of Proceeds Category	SDG Target	SDG Alignment
Climate Change Adaptation	<ul style="list-style-type: none"> <li>Expenditures related to procurement and usage of climate change module software that will allow us to accurately measure our carbon footprint in a systematized manner and track progress against our science-based targets</li> </ul>	 
Clean and Mass Transportation	<ul style="list-style-type: none"> <li>Expenditures related to our own- and third-party transportation fleet such as:               <ul style="list-style-type: none"> <li>Fully electric trucks and utility vehicles</li> <li>Electric vehicle infrastructure including charging stations</li> </ul> </li> </ul>	 
Energy Efficiency	<ul style="list-style-type: none"> <li>Expenditures related to energy-efficiency projects including equipment, systems, operational improvements and maintenance. Examples include:               <ul style="list-style-type: none"> <li>Expenditures to improve and maintain energy efficiency including as it relates to heating, ventilation and air conditioning upgrades, LED lighting upgrades, variable-speed drives and motion detector conveyor systems that may result in a potential increase in energy efficiency of up to 45% and greenhouse gas (“GHG”) emissions reduction of approximately 14% compared to the systems they are replacing</li> <li>Refrigeration system optimization: upgrading refrigeration equipment to improve energy efficiency and electricity consumption of cooling and vending equipment</li> </ul> </li> </ul>	   
Renewable Energy	<ul style="list-style-type: none"> <li>Expenditures related to the construction, development, acquisition, maintenance, and operation of renewable energy, including solar, wind, geothermal with direct emissions of less than 100 g CO2/kWh and hydropower generation (≤25 MW). Examples include:               <ul style="list-style-type: none"> <li>On-site (manufacturing and distribution centers) renewable energy projects such as solar rooftop panels</li> <li>Sourcing expenditures pursuant to long-term (≥ 5 years), project-tied power purchase agreements that were entered into prior to the issuance of the notes</li> </ul> </li> </ul>	   

# Use of Proceeds (Cont'd)

GBP Eligible Project Category	Eligibility Criteria and Example Projects	SDG Alignment
Environmentally Sustainable Management of Living Natural Resources and Land Use	<ul style="list-style-type: none"> <li>Expenditures related to preservation and reforestation initiatives in the countries where we have presence</li> </ul>	
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> <li>Expenditures related to water efficiency projects, such as efficiency in water used at our bottling plants, installation of new efficient water-related equipment, water replenishment, wastewater management and water treatment</li> </ul>	  
Pollution Prevention and Control	<ul style="list-style-type: none"> <li>Expenditures related to the production, construction, maintenance, operation, improvements and infrastructure of zero waste facilities and industrial and post-consumption waste management processes, including:               <ul style="list-style-type: none"> <li>Collection and recycling facilities, sorting centers and equipment for post-consumption plastic materials such as polyethylene terephthalate (“PET”) and/or glass collection</li> </ul> </li> </ul>	
Eco-efficient and/or circular economy adapted products, production technologies and processes	<ul style="list-style-type: none"> <li>Expenditures related to the procurement of recycled PET resin (“rPET”) procurement to increase the rPET content of our one-way PET packaging to achieve up to 50% of rPET in these products</li> </ul>	 