

2013
sustainability
REPORT

Our permanent
quest



About Coca-Cola FEMSA

GRI 2.1, 2.3, 2.4, 2.5, 2.6 and 2.7

Coca-Cola FEMSA, S.A.B. de C.V. produces and distributes Coca-Cola, Fanta, Sprite, Del Valle and other trademark beverages of The Coca-Cola Company in Mexico (a substantial part of Central Mexico, including Mexico City as well as the Southern and the Northeast of the country), Guatemala (Guatemala City and surrounding areas), Nicaragua (nationwide), Costa Rica (nationwide), Panama (nationwide), Colombia (most of the country), Venezuela (nationwide), Brazil (Greater São Paulo, Campiñas, Santos the State of Mato Grosso do Sul, the State of Paraná, part of the State of Goias, part of the State of Río de Janeiro and part of the State of Minas Gerais), Argentina (Federal Capital of Buenos Aires and surrounding areas) and the Philippines (nationwide), along with bottled water, juices, teas, isotonic sports drinks, beer and other beverages in some of these territories. The Company has 64 bottling facilities and serves more than 346 million consumers, approximately through 2,900,000 retailers, with more than 120,000 employees worldwide.

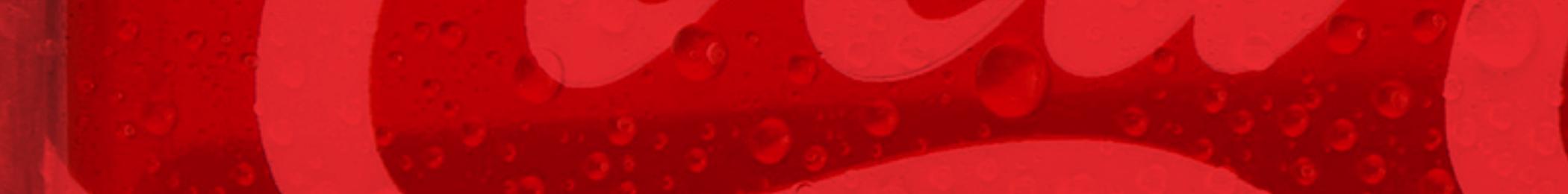
The company's capital stock is owned 47.9% by Fomento Económico Mexicano, S.A.B. de C.V. (FEMSA), 28.1% by wholly owned subsidiaries of The Coca-Cola Company and 24.0% by the public. The publicly traded shares of KOF are Series L shares with limited voting rights that are listed on the Bolsa Mexicana de Valores (BMV: KOF L) and as American Depositary Receipts (ADSs) on the New York Stock Exchange (NYSE: KOF). Each ADS represents 10 Series L shares.

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MESSAGE FROM GENERAL MANAGEMENT

GRI 1.1



In Coca-Cola FEMSA we continue to work on the way to maintain our distinguished leadership; we have strong values and roots that define us as a company with a humane philosophy that guides our efforts towards our permanent quest for a contribution towards positive change in the communities where we operate.

The year 2013 was full of challenges and opportunities where the talent of our associates allowed us to work and achieve our goals. We had four large transactions that were framed by outstanding efforts; in January, we closed the deal that allowed us to achieve the integration of the Philippines' operation, and we continued with this important geographic expansion that positions Coca-Cola FEMSA in the Asian territory. Besides, the franchise bottler Grupo Yoli, a company of great tradition in Mexico, present in the state of Guerrero and in some places in Oaxaca, also joined our family. To carry on with our growth efforts in Brazil, we managed to close between August and October 2013, the acquisition of two companies: Compañía Fluminense de Refrigerantes and Spaipa S.A. Indústria Brasileira de Bebidas, manging with these deals to expand our market to serve daily more than 72 million consumers in Brazil.

We adopted sustainability as a comprehensive part of our business strategy and everyday decision-making process. Built on work ethics based on values, our vision is to ensure the sustainability of our business and positively transform our communities through the simultaneous creation of economic, social and environmental value.

In recognition to our efforts and commitment to sustainability in 2013, we were selected for the third consecutive year to be part of the Sustainability and Social Responsibility Index of the Mexican Stock Exchange. Additionally, since September we are part of the Dow Jones Sustainability Index for Emerging Markets, as one out of only four Mexican companies selected and the only Mexican beverage company considered in this index that recognizes companies' leadership in sustainability issues worldwide. This achievement motivates us to continue working to improve our practices and reinforce our value creation commitment.

We are thankful for your interest in Coca-Cola FEMSA 2013 results; we appreciate the time invested in learning more about our efforts to contribute positively to our communities with programs aimed at the comprehensive development of our associates, initiatives that promote healthy lifestyles and development of our communities, as well as care for the environment. We will continue to develop our efforts with special attention to the global challenges we face, always with the passion for growth and transformation that characterizes us, to continue delighting our consumers with excellence.

Best regards,

Carlos Salazar Lomelín
FEMSA Executive Managing Director

John Santa Maria Otazua
FEMSA Executive Managing Director



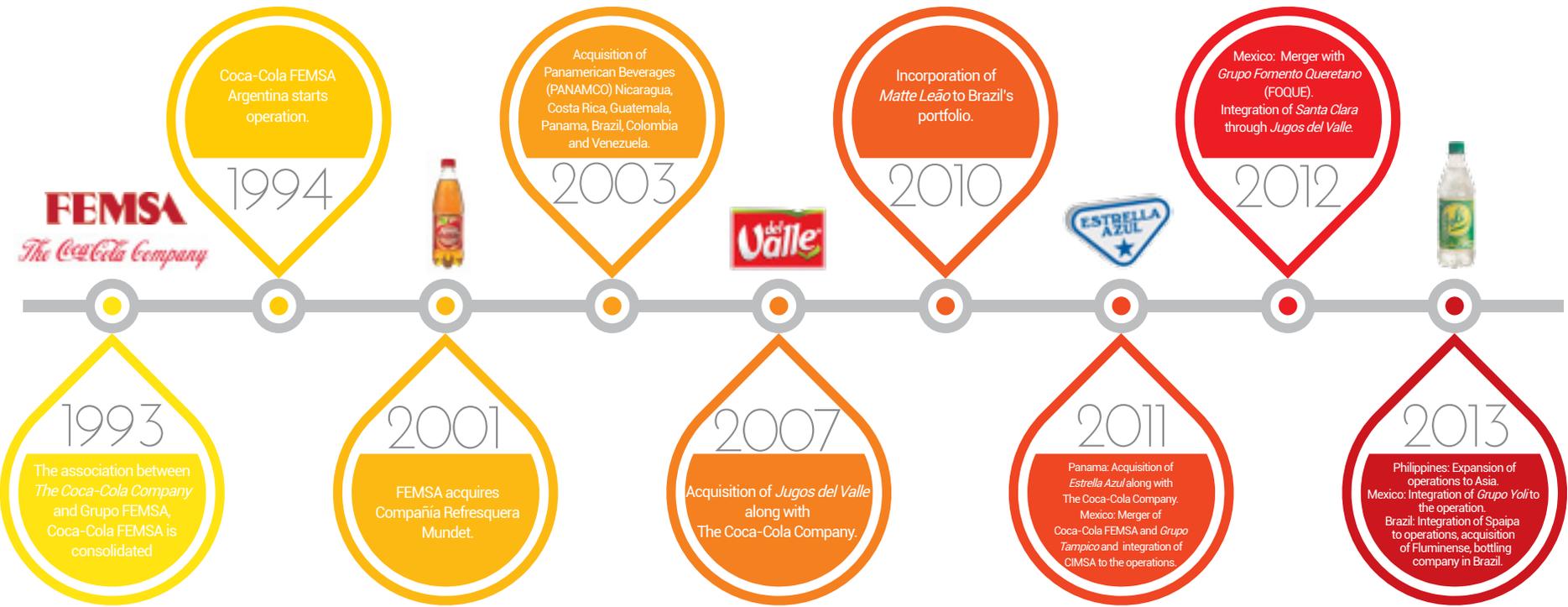
Our COMPANY

Coca-Cola FEMSA Today

GRI 2.1, 2.2, 2.3, 2.4, 2.5, 2.7 and 2.8

Our organization is firmly rooted in the history and tradition of two great institutions, FEMSA and The Coca-Cola Company that associated in 1993 giving rise to what is now Coca-Cola FEMSA as a public company. The largest bottler of Coca-Cola products in the world.

We operate in Latin America and Asia, two of the most attractive regions for the industry, and we are present in: Mexico, Costa Rica, Panama, Nicaragua, Guatemala, Colombia, Venezuela, Argentina, Brazil and the Philippines.



COCA-COLA FEMSA, THE WORLD'S LARGEST PUBLIC BOTTLING COMPANY
OPERATING IN TWO OF THE MOST ATTRACTIVE REGIONS IN THE INDUSTRY.





THE LARGEST BEVERAGE COMPANY IN LATIN AMERICA

Headquarters: Mexico City

Associates: more than 120,000 people

Income US\$13.76 billion

EBITDA: Ps. 28,594 million

Bottling plants: 64

Distribution Centers: 329

+ than 346 million consumers

About 2.9 million points of sale

4,000 million unit cases

BUSINESS RESULTS

GRI 2.8, 2.9, EC1, SO7 and PR9

In line with the strategic framework of Coca-Cola FEMSA, we continue working to promote the five pillars that allow us to continue generating value over time for our associates, business partners, customers, communities, shareholders and close interest groups:

Promote the full potential of our current business operation

Search for constant innovation

Generate growth through mergers and acquisitions

Manage risks in our environment

Consolidate organizational capabilities

During 2013 we obtained an increase of 5.2% in sales volume, which represents 3,204.6 million unit cases sold, which had a positive impact on our profits with an increase of 5.6%, which represents 156,011 million pesos.

Our operating income was Ps 21,450 million, with an operation margin of 13.7%.

^[1] Integration processes of Grupo Yoli, Spaipa, Fluminense and bottling operations in the Philippines, were made within the existing legal framework and in compliance with the pertinent antitrust regulations..

Mergers and acquisitions^[1]:



During 2013 we integrated Grupo Yoli to our operations; this is a company of great tradition in Mexico in the states of Guerrero and part of Oaxaca and this addition accounted for an increase in our business volume of 99 million unit cases



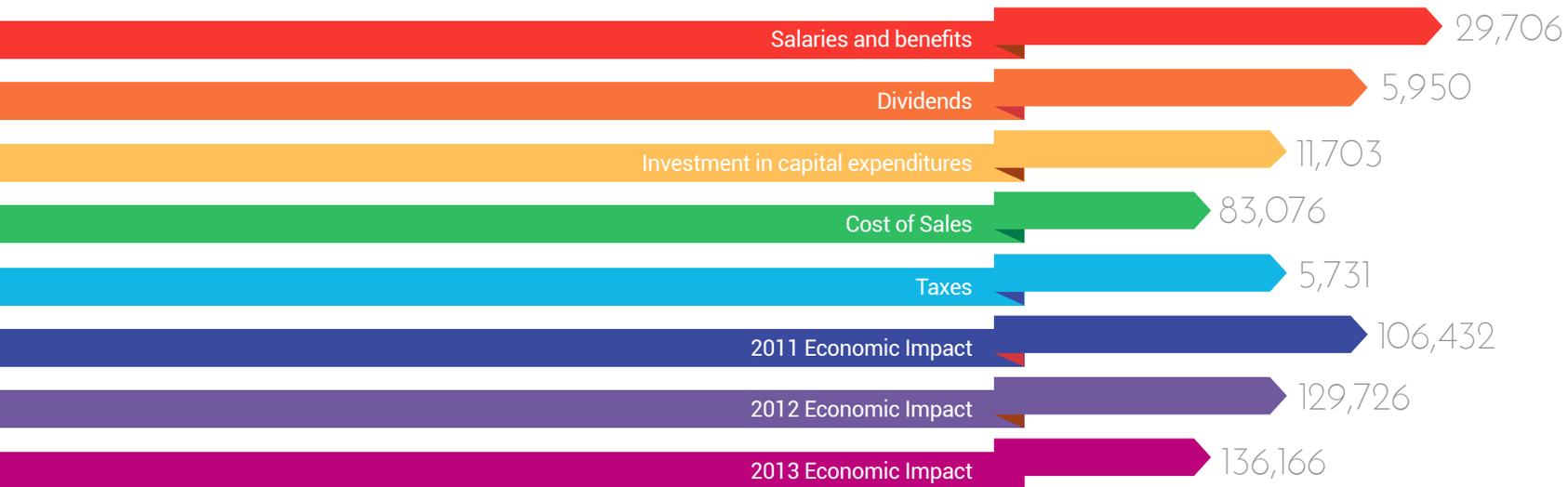
In Brazil the Coca-Cola FEMSA family welcomed two large organizations, Fluminense and Spaipa; both integrations have helped increase our sales volume over 270 million unit cases as we serve 22 million consumers through 132 thousand points of sale.



During 2013, by agreement with The Coca-Cola Company, we acquired a majority stake in bottling operations in the Philippines, through Coca-Cola Bottlers Philippines Inc. (CCBPI), which increased sales volume in 515 million unit cases, serving 101 million consumers, through 925,000 points of sale.



Economic Impact



*Figures in million Mexican pesos.

For further information
about our business
results, please refer
to our Annual Report
2013



PRODUCT PORTFOLIO

GRI 2.2, PR1, PR2, PR9, FP5, FP6, FP7

To meet the hydration needs of our consumers, we have a broad portfolio, composed of 116 brands, including soft drinks, non-carbonated or sparkling water, ready to drink tea, coffee, juices and nectars, fruit drinks, sports drinks, energy drinks and fortified beverages. From our range of drinks at Coca-Cola FEMSA, 20.6% corresponds to reduced or no-calorie products and 3.2% to vitamin drinks, fiber, minerals and nutritional supplements added, which represents 23.8% of our portfolio.

Through 100% of our portfolio, we seek to satisfy the different needs of hydration and consumption on the market, by providing drinks for every lifestyle, taste and occasion and with a strict sense of quality that is trusted at all times.

For Coca-Cola FEMSA it is very important to ensure quality throughout the life cycle of our products and, consistently, as a part of the Coca-Cola System, we operate according to "The Coca-Cola Operating Requirements" (KORE). From their design, The Coca-Cola Company guarantees that products meet the highest standards in health and safety, and we also work to ensure that the ingredients, materials and processes used in the manufacture of our products are the correct ones. We also take care of the bottling industry impact that might be generated by production, packaging, distribution, sale and management of post-consumption waste processes.

We work under the Food Safety Management System, which allows us to ensure the legal compliance of the countries in which we operate; accordingly, 100% of our plants have the FSSC22000 Certification, which includes the internationally recognized standards such as ISO 22000 and PAS220 to ensure food safety and security of our processes and products.

During 2013 there were no incidents resulting from any breach or fines related to impacts on health and safety from the consumption of our products, as well as in relation with the regulations on use and supply of products. Additionally, we have ongoing communication channels through which we are in contact with our stakeholders to deal with any concerns about our products. See Stakeholders and Communication Channels section of this report.



RESPONSIBLE MARKETING

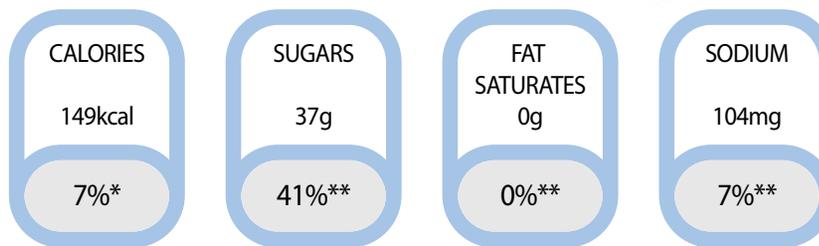
GRI PR3, PR4, PR6, PR7, PR9 and FP8

In Coca-Cola FEMSA we respect our customers' right to make their purchasing decisions freely and receive information of interest to enable them to make their choices. That is why in each of the products that are part of our portfolio we have integrated the Guideline Daily Amounts (GDAs), which are a reference for our customers and consumers to have enough information to plan a proper diet according to their needs, from graphs with information on caloric and nutritional content (calories, sugar, fat and sodium) that allow consumers to know what percentage of the daily recommended intake each beverage represents, based on a diet of two thousand calories.

To comply with the Responsible Marketing policy of The Coca-Cola Company our advertisements are not aimed at media whose target audiences are children under 12. In Mexico, we further implement the Code for Self-Regulation of Advertising of Food and Non-Alcoholic Beverages aimed at children (PABI Code).

Additionally, we take care of sale guidelines through the fulfillment of The Coca-Cola Company's Policy for Sales of Products in Schools, which establishes that our products shall not be sold in primary schools unless parents or school authorities so request, in which case we offer only authorized products in accordance with products' sales guidelines. As part of our commitment, we verify and monitor the effective implementation of both policies in our operation.

During 2013 we were able to comply both with The Coca-Cola Company's policies and with the regulations of the countries where we operate, which resulted in no incidents or penalties related to noncompliance with government regulations on issues related to impact on health, safety of our consumers, advertising and labeling of our products.



*BASED ON A 200 KCAL DIET

**% OF THE DAILY RECOMMENDED NUTRIENTS BASED ON A 2000 KCAL DIET, IT WILL VARY FROM PERSON TO PERSON

SUSTAINABILITY STRATEGY

GRI 1.2, 4.9, 4.10 and 4.11

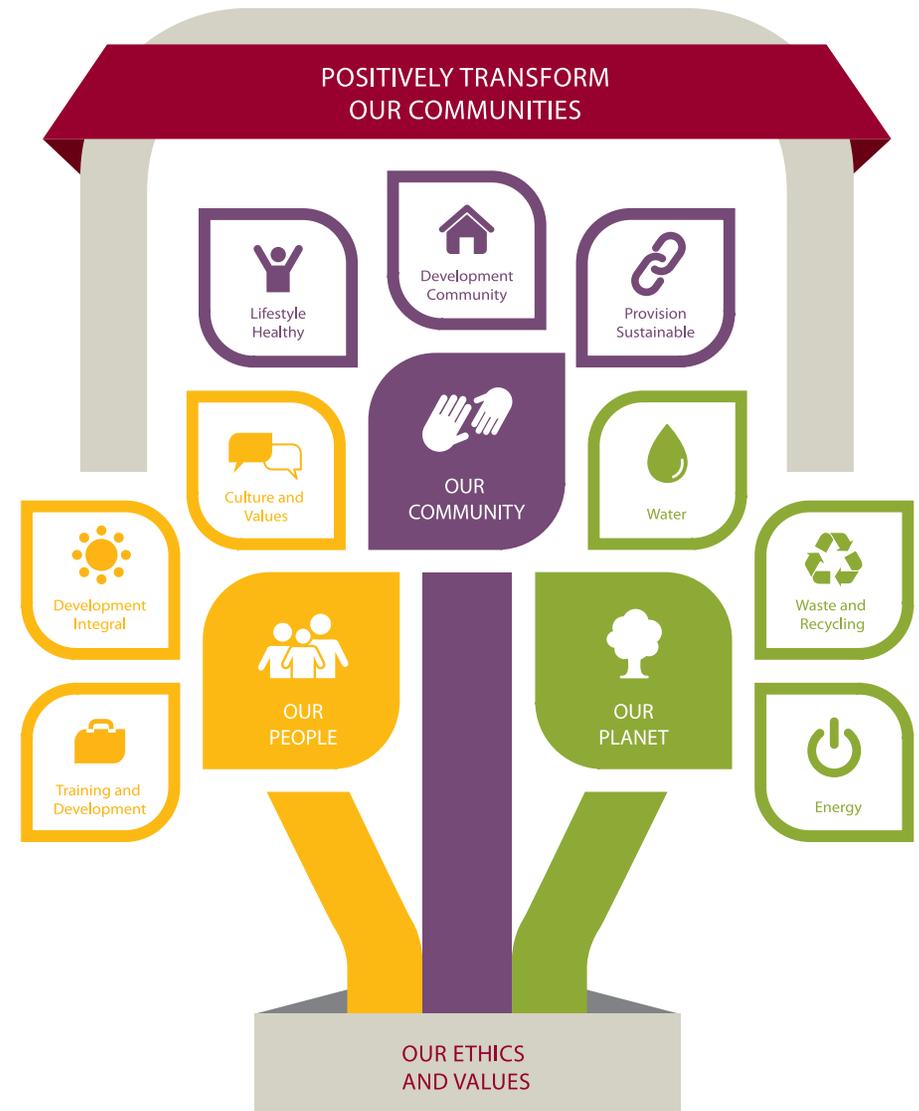
Sustainable development is part of Coca-Cola FEMSA's strategy; in 2012 we made a redefinition of our long term Sustainability Strategy, in line with sustainability goals of our strategic partners, both FEMSA and The Coca-Cola Company, by including those issues on which we may generate greater value and thus promote positive change in the communities where we operate.

In Coca-Cola FEMSA we are convinced that our actions must be based on ethics and on our values, which is why we consider them as a basis within the strategy, from which three main axis are derived: Our People, Our Community and Our Planet, which in turn address three areas of action each.

As a whole, the Sustainability Strategy forms a tree that gives life to the way in which we visualize our strategy. We continuously develop programs to ensure the creation of social and economic value, by boosting the quality of life of our associates, by promoting a culture of health and welfare, by supporting communities around us and by minimizing the environmental impact of our operations. We have also managed to establish a formal framework for the Sustainability Strategy, from the Coca-Cola FEMSA's Sustainability Policy, the fundamental principle of which is:

“Generate the economic, social and environmental conditions needed to operate and grow over time in harmony with the environment. Therefore, each operation must integrate a sustainability strategy in its business plan based on the Coca-Cola FEMSA ethics and values focused on people, community and the planet.”

Coca-Cola FEMSA's Sustainability Policy abstract.





NUUESTRA
GENTE

Our People:

Through programs that promote personal and professional growth, we aim at the comprehensive development of our associates and their families.



NUUESTRA
COMUNIDAD

Our Community:

We seek to have an impact on the communities we serve, by committing to their positive transformation.



NUUESTRO
PLANETA

Our Planet:

We encourage a culture of environmental care and we act proactively to reduce our environmental impact.

We are aware of the fact that to achieve the implementation of the Sustainability Strategy it is necessary to spread it to the entire organization; that's why we seek to have constant communication with our associates through various means, such as the internal magazine "Juntos", which helps to encourage their involvement from the volunteer programs available, and the update on relevant information related to the progress and impact on our environment.

To achieve our goal of implementing a transversal Sustainability Strategy at all levels within the Critical Success Factors of the General Management, issues related to sustainability have been taken into account, and accordingly, their evaluation is performed in relation with compliance. The area in charge of the monitoring and consolidation of the Sustainability Strategy is the Social and Labor Development Direction; also, the Corporate Affairs area of each operation handles all issues related to government and social risks. In relation with environmental indicators, the Technology Direction that reports directly to the General Management of Coca-Cola FEMSA has the responsibility to consolidate these indicators, which are aligned to the goals of The Coca-Cola Company.

Additionally, we establish mechanisms that allow us to work actively in our areas of action, such as: Education, innovation, encouragement of public policies, establishment of multi-sector alliances, investment and volunteering, among others.

As a result of good practices from our Sustainability Strategy, we are part of the Sustainability and Social Responsibility Index of the Mexican Stock Exchange, and since September 2013 Coca-Cola FEMSA has been selected to be part of the Dow Jones Sustainability Index (DJSI) for Emerging Markets.



By doing an analysis to evaluate our performance, both internally and externally, we identify areas that may generate different risks to our operations, which are directly related to our business, so one of the key principles is to implement practices that allow us to manage these risks, in order to avoid a negative impact on our environment and to our customers.



MATERIALITY STUDY

As starting point for updating our Sustainability Strategy and seeking to focus our efforts where we can maximize the positive impact of our actions, we conducted an exercise to define relevant issues for the business and for our stakeholders.

In order to identify our material issues, we conducted a review of documents and internal processes that contain relevant elements related to our sustainability actions; among other things, interviews to key executives and conversations with representatives of external interest groups were carried out and the best sustainability practices of global leaders were identified. Additionally, in 2013 conversations were conducted with experts in sustainability

and with associates, through which the validity of the issues on materials identified in 2012 was confirmed.

From this exercise, and from taking into account the relevance of the topics, depending on the importance they have for the success of the company, as well as for our several interest groups, these were pooled by using a basic axis, three core areas, nine action areas and nineteen focus areas

The material issues for our business, which are derived from the nine actions areas, including the following:

- Those in which Coca-Cola FEMSA, due to their characteristics and / or business lines, may generate greater value.
- Issues that have a sufficient degree of maturity that allows them to be or become agents of change.
- Previous investments have been made in these areas.
- They have elements that may be converted into a competitive advantage and that allow us to stand out in the market.
- They are important to our interest groups and we have identified that for some of them we may join efforts to create positive changes.

From these material issues we have identified the highest priorities for our stakeholders and, accordingly, we have initiated actions to meet the expectations and needs, such as: nutrition and physical activation, training and development, social development, water management, energy use, packaging and recycling.



Focus Issues of Coca-Cola FEMSA



OUR PEOPLE

- ▶ Culture and values
- ▶ Safety and health at work
- ▶ Compensation
- ▶ Training and Development
- ▶ Integral Development



OUR COMMUNITY

- ▶ Supplier development
- ▶ Environmental impacts of suppliers
- ▶ Labor rights and working conditions of suppliers
- ▶ Nutrition and Physical Activity
- ▶ Responsible marketing and communication
- ▶ Offer of sustainable products and services
- ▶ Local environmental impact
- ▶ Environment Safety
- ▶ Social welfare in communities



OUR PLANET

- ▶ Water Management
- ▶ Energy use
- ▶ Environmental impacts of transport and logistics
- ▶ Packaging and Recycling
- ▶ Waste





Our PEOPLE

In Coca-Cola FEMSA we are committed to our associates and their families through comprehensive development, talent management and respect for human rights, always aligned with our culture and values.

We are more than 120,000 associates with operations in 10 countries, and we share the same mission: To delight the beverage consumer. For this purpose it is essential to have the right talent in the best position for their development, by enhancing their skills, knowledge and experience.

We aim to incorporate these items in our associates, as we want to be able to cope with the demands of today's challenges.

CULTURE AND VALUES

In Coca-Cola FEMSA, the principles that define us have allowed for the consolidation of our business. This organizational philosophy is an asset of the company that makes us different from others, while integrating us and giving us strength; it defines the way we do business, apart from being the deepest and fullest expression of what we are.

Our people are the best of Coca-Cola FEMSA!

MISSION:

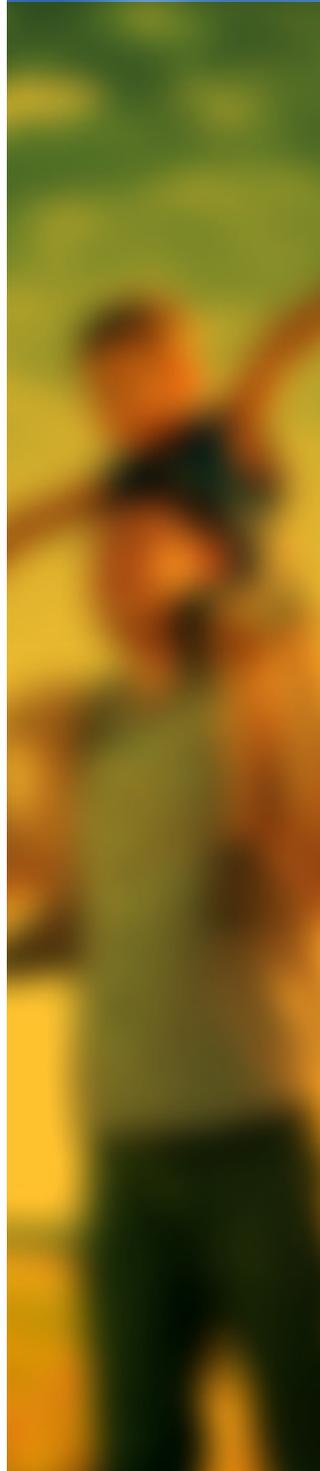
Satisfy and please beverage consumer through excellence.

VISION:

Be the best bottling company in the world, recognized for their operational excellence and the quality of its people.

VALUES:

- Passion for service and customer/consumer focus.
- Innovation and Creativity.
- Quality and Productivity.
- Respect, Integral Development, and Staff Excellence.
- Honesty, Integrity, and Austerity



TRAINING AND DEVELOPMENT

GRI LA10, LA11

In Coca-Cola FEMSA we seek to be the best place to work through the development of skills in our associates, in order to respond to current and future challenges of our business.

Talent Management of Coca-Cola FEMSA is supported by the strategic guidelines of our business. It is based on the ongoing process of building skills in our people, to meet current and future challenges required by our operations.

A central element of the Talent Management Model in Coca-Cola FEMSA is the Human Resources Planning and Human Resources Development process. Through these, career paths for our associates are identified, as well as the competencies to be strengthened, in order to determine the growth and development plan for our people, for the purpose of achieving their full potential, in order to meet the challenges of business growth.

The development process is based on the 70% / 20% / 10% Model, this means that 70% of development occurs through critical experiences, 20% through processes of mentoring and coaching on the job and 10 % through virtual and classroom training. This methodology allows us to offer our associates comprehensive training, through a "Development Agenda" with specific tools, in order to meet the training and development needs of the different levels of the organization.

During 2013, we conducted over 500 "Development Agendas" for our Directors and Managers, primarily focused on developing skills such as Strategic Management, Strategic Relations, Business Vision and Talent Development.

For the development of skills, we also have virtual and on-site training courses; in 2013 we invested over US\$ 13 million in the development of our people, which represent 2.1 million on-site hours and more than 160,000 virtual hours. This includes master degrees, diploma courses, specialized courses, courses for each function, institutional programs, language school, business and manufacturing courses, among others.

In addition to the "Development Agenda", in 2013 we continued to strengthen our capabilities in the integration process through the "Training Cells" methodology, which allows for the immersion of executives from different functions in the knowledge of the best practices of the organization to ensure its replication in the new territories. In 2013, we caused an impact on business results through more than 228 people who participated in "Training Cells" methodologies such as: "Task force", "Implementor", "Cross Fertilization" and "One to One".

By following the initiative to strengthen our training offer, together with FEMSA, we rely on reputable academic institutions with whom we form partnerships that allow us to ensure updating and academic excellence in executive education.



This is how the Talent Management at Coca-Cola FEMSA is built by a cycle that includes business strategies, people's strategies and development methodologies to accelerate talent succession planning and encourage the growth of domestic talent.

During 2013:

64% of managerial and executive positions were filled by internal staff.

The average number of training hours per employee was 30 hours, we covered 100% of the "Development Agenda" at managerial level; we had a coverage of 86% in training, more than 2.1 million hours of on-site training and more than 160,000 hours of virtual training, with an investment of over U.S. \$ 13 million.

COMPREHENSIVE DEVELOPMENT

GRI LA8

In Coca-Cola FEMSA, we are committed to the welfare of our associates and their families, so we work on actions aimed at developing people so that, through them, Coca-Cola FEMSA continues to grow as an organization.

For 104 years, through our strategic partner FEMSA, we have worked on initiatives for Social Development with an integrated framework, based on a philosophy of work and life, which aims at our people and their environment's welfare. This has allowed us to become pioneers and leaders in the pursuit of the development of our people and their importance in the community.

Social Development System

In recent years, our organization's processes and management models have evolved to adapt to the different contexts and territories in which we operate. Our concept of Social Development has been no exception, so that for six years we have worked under a system of comprehensive social development, based on a methodology that allows us to identify the needs of our associates, through participation schemes or groups that act as spokespersons and help us improve the quality of life of our people.

In order to promote the comprehensive development of our associates and their families, we considered a 7 dimension basis and we developed initiatives aligned to their needs, which we present below with some examples of the greatest impact programs carried out in 2013.



Work

We seek excellent performance of our associates in the workplace and in their personal environment, so we promote work harmony, decent treatment and the generation of a sense of belonging in the company. During 2013, we conducted 38 activities in this dimension, and more than 127,000 people benefited from them.

Senitory Awards: In order to reward commitment and dedication, during 2013 we granted 3,728 acknowledgments to associates who had been working for 5, 10, 15, 20, 25, 30 and 35 years in the company.



Education

We encourage the continued development of intellectual and cultural heritage, through 9 activities that benefited 14,000 people in 2013.

KOF Children: We have had this program for more than 10 years at Coca-Cola FEMSA, and it aims at promoting good study habits in our associates' children, in addition to strengthening the relationship between the associates and their families. During 2013, 3,200 associates' children benefited from this program.



Health

We support actions and programs that promote a culture of health, prevention and self-responsibility to improve quality of life. During 2013, we conducted 23 activities in this dimension, and more than 99,000 people benefited from them.

Health Fair: It is an event where we offer our associates a wide range of medical services, information and prevention programs, extended to their families. In 2013, more than 31,000 associates benefited from this initiative in the countries where we operate



Values

We promote our values to encourage a healthy relationship among our associates, thus promoting the formation of role models in the community. During 2013, we carried out 17 activities that benefited over 224,000 people.

Drawing contest: During 2013, we organized the 13th Drawing Contest on the theme Culture of Lawfulness, by involving more than 1,500 operation associates' children.



Economy

Among our associates and their families, we encourage the protection and construction of their wealth in accordance with their present and future needs, and more than 26,000 people benefited from 7 activities.

KOF Community: One of the most significant initiatives of Coca-Cola FEMSA is the creation of affinity agreements / discounts, focused on improving the purchasing power of the employee and their family. During 2013, we consolidated agreements in our operations in Mexico, Central America and Colombia, in health, entertainment, food and beverage, education, among other issues.



Family

We encourage strong family relationships through integration activities, by promoting family values and family bonding and 139 thousand people benefited from this program in 2013.

Family Day: It is an ongoing initiative in Mexico, Brazil, Philippines and Central America, in which through various activities we strengthen family unit and coexistence among associates and their families for a day, with the participation of 38,000 people in 2013.



Society and Environment

At Coca-Cola FEMSA, we promote among associates and their families, civic and social participation, co-responsibility towards common welfare, respect for human rights, laws and environmental care. During 2013, we created a network of 17,531 volunteers who spent 71,000 hours for the benefit of the community.

•**Cleaning of Water Bodies:** As one of our most iconic volunteering initiatives, the "Clean Water Bodies" program's purpose is for our associates and their families to help for one day with garbage collection activities, in order to protect the environment. During 2013, 27,000 volunteer hours were spent in this initiative

During 2013, Coca-Cola FEMSA managed to benefit more than 666,000 people through various activities aligned to the 7 dimensions and that seek the welfare and overall development of our people.

KOF Attitude

In Coca-Cola FEMSA we offer our associates innovative options to encourage the adoption of habits that promote health care, the creation of value through work effectiveness and efficiency, as well as care for the environment. Thus, in 2013 the "Green Points" program from "KOF Attitude" is launched in corporate offices.

The program operates by assigning points that are accredited through codes according to the action performed. Once the action is performed, codes are entered by each employee in their profile, which keeps every account statement updated, and the points earned may be exchanged for rewards.



**PUNTOS VERDES
ACTITUD KOF**

GREEN POINTS, PILLARS OF THE PROGRAM:



Quality of Life:

Through the promotion of healthy lifestyles, physical activity and health care.



Work Culture:

Through teamwork, efficiency of processes and time, and through the wise use of our resources.



Taking care of the environment:

Through initiatives that promote the preservation of the environment and that mitigate the possible impact of our actions on it.

During the first year of this initiative, 70% of associates in the corporate office have been involved in some of these programs, generating the following impacts:

We have stopped emitting more than:

5.9 tons

of CO₂e
through

Auto
Compartido 

Carpooling: 289 people share their car to get to the office.

Uso de
transporte
público 

Use of public transport: 215 people use public transport to get to the office.

Uso de transporte de la
empresa 

Use of company transport: 439 people have used the KOF routes.

Uso de
Bicicleta 

Bicycle use: 21 people have used their bicycles as a means of transportation or they walk to the office.

Llegada
Tempran 

Early Arrival: 365 people come to the office before 8:00 am.



Our COMMUNITY

In Coca-Cola FEMSA we seek to generate the necessary economic, social and environmental conditions to operate and grow over time, in harmony with the communities we have the privilege of serving.

GRI 4.12, EC8, S01, S09, S010 and FP4

The contribution to social and environmental economic welfare of our communities and the promotion of healthy lifestyles aligned to proper nutrition is a part of our commitment. In Coca-Cola FEMSA, during 2013 we have started up sustainable programs that seek to promote these areas of action we have identified as a priority in our Sustainability Strategy.

During 2013, we invested more than US\$ 4.4 million both in programs to promote a healthy lifestyle and community development, and we managed to have an impact on more than 550,000 people. In addition, through our donations and sponsorship initiatives we have been able to reach over 500,000 people through more than US\$ 550,000 in donations and sponsorships in cash and in kind.

HEALTHY LIFESTYLES

In Coca-Cola FEMSA we offer several alternatives within our wide portfolio of beverages manufactured in accordance with the highest quality standards in the industry, to fit different lifestyles of our consumers. We also believe that promoting physical and mental balance is part of the commitment to boost people's general well-being. For such

purpose and through various programs, we promote activities that encourage physical activity and a positive attitude.

Let's Play (Central America, Argentina and Colombia)

"Let's Play" is a program developed in Costa Rica, Panama, Nicaragua, Guatemala and Colombia, which also has an equivalent in Argentina called "Come on, let's play" In all these countries there is support from the Ministries of Education.

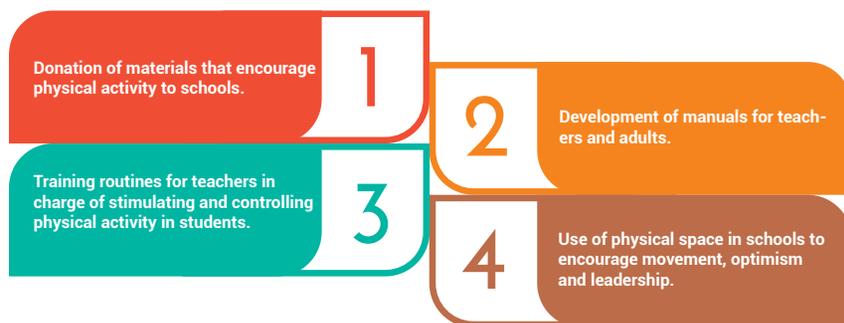
In Central America, the program was developed by the School of Sciences for Human Movement and Quality of Life of the National University of Costa Rica and it is aimed at teachers of all disciplines for them to understand the value of being promoters of sport among their students through various learning dynamics.

The goal is for children to develop a taste for physical activity throughout their lives and



stimulate their skills, learn values such as solidarity, respect, tolerance and fellowship.

This program has four components:



“Let’s Play” has benefited 284,964 children in the region through training of 1,086 teachers and donation of sports equipment to 630 public schools in Central America, that are now running, jumping rope, throwing frisbees, moving hoops, running with bags and performing other workout routines.

In Argentina, through the “Come on, let’s Play” program developed by the Fundación Educacional (Educational Foundation), we achieved activation in 60 schools during 2013, by reaching 20,806 students and 863 teachers. Also, as a result of this effort, the Ministry of Education in Argentina declared this initiative as an educational interest program. In Colombia, it has reached 88 teachers and 27 schools.

Drinking facilities (Mexico)

With the support of the school authorities in Mexico, such as the Secretariat of Public



Education (SEP), the Secretariat of Public Education of the Federal District and the Local Institute for Educational Physical Infrastructure (ILIFED), in a joint effort with FEMSA Foundation and Fundación Coca-Cola de México only in the last year more than 30,000 people in 84 schools have benefited from the installation of 336 drinking facilities in Mexico City.

Copa Coca-Cola (Mexico)

The “Coca-Cola Cup” is an initiative designed to promote teamwork at an early age and to encourage physical activity through sports. Between March and June 2013, the XVI edition of the “Coca-Cola Cup” was carried out; this is the most important inter-secondary football tournament in Mexico, which promotes sports and a culture of constant improvement among young people.

Coca-Cola FEMSA has participated directly by activating 20,000 out of 74,000 total participants, through 1,280 teams in 54 cities.



Intercollegiate Dancing Competition (Mexico)

This initiative, with 27 years of history in Mexico is a national dancing competition that



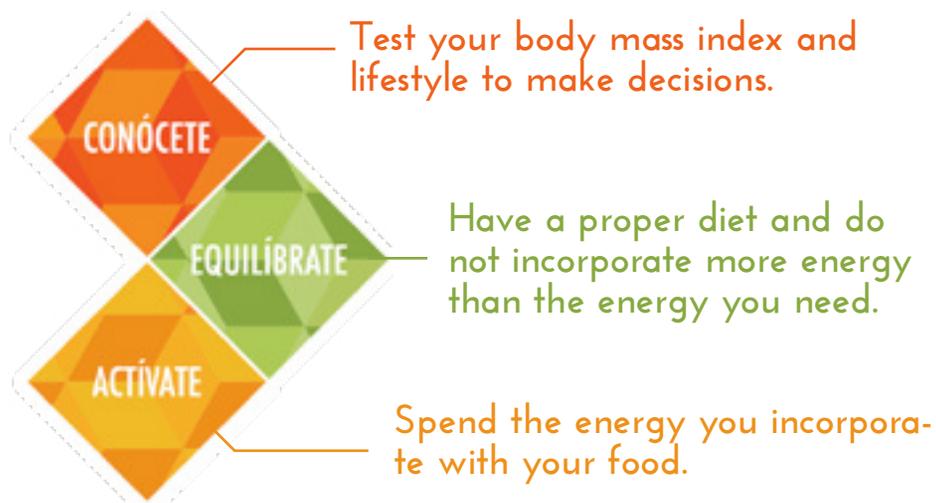
takes place in 36 cities in Mexico and it has more than 15,000 spectators. In 2013, for the first time Coca-Cola FEMSA together with The Coca-Cola Company played a part in this event supporting more than 800 middle and high schools, plus 400 dance schools, with more than 3,800 dancers, in 240 teams.

Participation in the National Association of Soft Drinks and Carbonated Waters (ANPRAC / Mexico)

In 2013, the ANPRAC launches "Know, Activate, and Balance Yourself" campaign, a national initiative for healthy lifestyles.

This initiative is a platform for communication, guidance and motivation aimed primarily at parents, educators and young people, designed by nutritionists and specialists in health psychology, who participated actively through talks at workplaces and schools.

This initiative seeks to promote the path to a healthy lifestyle through three principles:



Talks for Parents (Mexico)

During 2013 we conducted an initiative for parents in elementary schools (primary) to provide reliable and scientifically validated information about nutrition, hydration and physical activity.



The talks were complemented by the Nutrikit™ dynamics, educational material that with the help of real size images, which gives advice to parents on how to keep healthy eating habits.

There have been over 300 talks given by graduated dietitians and trained by Coca-Cola FEMSA. These talks have had an impact on more than 18,000 parents in Mexico.



Your Best Move (Mexico)

An example of sports-related development initiatives is the "Your Best Move" program, which seeks to promote the comprehensive development of Mexican students in primary and middle school, through the practice of sports and physical activation as a means to achieve physical, psychological and social development, and improve academic performance. This program has been implemented in 100 schools in Mexico, in the states of Nuevo León, Mexico City and Puebla. "Your Best Move" trains physical education teachers with a methodology especially designed to work with children and young people in their neuro-psychomotor development and social skills, and it has benefited more than 100,000 children.

Colors Campaign (Nicaragua)

This program is coordinated with the American Nicaraguan Foundation (ANF), NICASALUD and FEMSA Foundation and it seeks to improve training and adequate knowledge of basic nutrition topics for teachers, parents and school kiosks' owners, in order to promote an adequate and balanced diet and generate information based on focus groups from anthropometric studies, to have a base line of advances in the school population benefited and related. During 2013, 749 parents, 70 teachers and 10 schools benefited from this program.



One Meal, One Smile (Nicaragua)

Coca-Cola FEMSA, The Coca-Cola Company, with the support of FEMSA Foundation, Fundación Coca-Cola and the American Nicaraguan Foundation (ANF) collectively encourage the "One Meal, One Smile" program, the purpose of which is to maintain school retention, promote balanced eating habits and reduce malnutrition, through the provision of daily meals during the school year, by including one fortified food based on rice, soy, vitamins and minerals.

The Coca-Cola System has been supporting the program since 2005 and to the end of 2013 they have made an impact on more than 62,500 children in 211 schools.

Baseball and Football Programs ("Caimaneras") (Venezuela)

The program includes sports clinics for baseball and soccer, taught by athletes to underprivileged children between 5 and 15 years old, interested in these sports. With the development of this program it is expected that children may channel their energy through sports as an integral human activity that requires both individual effort and teamwork to achieve their goals.

"Caimaneras" were held in Maracaibo, Ciudad Ojeda, Valencia, Maracay, Barquisimeto, Caracas, Barcelona and Puerto Ordaz, and more than 9,800 children in 75 clinics were benefited from these activities.



Powerade Races

During 2013, in Mexico, Coca-Cola FEMSA participated with Powerade, through hydration and brand image in more than 160 events to promote sports such as athletic races, football tournaments and cycleathons, which involved more than 2.6 million brand impacts.

COMMUNITY DEVELOPMENT

Peace and Reconciliation Programs (Colombia)

Coca-Cola FEMSA Colombia has worked since 2008 together with the Agencia Colombiana para la Reintegración (ACR) [Colombian Agency for Reintegration] and Fundación Para la Reconciliación [Foundation for Reconciliation] in an effort to contribute to peace and reconciliation in Colombia, by seeking to provide space for people in the process of demobilization and reintegration into civilian life. Coca-Cola FEMSA, as a pioneer in the field, has developed four programs:



a) Contributing Time:

In order to contribute to building a better country, this program has been outlined since 2009, and it seeks to establish means of participation for Coca-Cola FEMSA associates as volunteering instructors who provide business tools to demobilized, those people who left the conflict behind and are trying to become active members of the society.

From its start-up until 2013, 291 volunteers who are staff members and 35 suppliers in 7 cities have formed part of it: Barranquilla, Medellin, Bucaramanga, Monteria, Valledupar, Bogota and Cali, and they contributed to the reintegration of 400 people.

b) Productive Projects:

In line with our purpose of transforming the communities in which we operate, through the productive projects program, we encourage demobilized people to develop entrepreneurial initiatives, so that through their businesses they may participate as suppliers for the Coca-Cola FEMSA. With this initiative we seek to successfully complete their reintegration process, along with the work developed by the ACR.

c) Community Learning Centers:

With the purpose of bringing formative educational tools, we promote the opening of virtual

classrooms based on a distance education model, which are affordable, without limitations of time and space and that incorporate new languages and computer technology. During 2013 we contributed, together with the municipalities of Tocancipá, Medellín, Aguachica and the Instituto Tecnológico y de Estudios Superiores de Monterrey [Monterrey Institute of Technology and Higher Studies], to the opening of new community centers and we had the chance to benefit more than 240 people through tutorial and self-directed training.

d) Peace and Reconciliation Spaces:

This program seeks the active participation of people in the demobilization process in social service activities for the benefit of communities and victims of the Colombian armed conflict. During 2013, over 200 people who were going through demobilization processes and 107 people from the reception communities benefited from this program.

As a result of the effort and impact generated through programs of peace and reconciliation, we have received the following awards:

- **Global Agreement Award:** "Time Contribution" was recognized among 120 initiatives proposed by the private sector, and we obtained a place among the 5 best programs to participate in the 3rd panel of speakers in the Global Agreement Congress in Colombia.
- **COMFAMILIAR 2013 Award for Corporate Social Responsibility:** Our "Spaces for Peace and Reconciliation" initiative was recognized as the winner in the Private Sector- Large Company category.
- **Britcham Lazos Special Award:** Special recognition at Britcham Lazos awards, granted by the British-Colombian Chamber, for the work carried out through our peace and reconciliation programs: "Time Contribution", "Community Learning Centers" and "Spaces for Peace and Reconciliation."
- **Harvard Case Publication:** On October 29 in Monterrey, Nuevo León, Mexico, a recognition ceremony for Coca-Cola FEMSA was held in connection with the case published by

the Harvard Business School (HBS), which was conducted by SUSTENTUS from EGADE Business School from Mexico and the Instituto de Estudios Superiores de Administración (IESA) [Institute of Higher Studies in Administration] of Venezuela, in which the evolution of the peace process implemented by the Colombian Government for 30 years is recorded and the contribution of Coca-Cola FEMSA is highlighted as the first private company that was interested in its promotion.

Productive Neighborhood (Venezuela)

Through this initiative, we seek to generate networks of productive cooperation between the people of our communities, based on the Family Production Units with the purpose of generating, through training, knowledge transfer and strengthening of community organization, income sources to improve quality of life.

This program has been developed in two places in Venezuela:



The first one was conducted between 2011 and 2012 at the Simón Bolívar neighborhood from 29 de Marzo Community, and the second one was carried out between 2012 and 2013 for the Vista Alegre neighborhood Community..

During 2013 we were able to benefit 245 people directly and 45 participants were graduated from the Vista Alegre neighborhood Community.

We managed to generate knowledge for members of these communities, which made feasible for them the development of community projects, which allowed them to develop entrepreneurial initiatives as a way to generate income for their families.

“Productive Neighborhood” is a program divided into thirteen Training Modules, which seeks to:

Enable participants in accordance with their potential, capacity and confidence to achieve goals for the solution of their problems and improve their welfare.

Conceptually and technically empower the participants to address the social and community agenda.

Provide them with skills and tools for the design and implementation of personal and / or family economic projects.

Provide more information about their own rights and duties.

Citizenship Plaza (Brazil)

This program has its origins through Coca-Cola FEMSA Brazil in 2003, with an action taken in communities near our operations. “Citizenship Plaza” stands out for its ability to generate benefits to communities, promote participation and dialogue with public institutions, private companies, NGOs, educational institutions and volunteers.

To provide participants with the means to improve their quality of life, free services are provided on topics such as:

- Health • Healthy Living • Business Awareness
- Environment • Waste management

Additionally, free medical checks are provided to the community, such as: blood pressure, glucose measurement, oral hygiene and physiotherapists' services. Likewise, information on preventive medicine, physical activation and nutritional counseling is provided.

In 2013 we had the opportunity to benefit more than 23,000 people, thanks to the help of 975 volunteers, with presence across 5 Citizenship Plazas in the towns of Belo Horizonte, Itabairito, Jundiá, Sumaré and Mogi das Cruzes.



Coordinates for Life (Argentina, Colombia, Brazil and Mexico)

In Coca-Cola FEMSA we know that, unfortunately, a large number of children and young people around the world live an overwhelming reality, since they face violence, loneliness, lack of care and a variety of social problems, so it is extremely important to create opportunities to break the circle in which they are immerse, through education.

Thinking about this development opportunities, the program "Coordinates for Life", which is aimed at children and young people aged 10 to 18, who are offered a set of tools which, from their own experience and from facing everyday situations, knowledge, skills and abilities are developed and they give children, young people and their teachers, values and resources to promote those skills to make better decisions and to reduce their vulnerability in front of problematic situations.

"Coordinates for Life" began in 2011 in Mexico and Argentina, and it was extended to Brazil and Colombia in 2012. In 2013, 8 schools and more than 1,500 children participated in Argentina; 154 children, 5 teachers and one school were involved in Brazil; in Colombia, 372 teachers and 3,279 children from 14 institutions participated in workshops and 1,255 in program conferences; in Mexico 16,383 children and 1,851 teachers benefited from the program.



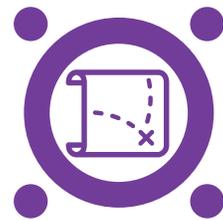
PREPARANDO
EL **MAÑANA**

Taller para
formadores



ORIENTANDO
TUS **PASOS**

Conferencias



COMPARTIENDO
CAMINOS

Guías de
convivencia



DECIDIENDO
TU **FUTURO**

Taller para
niños y jóvenes



GLOBAL PRINCIPLES, LOCAL ACTIONS

Scholarships Foundation (Argentina)

Since 2002, we have actively worked to prevent drop out rates and to promote access to education through scholarships. During 2013, in conjunction with the Cimientos Foundation and The Coca-Cola Company, we granted 352 scholarships for children and young people between 12 and 17 years old, in 10 towns in Argentina, and we generated greater educational opportunities and psycho-pedagogical counseling, apart from events for sponsors and beneficiaries.

Optimism that Transforms (Argentina)

“Optimism that Transforms” is an initiative developed in collaboration with the Walmart Argentina, with the aim of raising awareness and informing the community about the importance of PET recycling. Through this program, we invite consumers to separate and prepare containers at home to deposit them in the recycling stations that are installed at the participating Walmart stores. The material recovered is used for recycling, through the Urban Recovery Cooperatives and other recyclers, apart from being used for the development of games made from recycled PET.

With the motto “An empty bottle can transform lives”, apart from promoting and helping people become aware about the importance of container recycling, during 2013, 1,295,406 packages, equivalent to 61.6 tons of recycled material, were recovered. In addition, the games made with recycled PET were donated to schools near the stores, and 4,832 students benefited from this activity.

Pompeya Perimeter (Argentina)

For Coca-Cola FEMSA it is a priority that the communities in which we operate will achieve a positive transformation. That is why through this project, we seek to improve social and environmental conditions of the community of Pompeya neighborhood in



Buenos Aires, where our Alcorta Plant is located.

During this year we have begun working on sanitation of Villa Zavaleta, one of the poorest neighborhoods of the city, to provide sewer and access to running water to over 200 families, by working together with neighbors and the Secretariat of Habitat and Inclusion of The Government of the City of Buenos Aires.

Furthermore, the park that is at the neighborhood's entrance has also been included and a synthetic turf space for physical and recreational activities is being built. Other initiatives are also integrated to “Perímetro Pompeya”, such as the Alcorta Boulevard sponsorship, where we planted more than 100 trees, support to the CONIN, Mother and Child Center of shanty town 21- 24 and support to social integration tasks for Nuestra Señora de Caacupé church. This program keeps a constant dialogue with neighbors and major institutions, to strengthen our relationship and encourage support for their various needs.

Social Christmas Caravan (Brazil)

For December holidays, from November 25 to December 20, 12 places in São Paulo were visited with the intention of taking children from 4 to 11 years old in vulnerable communities, to the art show "A healthy mind, a healthy body", in order to promote healthy lifestyles and to share the positive message of Christmas magic. Through this program, we were able to represent 31 times the play for 7,696 children, in addition to the delivery of toys, with the participation of 158 volunteers from Coca-Cola FEMSA. In 16 years, this program has benefited 359,472 children in 611 institutions.



Rivers and Beaches Cleanup Day (Brazil)

CAs part of the "International Coastal Cleanup Day" initiative, launched by "The Ocean Conservancy," Coca-Cola FEMSA participates in Brazil each year by inviting associates and their families to join the program as volunteers, by collecting rubbish on beaches and rivers. During the past year, the participation of 2,000 volunteers was achieved; all of them were associates and families from Coca-Cola FEMSA Brazil, who managed to recover 435 kg of waste in Belo Horizonte and Jundiaí.



Education for Work (Brazil)

This program was developed in the City of São Paulo in order to prepare young people aged 15 to 21 for the labor market, in coordination with *Secretaria Estadual de Desenvolvimento Social*, *Secretaria Estadual dos Direitos da Pessoa com Deficiência*, *Prefeitura Municipal de São Paulo*, *Centro Paula Souza* and SENAC. During 2013, 154 people benefited from it and since 2005 more than 1,700 young people have had the opportunity to do an internship at Coca-Cola FEMSA Brazil and take courses to prepare for entry into the professional sector.

Healthy Living Brochures (Brazil)

In order to provide information to young people and adults, Coca-Cola FEMSA Brazil has developed and published brochures on issues related to sustainable development

and positive practices that promote healthy lifestyles and help improve people's lives. These documents have been prepared and elaborated by groups of experts, and their purpose is to add relevant information to provide value to our communities. During 2013 more than 23,000 people benefited from this initiative in the cities of Belo Horizonte, Itabirto, Jundiaí, Sumaré and Mogi das Cruzes.

FEMSA Prize for Children's and Youth Theatre (Brazil)

In 2013 in the City of São Paulo the twentieth edition of this program was developed and it stands out as the only one of its kind in Latin America. Its purpose is to rescue, improve and promote artistic expression of children and young people, by recognizing the best shows in their category. Thus the integral development of participants is encouraged in order to initiate them into the world of art and culture from an early age. During 2013, we had 18 categories and 200 people participated in the awards ceremony.

As part of the celebration of two uninterrupted decades of the program the book "Talents and afetos um na history prize winner" was published. In this book the best moments of this program are summarized, together with the list of all the winners of the previous editions.



Drinking Water for Communities (Colombia)

In collaboration with FEMSA Foundation, through this program, we provide permanent access to drinking water to rural communities with high levels of poverty, thus helping to improve their quality of life, sanitation and hygiene. This has been achieved by installing 14 water treatment plants capable of generating 36 million liters of drinking water daily. In 2013, people in rural communities with limited resources benefited from this plan, in the following places: Sopo, Argelia, Nariño, Rio Ancho, Nuevo Milenio, Trinidad, Palomino, El Carmen de Atrato, Chima, San Diego, Pachaquiario, Gigante, Dos Quebradas and La Bocana.

Water Bodies Conservation Program (Colombia)

As part of the Wetlands Day, Coca-Cola FEMSA has been collaborating for more than 5 years by organizing a day in which sanitation, recovery and cleaning tasks are performed in the Capellanía wetland, which is one of the most important aquifers in Colombia. Through this program we contribute to the development of a culture of environmental care in the communities, and in 2013 we participated in activities to raise awareness of the importance of water conservation, organized by the Fundación Humedal Capellanía.

Environmental Education Program for Communities (Colombia)

In Colombia, a program of environmental training on the recycling of glass, mainly aimed at schools participating in the program "Recycling is Valuable" was implemented. During 2013, Coca-Cola FEMSA, in collaboration with Fundación CEMPRE and with O-I Peldar, one of the most important companies in the production of glass in the country, were dedicated to bringing an environmental message about the importance of recycling glass. Through Ovidrio, the glass producer's pet, they managed to carry environmental messages to 12,000 children in Bogotá, who will also have the possibility of taking a tour of the Coca-Cola FEMSA plant.

Reforestation Programs (Colombia)

Since 2009, several reforestation days have been implemented in Tocancipá, Colombia, attended by volunteers and authorities, in order to plant different species of trees in urban spaces. To date over 32,000 trees have been planted and during 2013, 400 trees were planted.

Recycling has Value (Colombia)

This program is promoted by Coca-Cola FEMSA Colombia, together with Fundación CEMPRE (Business Commitment for Recycling), the main purpose of which is the recovery of recyclable post consumption material and the promotion of the integration of professional recyclers through collective agreements for the integrated management of recyclable solid waste. The "Recycling is Valuable" program, besides promoting plastic

recycling, includes glass, cardboard and metal, by raising awareness about the importance and the value of recycling.

Currently, 21 collection points, where more than 15,000 users have recycled 219 tons of solid waste have been installed.

All for the Water (Colombia)

For over 15 years, this initiative has been seeking to establish itself as the most important environmental initiative in Colombia. Through awareness about taking care of water resources, each year Coca-Cola FEMSA, together with Coca-Cola Servicios de Colombia and a group of private companies, in collaboration with the Ministry of Environment and Sustainable Development and the Institute of Hydrology, Meteorology and Environmental Studies (IDEAM) invites volunteers to participate in a day of garbage collection in coasts, rivers and wetlands. Additionally, the initiative is accompanied by educational sessions, in which environmental and climate change issues are addressed, to generate awareness about water conservation.

During 2013, more than 31.8 tons of waste was collected, with the participation of more than 3,014 volunteers from the whole country.



Community in Balance (Costa Rica)

This initiative seeks to create relationships for our company and our associates' involvement as volunteers in the community through their participation in issues related to healthy lifestyle, water care, reforestation, waste management and sustainable packaging. This year, "Community in Balance" performed activities for the World Water

Day, World Recycling Day, The Recreational Races for Mexican Schools and the Community Christmas Celebration.

During 2013, we reached at least 300 children and 1,000 people in the community.

Mission Planet (Costa Rica)

The main objective of "Mission Planet" is to promote the proper management of solid waste through recycling. Like every year in Costa Rica, "Planet Mission" recovered during 2013 more than 2,180 tons of PET. The collected material is processed at the "Mission Planet" plant for further processing in specialized plants, inside and outside the country, in order to transform it into new products. In addition, we reached around 5,000 people with the information provided through this initiative in various forums, lectures and public events, in which "Mission Planet" was involved.



Reforestation Programs (Costa Rica and Guatemala)

Coca-Cola FEMSA in Costa Rica and Guatemala supported the reforestation days that were conducted in conjunction with local organizations in the area of Mata de Plátano, the National Power and Electricity Company, the Ministry of Health of Costa Rica, Friends of Nature organization and the United Nations Park Administration in Guatemala, which was attended by more than 90 volunteers who planted over 4,500 trees of different species, contributing to the preservation of natural resources and water bodies in the cities of San Jose and Guatemala.

A Drop of Water Project (Costa Rica)

The project is carried out in collaboration with Costa Rica's Water and Sewer Company (AyA) and it has the support of specialists from the Environmental Analysis Laboratory of the National University for its execution. It aims to improve the technical, operational and financial management capabilities to ensure the potability of water in the Water and Sewer Administration Associations (ASADAS), which provides service to rural areas of Costa Rica. The "A Drop of Water" project has benefited more than 1,200 people from places in need.

Water Watchers (Costa Rica)

This program has achieved savings up to 50% on water consumption in public schools in Costa Rica, as well as the improvement of infrastructure and students' training on the rational use of water. The program is promoted by the Water and Sewer Company in Costa Rica and it has Coca-Cola FEMSA's support; it benefits more than 17,000 students from 13 public schools in the country, by allowing savings of over 110,930,000 liters of water.



Coast Cleaning (Costa Rica, Nicaragua, Panama and Guatemala)

The project is coordinated by Asociación Terra Nostra in Costa Rica and it is developed as part of the global initiative promoted by The Ocean Conservancy in more than 100 countries. During the event of 2013, more than 350 volunteers from Coca-Cola FEMSA were involved and they managed to collect 12.9 tons of recoverable waste, which were donated to local collection centers or collected by "Mission Planet", in order to give them the right treatment.



Cleaning of Water Bodies (Mexico)

For more than 6 years, Coca-Cola FEMSA and FEMSA Foundation promoted in Mexico water bodies' cleaning sessions in rivers, streams, canyons, lakes and beaches, aimed at contributing to the formation of a culture of environmental care in communities in the State of Mexico, Veracruz, Chiapas, Morelos, Queretaro, Guanajuato, Michoacan and Oaxaca. The event is part of the global initiative organized by The Ocean Conservancy.

During 2013, we had the participation of 2,934 volunteers, associates, families and friends, who collected more than 30 tons of waste.



Reforestation (Mexico)

The program is conducted through the Coca-Cola System in collaboration with Pronatura México, A.C., the National Forestry Commission and the Secretariat of Environment and Natural Resources. During 2013, with 4,015 volunteers trained by our associates and their families, Coca-Cola FEMSA supported the planting of over 30,000 trees in more than 35 hectares.

From the start of the National Reforestation Program and Water Harvesting in 2008, Coca-Cola de Mexico and the network of bottlers of which Coca-Cola FEMSA forms part have planted 55 million trees.



Monarch Butterfly Protection Program (Mexico)

Since 2012, Coca-Cola FEMSA, in partnership with Coca-Cola Foundation and Pronatura Mexico, A.C. as part of the National Reforestation and Water Harvesting Program launched the "Monarca I and Monarca II Greenhouses" project, contributing to the reforestation of the Monarch Butterfly Sanctuary in Michoacan.

By installing the Monarca I and Monarca II Greenhouses, located in the state of Michoacan, water uptake for Cutzamala system, one of the most important in the country, is favored. Monarca I and Monarca II Greenhouses have the capacity to produce 175 thousand pines and sacred firs, which will serve for the conservation and reforestation of the Biosphere Reserve of the Monarch Butterfly.

Yes, I Recycle (Mexico)

During 2013, through the competition called "Yes, I Recycle" organized by Coca-Cola FEMSA in Mexico, more than 200,000 primary and secondary school students participated and managed to collect more than 250 tons of PET. Through this competition, the PET recycling culture is promoted in schools, in addition to providing guidance on the treatment of such waste for proper use and recycling.



Eco-Schools (Nicaragua)

With support from the Coca-Cola System in Nicaragua, the program comes as an initiative of Fondo Natura and it is supported by the Ministries of Education and Health. Its main objective is to make school children aware of the importance of conservation of natural resources and the environment for their protection and conservation, besides the installation of recycling stations, and the formation of a network of environmental promoters, as well as the implementation of experiences and the design of educational materials that help strengthen and visualize theoretical contents on environmental issues.

4,000 students and 174 teachers from 6 schools have benefited so far from Eco-Schools.

National Recycling Forum (Nicaragua)

The Forum is organized by the network of recyclers from Managua and it has the support of Coca-Cola FEMSA, the National University and the Ministry of Environment. Its purpose is to bring together different agencies and organizations related to the topic of water treatment, recycling and environmental best practices for analyzing the progress of the draft Law on Integrated Solid and Liquid Waste Management and Managua municipal solid waste policy and its action plan. During the most recent Forum, more than 500 participants from various industries and the government were involved.



La Gallina Project (Nicaragua)

Coca-Cola FEMSA Nicaragua and FEMSA Foundation along with Habitat for Humanity organization, collaborated to develop the project by which a community water system was installed in the rural community of La Gallina, in San Rafael del Sur, Managua. The system has benefited 500 families that had no access to clean water, and it is complemented by training of health promoters on the use and maintenance of the system and proper management of water sources.

Beaches World Day (Venezuela)

This program has been developed since 2007 as part of the "Coast Cleanup" volunteer program sponsored by the Coca-Cola System, and it seeks to create awareness about environmental pollution generated by solid waste on beaches. In Venezuela, it is coordinated by the Foundation for the Defense of Nature (FUDENA) and it forms part of the initiative of The Ocean Conservancy. During the event held in the month of September 2013, 1,053 volunteers from the Coca-Cola System participated by cleaning beaches coasts in the states of Vargas, Anzoategui, Carabobo and Zulia.



Coca-Cola Maracaibo Route (Venezuela)

As part of our commitment to the community, we developed the social program of guided visits to the Coca-Cola FEMSA plant in Maracaibo - State of Zulia (Venezuela), which is aimed at low-income school children. The intention is for children to learn three core values in a didactic manner: 1. Work as the only way to build a family and healthy societies; 2. The care and respect for the environment, by showing them with the example of our production processes how sustainability is built, and 3. The importance of compliance with regulations through compliance with the prevailing industrial safety regulations in the plant and other facilities. In 2013, 75 guided visits were carried out and 2,856 children benefited from them.

SUSTAINABLE SUPPLY

GRI EC6, HR2, HR5, HR7, FP1 and FP2

In Coca-Cola FEMSA we are in a permanent quest that allows us to maintain the highest standards of quality, integrity and excellence, in order to meet our commitment to our customers and consumers. In order to achieve this objective, it is essential to have a solid value chain, in order to share our values and our way of doing business, based on lawfulness, respect for human rights and environmental protection. That is why in 2013, 100% of our purchases from direct suppliers of strategic raw materials were made in all our operations under internal policies and within the current regulatory framework.

The main axis of the selection process of our suppliers is transparency and it is executed through clear procedures which are aligned to our Internal Supply and Sustainability Policies and the Supplier Guiding Principles (SGP) from The Coca-Cola Company.

As part of the selection process, visits are made according to a previously established program coordinated by The Coca-Cola Company in the various countries in which we operate, to ensure proper operation in compliance with human rights issues, environmental impact and localization, according to our commitment to positively impact our communities, so that we preferentially seek to integrate local suppliers.

To give a good accompaniment to our value chain and in compliance with the Supplier Guiding Principles, during 2013, a total of 279 suppliers were audited by independent verifying entities, such as Intertek, UL or Bureau Veritas. In this exercise, aspects related to compliance with key issues, such as ethics, freedom of association, human rights and the environment were verified.

These assessment exercises are intended to contribute to the development of our suppliers, through a process of continuous improvement, based on the implementation of best practices and risk prevention.



Our PLANET

In Coca-Cola FEMSA we seek to be leaders in taking care of our environment through the continuous improvement of our processes, the search for new technologies that favor the reduction of our impact and contribute to the formation of an environmental consciousness in all levels of our supply chain and in the communities where we operate.

GRI 4.12, EN26, EN30, SO10

As part of our commitments we agree with the objectives of our strategic partners: FEMSA and The Coca-Cola Company; we know that in order to make progress in environmental challenges we must be part of the solution, which is why we have focused our efforts on material issues for our business and, consistently, during 2013 we made an investment of U.S. \$ 4.8 million in sustainability projects, including efficiency initiatives to minimize impacts, as well as through various environmental awareness programs.

WATER

GRI EC4, EN8, EN9, EN10, EN11, EN12, EN13, EN14, EN15, EN21, EN25 and EN28

Our areas of action:



Optimization of water consumption.



Achievement of energy sustainability in our operations.



Optimization of the management of waste and our packaging, as well as recycling.

Here are our goals for water and the progress made during 2013.

Long-term goals:

Return to nature the same amount of water used to produce our beverages in our bottling facilities..

2015 Goal:

Improve by 20% the efficiency in the use of water compared with 2004.

Progress to 2013:

We achieved 21.2% efficiency in water use, thus reaching and exceeding the 2015 goal, based on 2004 without considering new territories acquired by Coca-Cola FEMSA in 2011, 2012 and 2013

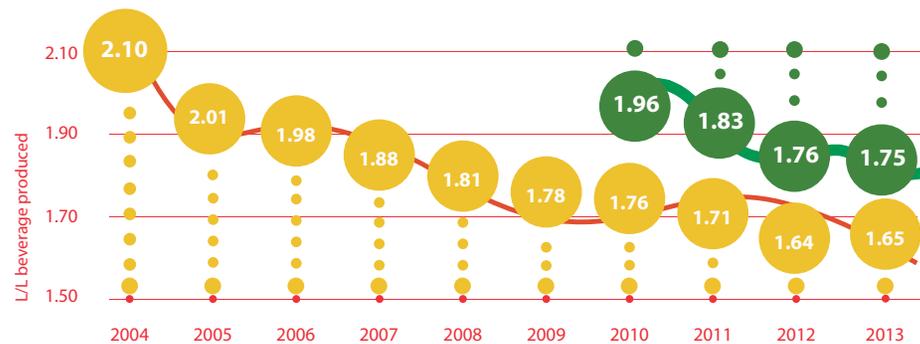


The result of average water consumption per liter of beverage in 2004 was 2.1 L / L of beverage produced and in 2013 we had a record of 1.65 L / L of beverage produced, which represents a significant improvement of 21.2%.

From this report, we incorporated new territories to our operation and our results were re-calculated, by considering 2010 as baseline and the new acquisitions of Coca-Cola FEMSA

Efficiency in use of water vs. beverage production in Coca-Cola FEMSA

Average water consumption per liter of beverage produced:



● Excluding acquisitions subsequent to 2011

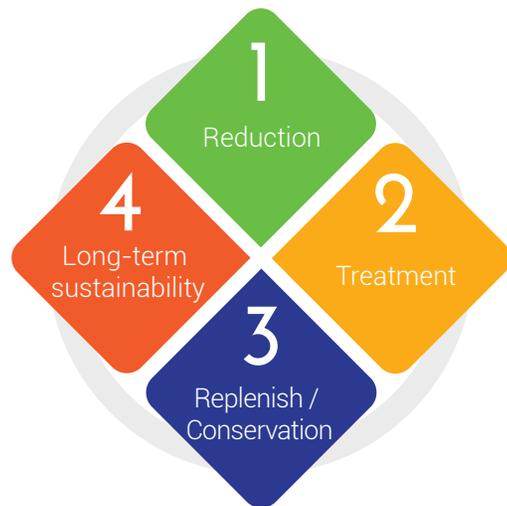
● Includes acquisitions at the end of 2013



In Coca-Cola FEMSA we are in a permanent quest for the addition of actions that allow us to improve our performance and thus work on making our processes more efficient, in order to move forward in our goals to minimize our environmental impact.

During 2013, and following the strategy for water care, we obtained the following results:

Strategy for water care:



Reduction

Through various efforts made in our plants, we have successfully achieved the goal set for 2015, by making our water use more efficient by 21.2%, based on 2004 and considering the structure of Coca-Cola FEMSA for the same period. We are currently working towards including the new operations in this process, in order to maintain our efficiency standards.

Taking into account the new territories, our average water use is 1.75 liters of water per liter

of beverage produced, a 10.6% improvement of our efficiency in water consumption from 2010, which is equal to 1.96.

Our Plant in San Cristobal (Mexico) stands out as the most efficient one in the use of water in Mexico and Latin America, since it uses on average 1.26 liters of water per liter of beverage produced.

Treatment

For consistency with our commitment to conservation and efficient water use during 2013 we managed that 100% of the residual water from our manufacturing facilities is treated through 56 wastewater treatment plants owned by us and 7 municipal wastewater treatment plants. We may use this resource for activities related to irrigation, cleaning and sanitation in infrastructure and toilet facilities, as well as in equipment cooling processes.

Replenish / Conservation

In Coca-Cola FEMSA we permanently intend that both associates and their families and communities join efforts to preserve our environment. That is why through community programs, we establish a means of active participation in initiatives that through cleaning of water bodies or reforestation volunteers are gathered to join this effort. On the other hand, we have wastewater treatment plants' donations and biodiversity plans that contribute in general to join efforts to preserve our environment.

Biodiversity Program:

Our operation seeks to encourage practices that produce no adverse effects on the number and variety of species found in an area or region, so we consequently seek to implement initiatives to promote positive impacts on biodiversity. This has been promoted by the Convention on Biological Diversity of the United Nations (UN), which has been ratified by over 160 countries.

In Michoacan, Mexico, through the Conservation of the Monarch Butterfly program, we promote the construction of greenhouses that have the capacity to produce up to 175,000 pines and sacred firs, thus helping in the conservation of the Monarch Butterfly Biosphere Reserve.

Reforestation

In our operation in Mexico we planted 30,000 trees on 35 acres with the participation of 4,015 volunteers considering associates and their families.

Water Bodies

In Mexico we had 19 days of cleaning activities in water bodies in rivers, streams, canyons, lakes and beaches and 16 cleaning events in streets, which involved 2,934 associates and their families, thus helping to conserve 69.2 Kms clean and collect 30 tons of waste.

Long-term sustainability

Through FEMSA Foundation we designed long-term projects, which aim to promote the conservation of such an important resource as water. Within the strategic area of Sustainable Development of Hydric Resources of FEMSA Foundation, we have the "Hydrologic Basin Studies"; this program seeks to support integral projects aimed at promoting and ensuring the protection, conservation and restoration of basins, by determining the best methods for taking care of these water sources.

Until 2013, FEMSA Foundation has carried out seven basin studies in Mexico:

1. Leon basin, in the state of Guanajuato.
2. Zahuapan River basin, in the state of Tlaxcala.
3. San Cristobal de las Casas basin, in the state of Chiapas.
4. Antigua River basin, in the state of Veracruz.
5. Blanco River basin, in the state of Veracruz.
6. San Juan River basin, in the State of Nuevo Leon.
7. Cuitzeo Lake basin, in the state of Michoacán.

The "Water Funds" initiative, which is an innovative way to reduce the risk of water scarcity and the high cost of treatment in the future, and also allows us to proactively invest in the protection of natural areas that provide water resources, is implemented through the "Latin American Water Funds Partnership", which started in June 2011, with the participation of The Nature Conservancy (TNC), FEMSA Foundation and the Global Environment Facility, through the Inter-American Development Bank. We have a support mechanism for Water Funds, which allows us to provide support to local actors, while determining the feasibility of installing water funds in the region's basins and help reduce environmental risks.

Cuenca Verde Water Fund (Colombia)

During 2013, in Colombia we began to support the “Cuenca Verde Water Fund,” which is the third water fund that is created in the country and which helps to protect the basins that supply Riogrande II and La Fe dams, which provide over 90% of water to the Aburra Valley, benefiting 10 municipalities that make up this valley, inhabited by more than 3.5 million people, more than 35 thousand inhabitants of the municipalities with jurisdiction in said basins, including Envigado and El Retiro (La Fe) and Belmira, Donmatias, Entrerrios, San Pedro de los Milagros and Santa Rosa de Osos (Riogrande II).

Mucujun River Water Fund (Venezuela)

In Venezuela during 2013 we started supporting the first Water Fund in the country, in the Mucujun river basin, which has capacity to supply 80% of the water of the city of Merida and it provides vital environmental services for the area, thus benefiting more than 330,000 inhabitants. Conservation activities in the basin include workshops for local communities and other relevant actors in order to ensure a participation in the Fund.

Panama Canal Basin Water Fund (Panama)

Also during 2013 we began supporting the Panama Canal Basin through the cooperation and participation of the parties, in order to provide technical and logistical structuring of the Water Fund, its conservation and restoration of environmental services in the basin. The basin has the ability to provide this vital resource to nearly 2 million people, in addition to the fact that its water is home to an immense biodiversity, not to mention the generation of hydroelectric power.

In order to support Water Funds a Technical Advisory Committee has been structured, with the mission to propose and analyze programs and projects to fulfill the objectives of the Water Funds.



Consistently with the long-term goal stated in 2011 related to the establishment of Water Funds in Latin America; in 2013 we have 15 Water Funds in various stages of operation in seven different countries in Latin America and we continue to work to achieve the Target of 32 Water Funds.

Through Water Fund initiatives, we will have the opportunity to benefit more than 5.5 million people in Panama, Colombia and Venezuela.

ENERGY

Long-term goal:

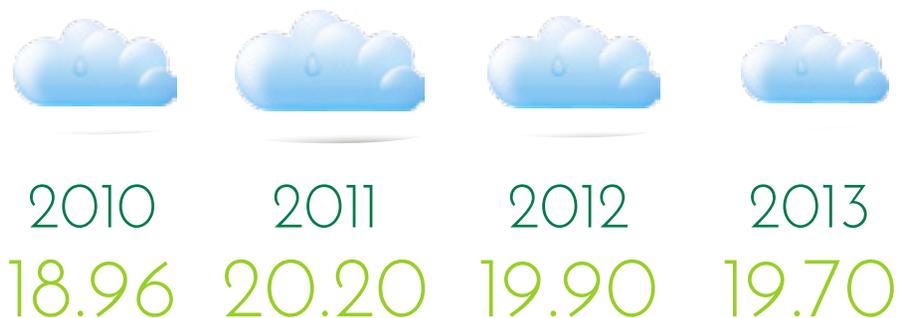
Grow our business without increasing our carbon footprint.

2015 Goals:

1. Reduce the number of grams of CO₂e per liter of beverage produced.
2. Increase by 2% per year our efficiency in the production of beverages per unit of energy consumed.

Progress to 2013:

1. Emissions of CO₂e per liter of beverage..



Maintain a positive trend in the reduction of grams of CO₂e

2010 Baseline was recalculated by considering new territories 2013. Emission factors update was carried out according to The Secretariat of Environment and Natural Resources (SEMARNAT) and we added fuel consumption of plants service elevators.

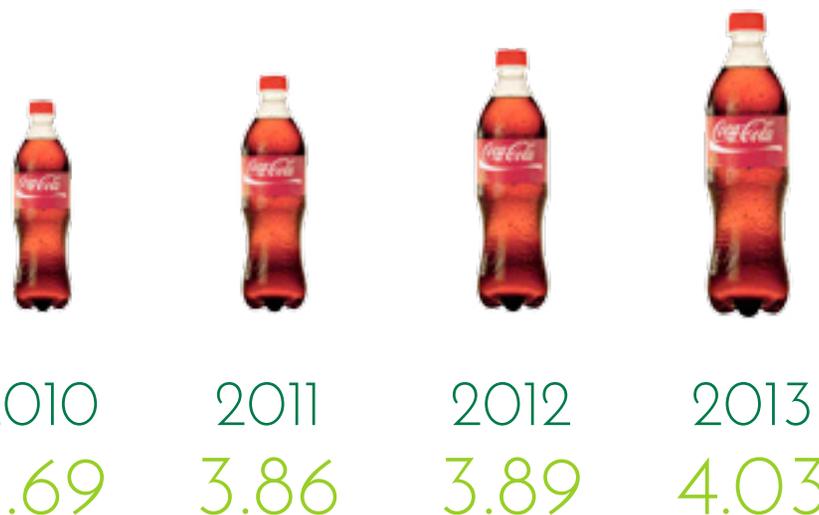
GRI EN3, EN 4, EN5, EN6, EN7, EN16, EN17, EN18, EN19, EN20, EN29, EC2 and EC8

Continued progress 2013

2. Liter of beverage produced by mega joule of energy consumed.

Since 2004 our goal is to reduce our energy use to 2%. Annually we have maintained our commitment with an 18% reduction from 2004 to 2013.

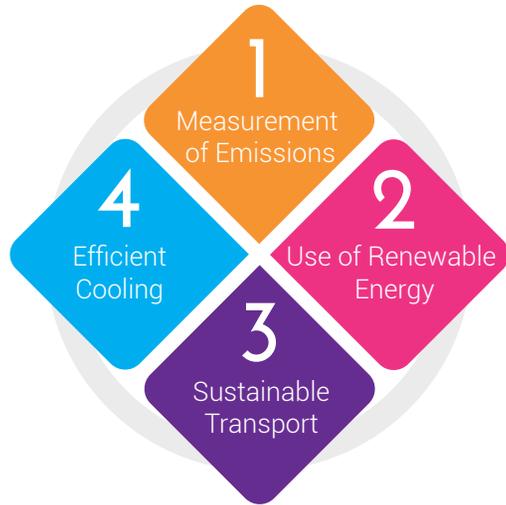
New territories, new baseline year 2010, considering acquisitions in 2011, 2012 and 2013:



We had a 9.4% increase in beverage production by mega joule used with respect to our 2010 results.

For Coca-Cola FEMSA, the reduction of our environmental impact is part of our commitment, and we are specifically focused on climate change. To take action in order to help achieve this goal it is necessary to establish effective initiatives, some of which are:

Initiatives to help mitigate climate change and adaptation to said change:



Measurement of Emissions

In order to improved, every process first requires to be measured; along this line, in Coca-Cola FEMSA we have made the measurement exercise and confidential reporting of emissions of Greenhouse Effect Gases of our operations through the Carbon Disclosure Project (CDP) international platform. Additionally, in our operations we make specific efforts, such as: in Mexico we make voluntary reports to the Secretariat of Environment and Natural Resources (SEMARNAT), through the "Voluntary Program for the Accounting and Reporting of Greenhouse Effect Gases' Emissions", and in the case of Colombia, we have a program to reduce emissions of greenhouse effect gases, and initiatives to increase energy efficiency.

Through these exercises, we may identify opportunities for our operations, improve our abil-

ity to increase efficiency, reduce unnecessary costs and contribute to the mitigation and adaptation of climate change.

Renewable Energy

Another way to help mitigate our impact is through the inclusion of renewable energy within our processes; for example, in 2013 our plant in Toluca, 93% of the energy used is equivalent to renewable wind energy, provided by the "Bii Nee Stipa Wind Farm" located in Oaxaca, we obtain the supply of that resource.

In Mexico, during 2013 our indirect energy consumption through primary sources was 859,706 GJ, of which more than 15.3% comes from renewable sources and we are working to integrate a greater amount of energy from renewable sources.

Sustainable Transportation

In Coca-Cola FEMSA we continue working to include environment friendly transport options as one way to contribute to the mitigation and adaptation to climate change.

In 2013 in Mexico we obtained the "Clean Transportation" award, a distinction granted by the Secretariat of Environment and Natural Resources (SEMARNAT).

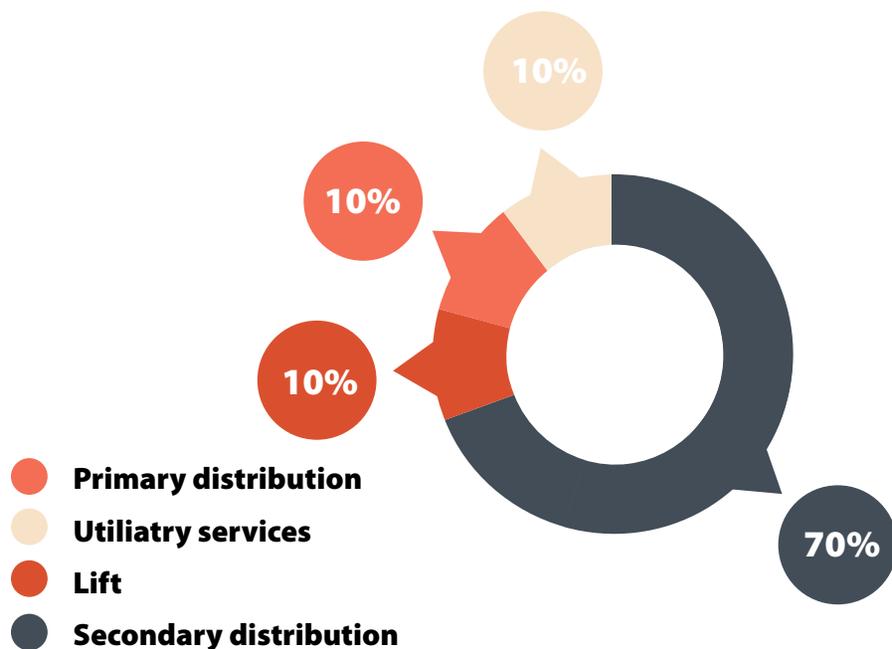
Additionally, in Coca-Cola FEMSA Brazil, about 10% of fuel consumption comes from renewable sources (biodiesel).

We also have different energy efficiency programs in our operations; for example, from 2009 we began the renovation of the cargo and distribution vehicles fleet, which has EPA04 technology, and which allows us to reduce our emissions of NOx by 38% compared to previous EPA98 models.

The graph below shows the impact of our products transportation in Mexico.

[1] Our emissions of NOx and SOx from mobile sources are not reported, since they are not significant when compared to CO2 emissions

Direct Mobile Energy Consumption in Mexico (2,021,138 GJ = 142,785 ton CO₂e)



In 2013 2,713.60 tons of CO₂e from our associates' flights in Mexico were emitted.

Efficient Cooling

During 2013 in Coca-Cola FEMSA we continued with the cooling equipment renovation plan, both in Mexico and Central America. This year 61,000 pieces of equipment were replaced by more efficient technologies and cooling gases with less environmental impact are being used; they are produced by Imbera, and they reduce the Total Ownership Cost by 76% over the past eight years.

Similarly, the new administrative offices of Coca-Cola FEMSA in Mexico City are certified by LEED (Leadership in Energy & Environmental Design) while bottling plants Itabirito, Brazil and Tocancipá, Colombia, are also being built with the highest standards of sustainable construction.

WASTE AND RECYCLING

GRI EN1, EN2, EN22, EN23, EN24, EN26 and EN27

Recycling and Sustainable Packaging

Long-term goal:

Invest in technologies that allow us to reduce our environmental impact, through a proper management of our waste and the development of eco-friendly packaging.

2015 Goal:

1. 25% of PET packaging material must be recycled or renewable by 2015.
2. Increase by 2% per year the amount of recycled waste of the total waste generated.
3. Reduce by 2% the amount of waste generated per year.

Progress:

1. Amount of recycled and renewable material used in our PET containers without considering post-2011 acquisitions.



2. 5.7% increase from 2010 to 2013 of the amount of recycled waste in relation with the total waste generated, considering new acquisitions in 2011, 2012 and 2013.



3. From 2010 to 2013 an increase of 18 grams of waste per liter of beverage produced was obtained, as we included new territories acquired in 2011, 2012 and 2013.



Materials Used by weight or volume				
Results (Tons/Year)				
Year	Recycled resin IMER/ CABELMA	Plant Bottle (Argentina, Brazil and Mexico)	Total KOF	% KOF
2010	9,593	-----	9,593	4.30%
2011	9,549	11,000	20,549	8.80%
2012	14,024	26,190	40,214	15.30%
2013	14,691	18,209	32,901	12.40%

Recycling Initiatives and Sustainable Packaging:



Packaging Optimization

Since 2007, we have implemented several measures to make PET bottles lighter without affecting their shelf life and in order to facilitate handling and recycling. By using different technologies, we saved 43,000 tons of plastic in 2013, thanks to our efforts for making lighter bottles and plastic packaging optimization. Plastic savings translate into 236,500 tons of CO2e not generated in the preparation of supplies for these processes. We particularly achieved a lightening of about 20% in the 600 ml Coca-Cola bottle, which makes it one of the lightest and innovative packagings in the market.

New Technologies

Since 2010 we included the PlantBottle technology in our packaging; it is the first container with a composition of 30% vegetable renewable material, thus reducing 20% of our carbon footprint. In 2013 we used a total of 18,000 tons of PET PlantBottle.

Recycling Program

The Recycling Plant of the Mexican Recycling Industry (IMER), has recycled 103,800 tons of PET from 2005 to 2013, and they have entered a total of 19,100 tons of PET in 2013. In order to contribute to the proper waste management, Coca-Cola FEMSA in 2013 managed to recycle 150,000 tons of aluminum, plastic, paper, glass and wood.

Waste Management

In 2013, Coca-Cola FEMSA's Toluca plant became a Zero Waste Plant, thanks to the efficient management of difficult waste disposal. In 2013, we added 1,200 tons to over 3,000 tons of waste already reused and recycled in 2012. For this process we were evaluated by Coca-Cola de México, representative of The Coca-Cola Company, which grants franchises to bottling companies in accordance with their waste management mechanisms. Also during 2013 in Mexico, our plants in Cuautitlán, Ojuelos, Apizaco, Villahermosa, Reyes, León and Morelia began to present favorable results of Zero Waste.

Environmental Benefits of a Zero Waste Plant:

- Decreased use of natural resources
- Zero waste sent to landfill
- Reduced emissions of greenhouse effect gases
- We help sustain the environment for future generations

During 2013 no spills of hazardous substances were recorded in our operations. No hazardous waste is treated, transported, exported, or imported in our operations; our waste is sent to specialized third parties to ensure proper handling and disposal thereof.



FEMSA *Foundation*



Working on building a better future for everybody

FEMSA Foundation's efforts are primarily focused on solutions that contribute to the conservation and sustainable use of water, and to support initiatives that improve quality of life in communities.

Effort concentration

Through strategic alliances with national and international organizations, FEMSA Foundation plays a role in generating synergies to allow actions and multiplication of the positive impacts to produce long lasting changes, by supporting the creation of institutions and permanent and sustainable projects that benefit the communities where we work.



Major Programs:

1. Water and Sanitation Program

a) Water Links (Mexico, Guatemala, Nicaragua, Colombia and Honduras)

It is a comprehensive initiative for water intervention, sanitation and hygiene, in 5 countries in Latin America. At the end of 2013, over 13,000 people have benefited through 52 water committees established or reinforced, and 143 toilets have been installed.

b) Eco-techniques in the State of Mexico (Valle de Bravo in the State of Mexico, Mexico)

Through "Eco-techniques", in conjunction with FEMSA Foundation, we support the construction of green technologies to provide basic services, improve quality of life and reduce water pollution and greenhouse effect emissions. Through this program, we have achieved 73 rainwater harvests, 79 dry toilet systems, 74 firewood saving stoves, 81 backyard orchard and 17 pools, in Valle de Bravo, State of Mexico.

c) Disaster Response (Guerrero, Mexico)

"Come for Water" is a purifying disaster response vehicle, which provides free drinking water and ice to affected communities in a self-sufficient manner. In 2013, 132,989 liters of drinking water and ice were delivered in 15 days of continuous operation.

2. Conservation and Basin Program

a) Alianza Latinoamericana de Fondos de Agua (América Latina)

a) Latin American Water Funds Alliance (Latin America)

It is an initiative that promotes the protection of water sources through conservation actions financed by the revenue generated by the Water Funds. Its main objective is to contribute to basins' care and to help protect water sources in the region. Through this initiative, we have created 17 Water Funds, which are at various stages of implementation, more than 1.4 million hectares of basins have been impacted, more than US\$ 65.9 million have been raised and to date there are over 100 organizations involved in Water Funds.

b) Alliance for Water Stewardship, regional initiative in Latin America and the Caribbean

Alliance established to develop a comprehensive program of water management that recognizes and encourages water users to promote social, environmental and economically sustainable management.

3. Sustainable Development of Water Resources

a) Water Center for Latin America and the Caribbean (Latin America and the Caribbean)

Platform that contributes to sustainable water management in Latin America and the Caribbean, through research, technological development, consulting and training.

Thanks to the Water Center for Latin America and the Caribbean, 794 professionals have been trained, 13 specialized publications have been issued, 4 national and international awards have been obtained and by the end of 2013 there are 16 research projects running.

4. Quality of Life

a) Nutrigenomics Course (Latin America and the Caribbean)

The Nutrigenomics Course of the FEMSA Biotechnology Center of Instituto Tecnológico y de Estudios Superiores de Monterrey, which seeks to generate new knowledge in the area of nutrition, related to genomics, and advance in the development and design of food, as well as in innovative food technologies.

Through the Nutrigenomics Course, 57 indexed articles have been published and accepted, 5 patents have been requested and 1 has been granted, 25 awards have been obtained and



by the end of 2013 there are 10 ongoing projects.



Conservation of Our Water Sources

One of the most important projects of FEMSA Foundation is the Latin American Water Funds Alliance, launched in 2011 together with The Nature Conservancy, the Inter-American Development Bank and the Global Environment Fund. It aims to create, implement and capitalize 32 Water Funds in Latin America in 5 years. By the end of 2013, there are more than 100 organizations involved in the Water Funds Initiative, in 6 countries in the region.





PRODUCT *Portfolio Annex*

Product Portfolio Annex

In Coca-Cola FEMSA we have a broad product portfolio, which includes 116 beverage brands and 10 product categories through which we offer our consumers beverages like: soft drinks, water or sparkling water, ready to drink tea, coffee, juices and nectars, fruit drinks, sports drinks, energy drinks and fortified beverages that meet the different needs of hydration and consumption in the market.

Coca-Cola

It is the most famous brand in the world, with over 126 years of existence. Its name is one of the most recognized and important words in world history.



Flavored Sodas

We offer a variety of carbonated drinks of various flavors and presentations, among which are some of our brands on the market, such as: Fanta, Sprite, Kola Roman, Royal and Sidral Mundet. We also have zero calorie versions of increasing relevance, such as Fanta Zero, Fresca Zero and Sidral Mundet Light, plus regional brands of great tradition, such as: Victoria, Escuis, Ameyal and Yoli.



Coca-Cola Life

In 2013, as part of our overall commitment to provide a variety of products to meet the needs of people, in Argentina the first low calorie cola drink, naturally sweetened with sugar and stevia joins our portfolio.

With only 36 calories per 200 milliliters, Coca-Cola Life is adjusted to a balanced lifestyle that provides hydration and full enjoyment and flavor. To learn more about this major release that joins the iconic Coca-Cola portfolio, you may visit <http://www.coca-colalife.com.ar/>





Natural and Flavored Water

We offer the highest quality hydration products free of sodium through brands like Ciel, Breeze, Bonaqua and Dasani. With flavor options, we have Ciel +, without calories, in 4 different flavors: Grapefruit, Jamaica, Lemon, Tangerine and Aquarius, in 6 different flavors. Finally, refreshing and deliciously bubbling, we have drinks that thanks to their carbonation promote proper digestion, as Ciel Mineralizada, Schweppes, Viva Mineral and Bonaqua sparkling water.



Juices and Juice Based Drinks

Our juices, made 100% with carefully selected fruit, meet international quality standards. We have brands such as Minute Maid and Jugos del Valle. They are available in a variety of flavors including Orange, Grapefruit, Apple, Mango, Pineapple and Grape.

We also have juice-based beverages, as Frutsi in Mexico, Cepita in Argentina and Del Valle Fruit in various countries. These delicious drinks which contribute to hydration contain juice, they are fortified with vitamins and they may be found in the following flavors: Grape, Apple, Mango, Fruit Punch and Orange. Furthermore, Eight O'Clock is available in 5 different flavors:

Zero calorie drinks

Within all our categories, we have options of products in different sizes and Zero or Light versions. So that our customers may choose the drink that best suits their calorie needs and lifestyle.



Tea

FUZE Tea is tea ready to drink, which combines the benefits of tea with fruit juice without preservatives or artificial colors. Available as black, green or white tea and light options, it is the first global brand of tea from The Coca-Cola Company, produced simultaneously in 20 countries. In the Philippines we have Frutcy ready to drink in 4 flavors: Apple, Lemon, Calamansi and Lemon Iced Tea.



Ponkana, Orange, Mango, Mango- Orange and Pineapple. We also have the iced tea presentation: Lemon and Green Apple.

Isotonic Sports Drinks

They are ideal to be taken before, during and after physical activity. Its proper balance of electrolytes enables the body to get hydrated more easily and replace salts lost during exercise. Our brand Powerade is available in different flavors such as Blackberries or Red Fruits, and it includes the innovative Training Water.



Energy Drinks



They are available in brands such as Burn or Gladiator. They are drinks fortified with taurine and B complex vitamins, which can be enjoyed at any time of the day. They help regain energy when fatigue appears or simply when more energy is required to continue with the activities.

Vitamin-enriched beverages

Glacéau Vitaminwater is purified water with great taste, made from natural ingredients and enriched with vitamins. It is a different drink with functional benefits to face daily activities full of energy. It comes in six different varieties: Restore, Energy, Power-C, Vital, Revitalize and XXX, which is also available as a no-calorie (Zero) version.



Dairy

Through Santa Clara in Mexico and Estrella Azul in Panama, we entered the dairy drinks market and its derivatives, such as cream, cheese, yogurt and ice cream. Our products are made with natural ingredients and we offer incomparable quality, high nutritional value and pronounced flavor to delight the palate of our consumers.



Coffe

Café Blak is a liquid coffee extract based on roasted and ground coffee, harvested and produced in Mexico. It is available for our consumers' delight in eight flavors: American Coffee, Cappuccino, Vanilla Cappuccino, Mokaccino, Latte, Vanilla Latte, Moka Latte and Chocolate, in 10 oz and 14 oz presentations.





Supplementary Appendix **GRI** Indicators

As a complement to the previous section, which presents the most important achievements of our Sustainability Strategy in Coca-Cola FEMSA, and in order to provide the reader with detailed information of the following sections of the Global Reporting Initiative (GRI G3) Guide, we present the second part of the report below: Section 3, "Report Parameters", Section 4, "Governance, commitments and engagement of interest groups" and performance sections on "Human Rights", part of the indicators of "Social Performance" as a complement to the chapter called "Our Community" and some complementary indicators of Our People and Our Planet Axis.

Corporate Governance and Board of Directors

GRI 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.9 and 4.10

We believe that honesty and integrity are values that dignify people, which mean respect for ethical and moral principles, as well as consistency in thinking, saying and doing.

In Coca-Cola FEMSA, corporate governance practices are based on our bylaws, the Securities Market Law and the regulations issued by the National Banking and Securities Commission, in addition to following the rules of the Code of Best Corporate Practices, principles, standards, policies and procedures; this compliance criterion is applicable to all the acquired operations and to all future acquisitions. Additionally, we comply with certain practices established by Mexican regulatory authorities, as well as those required for companies established in the United States of America, according to the standards of the New York Stock Exchange (NYSE).

At the end of 2013, our Administrative Council has 19 proprietary councilors and 18 substitute councilors, who are appointed each year by the Annual General Shareholders' Meeting, which apart from monitoring directors' performance it seeks to make the selection process of the former by guaranteeing the election of men and women who stand out for their professional experience and represent great value to the company, such as experts in finance, legal issues and directors of prestigious companies, by taking into account the capacity, experience and ability to make a contribution to the company.

As part of the training process, the councilors received an information package from the company. The following are among the functions to be performed: ensure formality and transparency of the nomination and election of Administrative Council.

Directors may only be elected by a majority of the shareholders of the corresponding series, voting as a class, represented at the Shareholders' Meeting. In the case of ADS' shareholders, there is an electronic voting mechanism, through the Bank of New York Mellon; for shareholders who live in other states and also have Series "L" shares, they have the right and not the obligation to inform the broker that holds their shares (over a period of 5-8 working days before the meeting) to request Indeval for the authorization to the broker on behalf of the shareholder, for them to vote, according to the instructions sent.

In accordance with the bylaws, directors are appointed for renewable terms of one year and the Board of Directors shall meet at least 4 times a year. Similarly, according to the bylaws and pursuant to article 24 of the Securities Market Law, at least 25% of the directors are independent. Also, according to Article 20 of the corporate bylaws "Shareholders with voting rights, even limited or restricted who individually or jointly hold 10% of the capital stock may request the Chairman of the Board of Directors, the Audit Committee or the Corporate Practices Committee, to call a General Shareholders' Meeting. "

The compensation of the Administrative Council is defined by the Shareholders' Meeting, by seeking equity according to market standards. Similarly, in the case of top managers, we have policies defined by the Administrative Council, always considering the opinion of the Corporate Practices Committee, formed by independent councilors. On the other hand, compensation of our CEO is approved by the Administrative Council and front-line manager's compensation is determined by the Corporate Practices Committee, for further approval of the Board of Directors.



The bonus program for executives is calculated on the basis of quantitative and qualitative fulfillment of annual goals as well as the completion of special projects. From the Economic Value Added (EVA), executives' goals are defined, with a combination of 70% and 30% EVA generation for Coca-Cola FEMSA and FEMSA, respectively. Approximately, 50% of the bonuses are based on quantitative goals according to the EVA. The remaining 50% of those bonuses is based on the objectives of the position and the area of the executive, which are set annually.

In order to maintain permanent contact with our investors and shareholders, the Investor Relations area of Coca-Cola FEMSA serves as a bridge between The Administrative Council and the shareholders and investors, to manage their comments and concerns and in charge of presenting relevant information, both electronically and in person.

In order to perform its functions correctly, the Administrative Council relies on three committees:

1) Finance and Planning Committee. - The Finance and Planning Committee works with management to determine the strategic and financial annual and long-term plan, and they monitor adherence to these plans. The committee is responsible for determining the optimal capital structure of the company and they recommend appropriate levels of indebtedness and the issuance of shares and / or debt emission. Additionally, the Finance and Planning Committee is responsible for financial risk management.

Chairman: Irial Finan.

Secretary: Héctor Treviño Gutiérrez, Finance and Administration Director

Members: Federico Reyes García, Ricardo Guajardo Touché and Enrique Senior Hernández.

2) Audit Committee. - It is responsible for reviewing the reliability and integrity of the quarterly and annual financial information in accordance with the accounting, internal control and audit requirements. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent auditors who report directly to them. The internal audit function also reports directly to the Audit Committee. The Audit Committee has implemented procedures for receiving, retaining and answering complaints

regarding accounting, internal control and audit, including the submission of confidential and anonymous complaints from associates related to accounting and auditing matters. To perform these functions, the Audit Committee may hire independent counseling and other advisors. When necessary, we will compensate the independent auditors and any outside advisor hired by the Audit Committee and we will provide the funds to cover the administrative costs incurred by the committee in the performance of their functions. Each member of the Audit Committee is an independent director in accordance with the provisions of the Securities Market Law of Mexico and the standards applicable to be listed on the United States Stock Market (New York Stock Exchange). The Secretary of the Audit Committee, who is not a member of the Board of Directors, is the Operations Control and Audit Director of FEMSA.

Through the Annual Report, the Audit Committee expresses compliance with the Code of Best Corporate Practices and the provisions of the Sarbanes Oxley Act.

Chairman: José Manuel Canal Hernando.

Secretary: José González Ornelas, Operations Control and Audit Director of FEMSA.

Members: Alfonso González Migoya, Charles H. McTier, Francisco Zambrano Rodríguez and Ernesto Cruz de León.

3) Corporate Practices Committee. - The Corporate Practices Committee, composed solely by independent councilors, is responsible for preventing or reducing the risk of performing operations that might damage the value of our company or that benefit a particular group of shareholders. The committee may call a shareholders' meeting and include topics they deem appropriate on said meeting's agenda, as well as approve policies on related parties' transactions, approve the compensation plan of the CEO and other executive officers and support our Administrative Council on the elaboration of certain reports.

Chairman: Daniel Servitje Montull.

Secretaries: Gary Fayard and Javier Astaburuaga Senjines.

Members: Helmut Paul and Karl Frei Buechi.

Business Ethics' Code

GRI 4.8, S02, S03, S04, S05, S06, S07, S08 and PR8

Coca-Cola FEMSA Ethics' Code is a fundamental part of our organizational culture and it allows us to incorporate and implement, through statements of principles and values, the moral and ethical principles within the daily life of our organization. Due to its relevance, this document is provided in print to all new members of the company, during the induction course and subsequently, it is available for 100% of our associates as reference material on the Internet, through Coca-Cola FEMSA's Website, and the Intranet, in the Corporate Governance section, where there is also a compilation of the 89 policies that guide our actions. Our Business Ethics' Code is available in three languages: Spanish, English and Portuguese.

Its main objective is to establish the basic criteria to rule the ethical behavior of all persons working in Coca-Cola FEMSA. Through said code, we present to directors, officers and associates of the organization both their ethical obligations towards Coca-Cola FEMSA, and their obligations to investors, customers, creditors, suppliers, competitors, authorities, the environment and the community.

In this sense, our mission, vision and values in Coca-Cola FEMSA are an essential part of the organization and regulations through which decisions are made and actions are executed are based upon them.

Coca-Cola FEMSA's values:

1. Passion for service and customer/consumer focus.
2. Innovation and Creativity.
3. Quality and Productivity.
4. Respect, Integral Development, and Staff Excellence.
5. Honesty, Integrity, and Austerity.

Coca-Cola FEMSA's Business Ethics' Code establishes ethical standards aligned to our mis-

sion and vision, which are based both on respect for human rights and compliance with laws and regulations of the countries in which we operate, always seeking to be an example of a culture of lawfulness.

Additionally, our Ethics' Code establishes specific ethical standards focused on the relationship with customers, competitors, suppliers, advertising and marketing authorities, anti-corruption policies, environment, community, occupational health and safety, conflict of interests, and management of information.

So, through the Ethics' Code, we promote fair and honest relationships with customers, as well as free and respectful competition, with an adherence at all times to current laws and regulations. We also promote equitable participation of suppliers, mainly based on criteria of quality, profitability and service.

On the other hand, the Ethics' Code promotes a spirit of cooperation and dialogue with the authorities, by adhering to the rules and laws in force in the countries where we operate, and fostering a strict anti-corruption policy at all levels. It is worth pointing out that in all our operations we enforce our Ethics' Code, which governs participation and contribution of the company to political parties. In case any non-compliance or corruption situation appears, there are sanctions that may range from a correction plan, administrative proceedings, dismissals and even complaints to the competent authorities.

During 2013, 125,266 hours of classroom training were given on issues related to Human Rights, 22,765 hours for ethics and corruption topics and 1,186 hours for Culture of Lawfulness. Additionally, as part of the annual processes, a Statement of Compliance with the Business Ethics' Code is made, and it involves all our associates, in order to identify any breaches, and to detect possible related risks.

As part of our social commitment, we acknowledge the protection and conservation of the environment, and we respect compliance with environmental laws and regulations in the countries where we operate and we establish a firm commitment to the community, based on our origins, principles and values.

We have the "Personal Data Protection Policy", which states the guidelines that ensure the

correct use of information, and therefore, we have a department in charge of monitoring and helping associates to comply with said policy. Along the same line, all the operations that collect personal data must establish criteria for the saving, availability of information and methods of elimination thereof, in addition to protecting the information as an asset of the company, with ethical responsibility and in accordance with the applicable laws of each country. During 2013, no complaints or fines related to leakage of personal data or violation of the privacy of our customers and partners were submitted, and likewise, no legal actions for anti-competitive behavior or monopolistic practices were filed.

Both the Audit Committee and the Human Resources Committee of the Board monitor compliance with the Ethics' Code and are responsible for the review and update thereof with the previous submission of proposals to the Board of Directors for approval.

For more information, visit: http://www.coca-colafemsa.com/femsa/web/conteudo_es.asp?idioma=2&conta=47&tipo=27666

Coca-Cola FEMSA's Reporting System ("DILO")

GRI. SO4, HR4, HR9, HR10 and HR11

In order to promote open communication that allows all associates to report any practice or behavior that does not comply with our corporate policies or the Ethics' Code, we have the Coca-Cola FEMSA Reporting System ("DILO"), which is a formal and permanent communication channel through which complaints may be made through a toll free line, email, chat or Internet.

Associates may check all the relevant information on the operation of DILO in the Intranet and also the importance of this tool is strengthened in all operations, from biannual disclosure campaigns, by ensuring that staff is kept informed about this communication channel.

In the case of our suppliers, as part of the process of constant communication with them, we have also enabled DILO as a formal channel of interaction, through which they may report breaches related to our policies, Ethics' Code or actions that may jeopardize compliance with the human rights guarantees, such as child labor or forced labor.

Due to its nature, since it is a formal complaints' system, it allows us to keep the commitment and maintain high standards of integrity, honesty, openness, objectivity and transparency in financial, operational information, safety and occupational health, human resources and property security. In addition, consistently with the Guiding Principles of the Global Compact of the United Nations (UN) that protects human rights, during this reporting period no incidents related to this issue, including discrimination against indigenous communities, freedom of association, child labor or forced labor took place.

The DILO system, apart from helping to detect bad practices and misconduct, gives us support to prevent and resolve breaches of the Ethics' Code; it also ensures that all complaints entered into the system are investigated objectively and resolved, without exception, by the areas of Human Resources and Internal Control, as applicable.

Also, DILO provides us with the tools to establish mechanisms for prevention and support, in order to facilitate the detection of incidents through investigation procedures, including interviews with the staff involved, verification of information, etc. If necessary, sanctions according to their severity and under the criteria of the Ethics' Code are defined, such as: feedback, correction plan, administrative proceedings, dismissal and even report of the authorities concerned.

In 2013, 797 complaints were received, of which 65% have been resolved and the rest are under investigation. Most of the complaints are related to issues of abuse of authority. There were 10 complaints related to the issue of discrimination during 2013; 5 of these are closed and the rest are still in process.

Stakeholders and Communication Channels

GRI 4.14, 4.15, 4.16, 4.17, LA5 and PR5

In Coca-Cola FEMSA our stakeholders are a fundamental part of our goal of creating value for our business and for our communities, so we have developed an exercise to identify them, based on the impact we have across our operations and the interest shown in our activities.

Additionally, we have formal communication channels to proactively meet the expectations of our interest groups and communicate the actions taken to maintain a good relationship with them. The following matrix shows our closest Interest groups and the means provided to achieve the interaction with them based on their needs.

	Reporting System	01-800 Telephone Line	Correo / Página Web E-mail / Website	Labor Environment Survey	Community Studies	Dialogue Sessions	Participation in forums	Area in charge of attention	Major issues identified
Associates and their families	●	●	●	●	●		●	Human Resources.	Business philosophy, work culture, employment.relation-
Community	●	●	●		●	●	●	Corporate Affairs, Business, Human Resources.	Community development programs, product portfolio, job offers, safety in the workplace.
Customers and consumers	●	●	●		●		●	Business, Marketing.	Requests for several types of information, product portfolio, job offers, sponsorships, technical support and sales.
Suppliers	●	●	●		●		●	Supply.	Commercial relations.
Shareholders and investors	●		●		●		●	Investor Relations.	Financial results, company strategy, investment plans, economic prospects.
Authorities and Business Associations	●		●		●		●	Corporate Affairs.	Collaboration in community development initiatives and environmental care.
Unions	●		●		●	●		Human Resources.	Negotiations for collective wage bargaining agreements, employment relationship.
Civil society organizations	●		●		●	●	●	Corporate Affairs.	oint projects.
Media	●		●		●	●	●	Corporate Affairs.	Business strategy, financial results, community development programs and environmental care, institutional positioning.
Educational Institutions	●		●		●		●	Human Resources, Corporate Affairs.	oint projects, academic advice, research, training.

● Permanent ● Annual ● Variable

According to comments received from our interest groups, through the various available channels, it has been determined that the most important issues are:

- Environment
- Beverage portfolio composition
- Initiatives to promote healthy lifestyles

Regarding our performance in these issues, we have addressed the request for information through sustainability reporting, where performance indicators are monitored, by showing our progress and actions taken to improve them. In addition, and on a voluntary and confidential basis, we have reported emissions of our operations through the Carbon Disclosure Project, and in Mexico we report our greenhouse effect gases emission to SEMARNAT, by submitting the Report on Emission of Greenhouse Effect Gases.

For Coca-Cola FEMSA it is essential to have a close relationship with our stakeholders, so we have established various channels that allow us to exchange and maintain constant communication, through constructive dialogue and transparency, in order to transmit information in both directions, which allows us to develop initiatives to continually improve the relationship, thus ensuring sustainable development of activities in our communities, through community studies to meet their needs, as well as the potential impacts of our operation.

For our associates, we have a functional area that handles communication to keep staff informed on important issues related to relevant organizational changes in the company; in the case of collective wage bargaining agreements, depending on the case and pursuant to labor regulations, employment termination notice is implemented.

With regard to relevant information about our product portfolio, we provide information to our customers and partners, aligned to The Coca-Cola Company criteria and according to the laws in force for each operation. For more details, please consult the section on Responsible Marketing in this document.

As part of the commitment to our community, we encourage healthy lifestyles that promote physical activity and the well-being of people; only in 2013 we had the opportunity to benefit more than 400,000 people through these programs that promote physical activity and nutrition education in our operations, as well as infrastructure investment through the drinking

facilities' program in Mexico.

In Coca-Cola FEMSA we are aware of the fact that having a customer service approach is critical to achieving permanency of our business; we offer an excellent service that is characterized by the speed of response, efficiency and productivity, and it is what differentiates us and what allows us to achieve our customers' preference, with a work culture based on continuous improvement.

We have a Contact Center for our customers and end consumers' attention, and they are redirected through the "Línea Hola" (Hello Line) of The Coca-Cola Company. During 2013, the Contact Center of Coca-Cola FEMSA in Mexico received the "Gilberto Rincón Gallardo," Inclusive Company Award, granted by the Ministry of Labor and Social Welfare of Mexico.

The Contact Center of Coca-Cola FEMSA in Mexico, has the Coca-Cola Quality System guidelines and the Mexican Telephone Services' Institute (IMT) external system, in order to ensure excellence in the service provided to our users.



Axis 1: Our People

GGRI EC7, EC9, LA1, LA2, LA4, LA13, HR1, HR3 and HR8

We present the KOF Associates' headcount, which, at the end of 2013 consisted of 76,673 people, 90% of which have an individual contract or a direct collective one and the other 10% offer their services in an indirect way or through a third party. 55% of the associates are part of the union and have a collective wage bargaining agreement, according to the current laws and conditions of each of the countries where we operate, by ensuring compliance with work requirements, including health, hygiene and safety. Additionally, according to data from the Asociación Nacional de Productores de Refrescos y Aguas Carbonatadas, A.C. [National Association of Manufacturers of Soda and Carbonated Water] of Mexico (ANPRAC) for every direct job created in this industry 5.2 indirect jobs are generated, so that in Coca-Cola FEMSA we may estimate that we contribute to the generation of more than 440,000 indirect jobs.

Headcount *	Non-Unionized associates	Unionized associates	Total Direct Associates	Third parties	Total
Corporate Office	477	-----	477	25	497
Op. Mexico	15,401	20,795	36,196	3,826	40,022
Grupo YOLI	1,915	1,998	3,913	210	4,123
Central America's Office	172	-----	172	2	174
Op. Costa Rica	1,396	-----	1,396	351	1,747
Op. Guatemala	395	1,019	1,314	191	1,505
Op. Nicaragua	267	434	701	262	963
Op. Panama	399	823	1,222	287	1,509
División México & CA	17,930	23,071	41,001	4,919	45,920
Op. Argentina	654	1,980	2,634	258	2,892
Op. Brazil*	158	9,875	10,033	689	10,722
Op. Colombia	2,612	617	3,229	1,539	4,768
Op. Venezuela	2,268	5,286	7,554	197	7,751
South American Division	5,692	17,758	23,450	2,683	26,133
TOTAL	26,014	42,827	68,841	7,837	76,673

* Excluding Philippines Spaipa S.A. and Fluminense.

Coca-Cola FEMSA Staff: By type of contract, union membership, age and sex.

General Staff January - December 2013																		
	Permanent contract						Temporary contract						All Personal					Employees by Level
	Men			Women			Men			Women			Sex		Age			
	18 - 34	35 - 44	45 +	18 - 34	35 - 44	45 +	18 - 34	35 - 44	45 +	18 - 34	35 - 44	45 +	H	M	45 +	18 - 34	35 - 44	
Non-Unionized associates	11527	7094	2827	3748	1328	400	361	33	4	216	9	0	21846	5701	15852	8464	3231	27547
Unionized associates	23589	10210	5356	478	186	96	1203	136	27	10	3	0	40521	773	25280	10535	5479	41294
	66839						2002						68841					

Staff Turnover

During 2013, we had an average staff turnover in Mexico and Central America of 2.57%, maintaining the turnover indicator in this region compared to 2012, which was 2.56%, while in South America we recorded a turnover of 1.67%, which represents an improvement of 0.89% against 2012, when we had an average turnover level of 2.09%.

Gender Equality

In our operations we have more than 10% of women associates, with a share of over 21% in administrative areas and a representation of 18% in executive or managerial groups.

Additionally, over 70% of our managerial positions are filled by people born where we held operations, in order to promote the development of the community.

We integrated 295 people with physical disabilities in the operations in Argentina, Brazil, Colombia and Venezuela, and the collaboration of 616 older adults in all our operations.

As part of our commitment to Human Rights, staff is trained on issues related to the culture of lawfulness, ethics, values and human rights; only in 2013, we provided 125,266 hours of training in our operations. In the case of security personnel, their staff was trained in human rights' issues, coupled with training in company policies addressing this topic, and seeking to ensure good treatment and behavior of the staff. In Mexico, 100% of our security staff,

both internal and external, was trained through an induction course in human rights' issues.

Additionally, as part of the Coca-Cola system, we implement the "Workplace Rights Policy" of The Coca-Cola Company, with which we have achieved to certify 91% of our plants and we move forward to achieve the 100% goal in 2014.

Work Environment

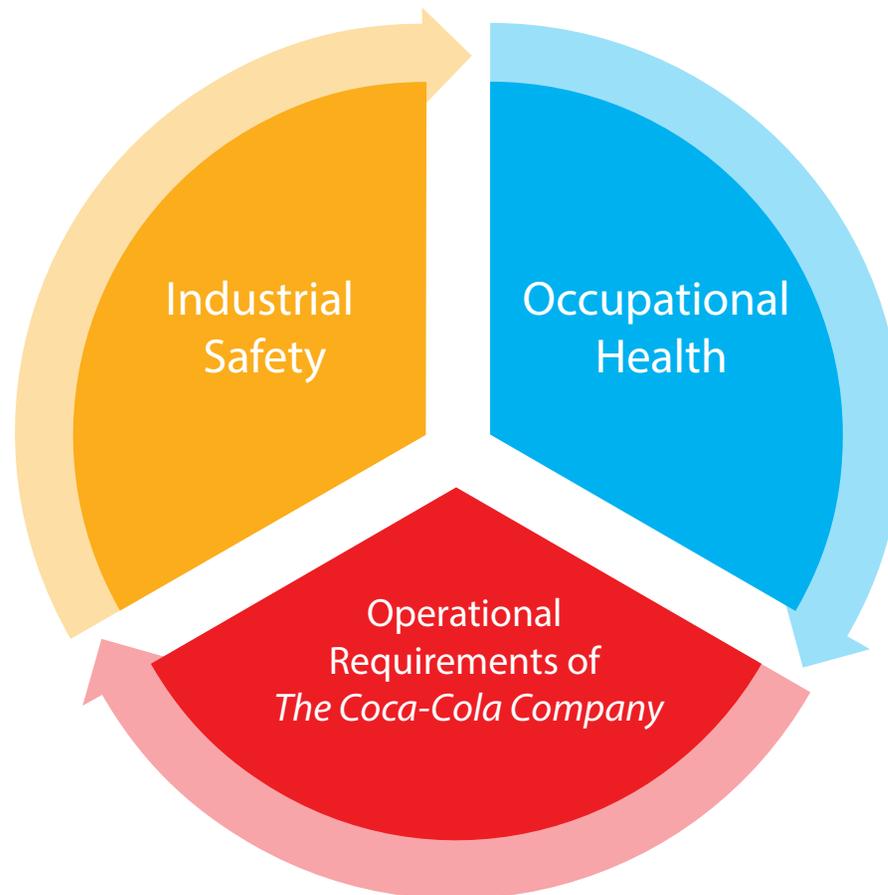
In Coca-Cola FEMSA we intend that our associates may develop themselves in an environment based on integrity, hard work, and above all, respect and dignity; hence, in order to know the status of our work environment, we carry out a biannual survey in our workplaces. In 2013, we assessed 83% of the work centers, obtaining a level of satisfaction of our associates of 80.47%, consistent with our methodology.

Occupational Safety and Health (SASSO)

GRI. LA6, LA 7, LA8, LA9 and FP3

For Coca-Cola FEMSA, it is very important to ensure the safety of all our associates and to improve quality and productivity at all times to promote a culture of self-care and industrial safety practices to prevent diseases, injuries and to minimize labor hazards. Thus, since 2008, we have been working under the "Occupational Safety and Health Administration System" (SASSO), which allows us to promote comprehensive management with annual goals and it involves all levels of the organization through committees and subcommittees, which represent 100% of our associates, including management and administrative staff, as well as unionized associates.

All our actions focused on safety and health of our associates are channeled through the SASSO, which is made up of 3 strategies with a preventive approach and which include disease prevention campaigns, promotion of quality of life, vaccination in adults, ergonomics' studies, risk prevention and industrial contingencies, among others. SASSO strategies with a preventive approach:



During 2013, in Mexico and Central America several initiatives in Occupational Safety and Health were developed.

During 2013, we made an investment of U.S. \$ 33.4 million in programs for Occupational Safety and Health:

- Healthy workplaces.
- Safe processes and procedures that do not generate accidents.
- A culture of prevention and self-care of our associates with a positive impact on health status, quality of life, family unit and the community in which we operate.

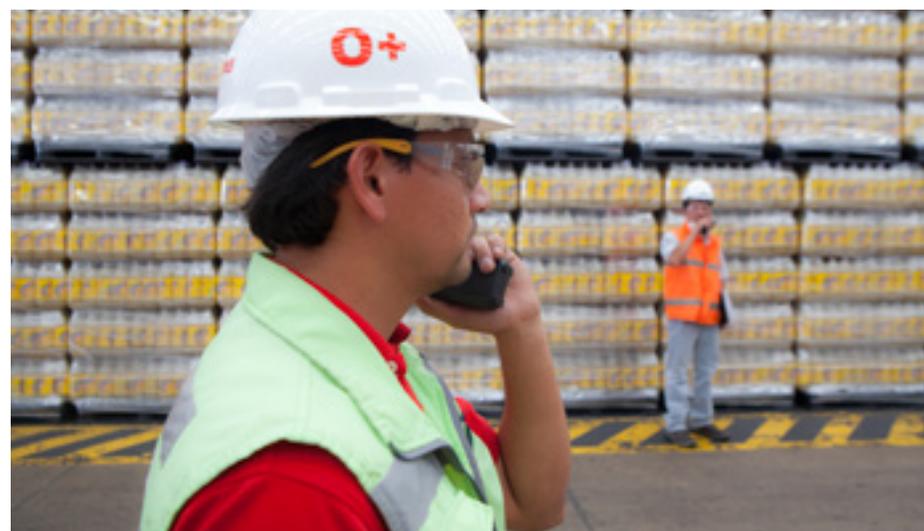
During 2013, in Mexico and Central America several initiatives in Occupational Safety and Health were developed, such as updating templates with SASSO advisors, workshops on accident prevention and detection of chronic diseases, safety campaigns to promote care in reverse maneuvers, and certification of operators of motor vehicles, among others.

Additionally, we seek the involvement of unions in the safety and work environment, by dedicating a space to discuss and address issues together, such as absenteeism, deployment of security strategies, accident prevention, personal protective equipment and uniforms.

In Coca-Cola FEMSA we continue to work on strengthening security programs and workplace for our associates. Here are the indicators of accidents and fatalities in 2013:

KOF	Accident rate per 100 associates (Accumulated)	Days Lost due to Accident (Accumulated)	Index of days lost due to general illness per 100 associates (Accumulated)	Fatalities due to internal staff labor accident
Argentina	6.20	4436	744.32	0
Brazil	1.30	2556	1407.83	0
Colombia	4.28	1832	605.75	0
Costa Rica	4.70	633	361.98	0
Guatemala	2.16	747	244.94	0
Mexico	7.95	60168	276.20	1
Nicaragua	5.04	360	530.61	0
Panama	1.71	176	577.75	0
Venezuela	2.96	3032	766.24	0
TOTAL	5.73	73,880	558	1

With regard to significant losses of working hours due to strikes, disputes or stoppages during 2013, only one case was recorded in Valencia Plant in Venezuela, that due to the relevance of its length it is considered as part of the information to be included in this report. After 23 days of unlawful stoppage in the plant and distribution facilities, the blockade was



lifted, as a result of the execution of the injunction which established the reactivation of productive activities. The measure benefited the 8,000 associates of the company and the lifting of the blockade resulted from the efforts of workers in defense of their right to work in accordance with the law, and the work of the authorities to protect the work of the legitimate majority, as well as the rejection of violence as a valid mechanism to present disputes.

Compensation and Benefits

GRI. EC3, EC5, LA3, LA11 and LA14

We offer competitive salaries in the ten countries where we operate; and this aligned with the analyses conducted every year by international consulting houses, by comparing our



total compensation packages with the trend of the industry in which we compete for talent required for our operations. We offer competitive benefits, incentives and compensation processes in our industry, based on performance, skills and responsibilities to define compensation regardless of gender, age or nationality. We comply with, and in many cases we exceed the requirements of labor laws of the countries where we operate, in relation with benefits and salaries for our associates.

We offer benefits that exceed what is required by law in all our operations, such as the Life Insurance Plan for all administrative staff, the Major Medical Insurance Plan, the Short-Term Incentive Plan and the Long Term Incentive (Bond / shares) for managerial levels, the latter based on the achievement of sustainable financial results over time, and evaluated by the technical criteria of "Economic Added Value"; this guarantees executives' alignment with shareholders. Similarly in Mexico, annual bonuses for all associates and payment of 100% of salary in case of a disability certified by the Social Security Institute are offered. On the other hand, vacation pay is higher than what is required by the law in all eligible countries.

The general and professional minimum wage by law in the communities where we work is respected without exception and we offer higher wages and higher benefits than the ones defined by law. We also ensure gender equality, by providing the same financial compensation to men and women who serve in similar positions with similar experience; likewise, the salaries offered to external candidates are defined according to the competitiveness required to attract and retain talent, with no distinction between male and female candidates.

In Coca-Cola FEMSA we offer benefits to our retired associates through the various retirement plans that we have implemented in several countries and in some of them we offer a complementary scheme to provide lifetime retirement payment, in addition to health care services. The economic benefits and retirement pensions are granted according to the conditions established by the labor regulations in force in each country.

In Coca-Cola FEMSA, our associates' development is critical for the achievement of the company's goals. For such purpose, we have a tool that helps us focus on what is important; this tool is called "The One Page System" (TOPS). Through the TOPS system, all directors, managers, middle and higher management are assessed by Critical Success Factors (CSF). The CSF is a measurable outcome of the most important responsibilities of each member of Coca-Cola FEMSA, defined by results-oriented goals, aligned with the strategy set by the General Management. The remaining staff is evaluated through specific methodologies on competencies.

There is a permanent follow-up of associates' performance and fulfillment of goals; this communication takes place through the vertical quarterly review, which favors contact of the team members with their leader. Finally, at the end of the year a consistency assessment is carried out in order to evaluate performance, thus ensuring that the recognition and feedback mechanisms have accurate elements aligned to results that promote the continuous development of our associates.

Among the benefits we obtain for using this tool are:

- Proper management of the business
- Strengthening of our organizational culture
- Follow up on individual goals
- Evaluation of the performance of each of our partners
- Work on what is important



Corporate Participation

Associations in which we participate in the Governance Body

Argentina:

- Association of Argentine Manufacturers of Coca-Cola (AFACC)
- Argentine Mexican Chamber of Commerce

Brazil:

- Associação Brasileira das Indústrias de Bebidas Frias (ABIR)

Colombia:

- National Merchants' Federation (FENALCO)
- National Business Association of Colombia (ANDI)
- Business Commitment for Recycling Colombia (CEMPRE)

Mexico:

- Business Coordinating Council (CCE)
- National Association of Soft Drinks and Water Producers (ANPRAC)
- Mexican Center for Philanthropy (CEMEFI)
- Association of Coca-Cola Bottlers (ASCOCA)
- Transformation Industry Chamber (CANACINTRA)
- Employers Confederation of the Mexican Republic (COPARMEX)
- Ecología y Compromiso Empresarial, A.C.[Ecology and Corporate Commitment] (ECOCE)

Venezuela:

- Venezuelan Mexican Chamber of Commerce and Industry (CAVEMEX)
- National Soft Drink Association (ANBER)
- Venezuelan Chamber of Food Industry (CAVIDEA)

Associations in which we participate but in which we are not part of the Governance Body

Argentina:

- Argentina Chamber of Soft Drinks Industry (CADIBSA)
- Coordinator of the Food Industry (COPAL)

GRI 4.13

Brazil:

- Compromisso Empresarial para Reciclagem CEMPRES
- Associação dos Fabricantes Brasileiros do Coca-Cola (AFBCC)
- Associação Brasileira da Indústria do Água Mineral (ABINAM)
- Associação Brasileira dos Anunciantes (ABA)

Costa Rica:

- Costa Rican Union of Chambers and Associations of the Private Business Sector (UCCAEP)
- Costa Rican Chamber of Food Industry (CACIA)
- Chamber of Commerce
- Chamber of Industry
- American Chamber of Commerce (AMCHAM)
- Mexico Costa Rican Chamber of Industry

Guatemala:

- American Chamber of Commerce (AMCHAM)
- Chamber of Industry
- Exporters Chamber (CAMEX)
- Bottling Companies' Chamber

Panama:

- Chamber of Commerce and Industries
- Chamber of Industry
- American Chamber of Commerce (AMCHAM)

Nicaragua:

- Chamber of Industries of Nicaragua
- Mexican-Nicaraguan Chamber
- American Chamber of Commerce (AMCHAM)

Venezuela:

- Caracas Chamber of Commerce
- Industrial Chamber of Miranda State
- Venezuelan American Chamber of Commerce and Industry (Venancham)

About this Report

GRI 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11 and 3.13

For the sixth consecutive fiscal year we present our interest groups with our Sustainability Report, in which we report the consolidated results of the economic, social and environmental performance of Coca-Cola FEMSA, with coverage from January to December 2013, including the countries where we operate: Argentina, Brazil, Colombia, Costa Rica, Guatemala, Mexico, Nicaragua, Panama, Venezuela and Philippines.

We have determined the contents of this report based on the Materiality study definition of Coca-Cola FEMSA, as well as coherence and consistency criteria and continuity to the information presented in the 2012 edition of this document.

The scope of the information presented excludes detailed information on businesses where we do not have operational responsibility, as well as those that due to the results obtained represent a minority part or otherwise, have been acquired over a period equal to or shorter than one year.

The structure of the Sustainability Report of Coca-Cola FEMSA shows the performance of the company in regard to economic, social and environmental issues, with a chapter assigned to each of the guiding principles of our Sustainability Strategy: Our People, Our Planet and Our Community. Additionally, there is a complementary section of GRI indicators.

In 2013, Coca-Cola FEMSA integrated Grupo Yoli in Mexico, ending in January 2013 with the acquisition of 51% of the franchise of Coca-Cola in Philippines and in August 2013 purchases of Fluminense and Spaipa in Brazil were carried out. Because of these acquisitions the baseline of the environmental indicators has been recalculated, considering the new structure of the company.

This report was prepared in accordance with the principles defined in the terminology of Global Reporting Initiative (GRI) guide 3.1, by taking into account the indicators of the Sector Supplement for Food Processing Companies; we have an A+ application level for this exercise, as a result of external verification of 30 indicators by the firm KPMG Cárdenas Dosal, S.C. The selection of indicators was performed by considering material aspects proposed by



the company and by the verification firm.

Additionally, AA1000 and ISAE8000 standards are taken into account in this report, in order to ensure materiality is included herein.

The measurement methods are based on internal indicators and protocols suggested by external bodies such as GRI and the Carbon Disclosure Project (CDP). Conversions of Mexican pesos to U.S. dollars (USD) are based on the exchange rate at the end of December 31, 2013, with a base value of \$ 13.0980 Mexican pesos per U.S. \$ 1.00. The financial results presented are consistent with those presented in the Mexico and New York Stock Exchange. Economic goals included in this report correspond to the implementation of programs and projects, of which only a representative sample is included herein.

This year, we expect to consolidate a process of continuous improvement in economic, social and environmental issues that encompass Coca-Cola FEMSA's Sustainability Strategy; additionally, this report is applicable in the same way as our Communication on Progress of the United Nations Global Compact.

For more information on this report, visit:

<http://www.coca-colafemsa.com/kof/sostenibilidad/info2013>

Global Compact Principles

GRI EN18

•The Ten Principles of the Global Compact are based on Universal Declarations and Conventions applied in four areas: Human Rights, Environment, Labor Standards and Anti-corruption Criteria.

•Human Rights:

Principle 1: Companies must support and respect the protection of internationally proclaimed and universally recognized human rights within their area of influence.

Principle 2: Companies must ensure that their affiliates are not accomplices in human rights' violations.

•Labor Standards:

Principle 3: Companies must support freedom of association and the effective recognition of the right to collective wage bargaining;

Principle 4: Companies must support the elimination of all forms of forced or compulsory labor.

Principle 5: Companies must support the effective eradication of child labor.

Principle 6: Companies must support the abolition of discrimination in the workplace.

•Environment:

Principle 7: Companies must keep a preventive approach in favor of the environment.

Principle 8: Companies must promote greater environmental responsibility.

Principle 9: Companies must encourage the development and promotion of technologies that respect the environment.

•Anti-corruption policies:

Principle 10: Companies must work against corruption in all its forms, including extortion and bribery.



Acknowledgments

GRI. 2.10

Organization	Acknowledgments	Description
Mexican Center for Philanthropy (CEMEFI)		In Mexico, for the 9th consecutive year we have received this award for the results we achieved on issues related to Quality of Life, Promotion of Responsible Consumption, Corporate Ethics, Programs performed with our community and the environment.
Mexican Center for Philanthropy (CEMEFI)		Acknowledgment to the "Citizenship Plaza" program as one of the best practices within the Intersector Alliances Category.
U.S. Green Building Council (LEED)		Award to the Corporate Offices in Mexico for obtaining the Leadership in Energy & Environmental (LEED) Platinum level certification.
Colombian British Chamber		Special recognition at the BRITCHAM LAZOS awards, granted by the Colombian British Chamber, for work performed through our program for Peace and Reconciliation in Colombia.
Ministry of Labor and Social Welfare		CContact Center. Recognition for diversity and labor inclusion program.
National Association of Private Transport		For the third consecutive year we have received the highest award of its kind in Mexico, which aims at having highly trained and certified operators, equipped with vehicles with the latest technology.

We present the GRI 3.1 guideline index including the Food Processing Sector Supplement.

GRI Index	Content	Page	Report	Reason for Omission
STRATEGY AND ANALYSIS				
1.1	Statement from the most senior decision-maker of the organization	5	Fully	
1.2	Description of key impacts, risks, and opportunities.	14	Fully	
ORGANIZATIONAL PROFILE				
2.1	Name of the organization.	Inside front cover, 7	Fully	
2.2	Primary brands, products, and/or services.	12, 56	Fully	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Inside front cover, 7	Fully	
2.4	Location of organization's headquarters.	Inside front cover, 9	Fully	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Inside front cover, 7	Fully	
2.6	Nature of ownership and legal form	Inside front cover	Fully	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Inside front cover, 7	Fully	
2.8	Scale of the reporting organization.	7, 10	Fully	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	10, 74	Fully	
2.10	Awards received in the reporting period.	75	Fully	
REPORT PARAMETERS				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	74	Fully	
3.2	Date of most recent previous report	74	Fully	
3.3	Reporting cycle	74	Fully	
3.4	Contact point for questions regarding the report or its contents.	Inside back cover	Fully	

3.5	Process for defining report content.	74	Fully	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	74	Fully	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	74	Fully	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	74	Fully	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	74	Fully	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods).	74	Fully	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	74	Fully	
3.12	Table identifying the location of the Standard Disclosures in the report.	76	Fully	
3.13	Policy and current practice with regard to seeking external assurance for the report.	84	Fully	
GOVERNANCE, COMMITMENTS AND ENGAGEMENT				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	61	Fully	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	61	Fully	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	61	Fully	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	61	Fully	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	14, 61	Fully	



4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	61	Fully	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	61	Fully	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	18, 63	Fully	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	61	Fully	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	14, 61	Fully	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	14, 61	Fully	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	24, 42	Fully	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	73	Fully	
4.14	List of stakeholder groups engaged by the organization.	65	Fully	
4.15	Basis for identification and selection of stakeholders with whom to engage.	65	Partial	Proprietary information ¹
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	65	Fully	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	65	Fully	

DISCLOSURE ON MANAGEMENT APPROACH (DMAs)

DMA SC	DISCLOSURE ON MANAGEMENT APPROACH SC			
ASPECTS	Protecting natural resources	42-52	Fully	
	Minimizing toxicity	42-52	Fully	
	Fair trade	10	Fully	
	Fair compensation for labor	71	Fully	
	Traceability	10	Not reported	
	Genetically modified organisms (GMOs)	-----	Not reported	Not applicable ¹²
	Animal welfare	-----	Not reported	Not applicable ¹²
	Biofuels	-----		Not applicable ¹²
DMA EC	DISCLOSURE ON MANAGEMENT APPROACH EC			
ASPECTS	Economic performance	9, 10, 11	Fully	
	Market presence	7, 8	Fully	
	Indirect economic impact	67	Fully	
DMA EN	DISCLOSURE ON MANAGEMENT APPROACH EN			
ASPECTS	Materials	50	Fully	
	Energy	48	Fully	
	Water	43	Fully	
	Biodiversity	43, 46	Fully	
	Emissions, effluents and waste	48	Fully	
	Products and services	12, 56	Fully	
	Compliance	43	Fully	
	Transport	48	Fully	
	Overall	43	Fully	
DMA LA	DISCLOSURE ON MANAGEMENT APPROACH LA			
ASPECTS	Employment	67	Fully	
	Labor/management relations <small>COMM</small>	67	Fully	
	Occupational health and safety	69	Fully	
	Training and education	20, 71	Fully	
	Diversity and equal opportunity	67	Fully	
	Equal remuneration for women and men	71	Fully	



DMA HR	DISCLOSURE ON MANAGEMENT APPROACH HR			
ASPECTS	Investment and procurement practices	67	Fully	
	Non-discrimination	64	Fully	
	Freedom of association and collective bargaining	41	Fully	
	Child labor	63	Fully	
	Prevention of forced and compulsory labor	41, 64	Fully	
	Security practices	69	Fully	
	Indigenous practices	64	Fully	
	Assessment	64	Fully	
	Remediation	64	Fully	
DMA SO	DISCLOSURE ON MANAGEMENT APPROACH SO			
ASPECTS	Local communities	24-41	Fully	
	Healthy and affordable food	-----	Not reported	Not applicable ¹⁰
	Corruption	63	Fully	
	Public policy	63	Fully	
	Anti-competitive behavior	10	Fully	
	Compliance	56	Fully	
DMA PR	DISCLOSURE ON MANAGEMENT APPROACH PR			
ASPECTS	Customer health and safety	12, 56	Fully	
	Product and service labeling	13	Fully	
	Marketing communications	13	Fully	
	Customer privacy	63	Fully	
	Compliance	56	Fully	
DMA AW	DISCLOSURE ON ANIMAL WELFARE AW			
ASPECTS	Breeding and genetics	-----	Not reported	Not applicable ¹²
	Animal husbandry	-----	Not reported	Not applicable ¹²
	Transportation, handling and slaughter	-----	Fully	Not applicable ¹²
PERFORMANCE INDICATORS				
ACROSS ALL ASPECTS OF SOURCING				
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	41	Fully	

FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard.	41	Fully	
ECONOMIC				
ECONOMIC PERFORMANCE				
EC1 _{COMM}	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	10, 11	Fully	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	48	Partial	Proprietary information ²
EC3	Coverage of the organization's defined benefit plan obligations.	71	Fully	
EC4 _{COMM}	Significant financial assistance received from government.	43	Fully	
MARKET PRESENCE				
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	71	Fully	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	41	Fully	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	67	Fully	
INDIRECT ECONOMIC IMPACTS				
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	25, 48	Fully	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	10, 67	Fully	
ENVIRONMENTAL				
MATERIALS				
EN1 _{COMM}	Materials used by weight or volume.	50	Fully	
EN2	Percentage of materials used that are recycled input materials.	50	Fully	
ENERGY				
EN3	Direct energy consumption by primary energy source.	48	Partial	Not material ³
EN4	Indirect energy consumption by primary energy source	48	Fully	
EN5	Energy saved due to conservation and efficiency improvements.	48	Fully	



EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	48	Fully	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	48	Fully	
WATER				
EN8	Total water withdrawal by source.	-----	Not Reported	Proprietary information ⁴
EN9	Water sources significantly affected by withdrawal of water.	-----	Not Reported	Proprietary information ⁴
EN10	Percentage and total volume of water recycled and reused.	43	Fully	
BIODIVERSITY				
EN11 _{COMM}	Location and size of land or waters owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected area	-----	Not Reported	Proprietary information ⁴
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	43	Fully	
EN13 _{COMM}	Habitats protected or restored	43	Fully	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	43	Fully	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	43	Fully	
EMISSIONS, EFFLUENT AND WASTE				
EN16	Total direct and indirect greenhouse gas emissions by weight.	48	Fully	
EN17	Other relevant indirect greenhouse gas emissions by weight.	48	Fully	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	48, 75	Fully	
EN19	Emissions of ozone-depleting substances by weight.	48	Fully	
EN20	NOx, SOx, and other significant air emissions by type and weight.	48	Fully	
EN21	Total water discharge by quality and destination.	43	Fully	
EN22	Total weight of waste by type and disposal method.	50	Partial	Not applicable ⁵
EN23	Total number and volume of significant spills.	50	Fully	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	50	Fully	

EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	43	Fully	
PRODUCTS AND SERVICES				
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	43, 50	Fully	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	50	Fully	
COMPLIANCE				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	43	Fully	
TRANSPORT				
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	48	Fully	
OVERALL				
EN30	Total environmental protection expenditures and investments by type.	43	Fully	
LABOR PRACTICES AND DECENT WORK				
EMPLOYMENT				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	67	Fully	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	67	Partial	Not Material ⁶
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	71	Fully	
LA15	Return to work and retention rates after parental leave, by gender.	-----	Not Reported	Proprietary information ⁸
LABOR/MANAGEMENT RELATIONS				
LA4	Percentage of employees covered by collective bargaining agreements.	67	Fully	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	67	Fully	
FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country	69	Fully	
OCCUPATIONAL HEALTH AND SAFETY				



LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	69	Fully	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	69	Fully	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	21, 69	Fully	
LA9	Health and safety topics covered in formal agreements with trade unions.	69	Fully	
TRAINING AND EDUCATION				
LA10	Average hours of training per year per employee by gender, and by employee category.	20	Partial	Not available ⁷
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	20, 71	Partial	Proprietary information ⁸
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	72	Fully	
DIVERSITY AND EQUAL OPPORTUNITY				
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	67	Fully	
EQUAL REMUNERATION FOR WOMEN AND MEN				
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	71	Fully	
HUMAN RIGHTS				
INVESTMENT AND PROCUREMENT PRACTICES				
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	67	Fully	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	41	Partial	Proprietary information ⁹
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	67	Fully	
NON-DISCRIMINATION				

HR4	Total number of incidents of discrimination and corrective actions taken.	64	Fully	
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	41	Fully	
CHILD LABOR				
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	64	Fully	
PREVENTION OF FORCED AND COMPULSORY LABOR				
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	41, 64	Fully	
SECURITY PRACTICES				
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	67	Fully	
INDIGENOUS RIGHTS				
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	64	Fully	
ASSESSMENT				
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	64	Fully	
REMEDIATION				
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	64	Fully	
SOCIETY				
LOCAL COMMUNITIES				
SO1 (FPSS)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	24	Fully	
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	63	Fully	
SO9	Operations with significant potential or actual negative impacts on local communities.	24	Fully	



S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	24, 42	Fully	
HEALTHY AND AFFORDABLE FOOD				
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	20, 25, 26, 27, 28	Fully	
CORRUPTION				
S02	Percentage and total number of business units analyzed for risks related to corruption.	63	Fully	
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	63	Fully	
S04	Actions taken in response to incidents of corruption.	63	Fully	
PUBLIC POLICY				
S05 _{COMM}	Public policy positions and participation in public policy development and lobbying.	63	Fully	
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	63	Fully	
ANTI-COMPETITIVE BEHAVIOR				
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	10, 63	Fully	
COMPLIANCE				
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	12, 60	Fully	
PRODUCT RESPONSIBILITY				
CUSTOMER HEALTH AND SAFETY				
PR1 _{COMM}	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	12	Fully	
PR2 _{COMM}	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	12	Fully	

FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	12	Fully	
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and sugars.	12	Fully	
FP7	Percentage of total sales volume of consumer products, by product category sold, that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.	12	Fully	
PRODUCT AND SERVICE LABELING				
PR3 _{COMM}	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	13	Fully	
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	13	Fully	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	13	Fully	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	13, 65	Partial	Not available all information ¹¹
MARKETING COMMUNICATIONS				
PR6 _{COMM}	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	13	Fully	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	13	Fully	
CUSTOMER PRIVACY				
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	13	Fully	
COMPLIANCE				
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	12, 60	Fully	



ANIMAL WELFARE				
BREEDING AND GENETICS				
FP9	Percentage and total of animals raised and/or processed, by species and breed type.	-----	Not reported	Not applicable ¹³
ANIMAL HUSBANDRY				
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	-----	Not reported	Not applicable ¹³
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	-----	Not reported	Not applicable ¹³
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.	-----	Not reported	Not applicable ¹³
TRANSPORTATION, HANDLING AND SLAUGHTER				
FP13	Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.	-----	Not reported	Not applicable ¹³

(Footnotes)

- 1 We do not report fully on this disclosure (no intention of reporting in the future), since the information is proprietary on the process we follow to define stakeholder groups.
- 2 The financial data of the initiatives that seek to decrease climate change is confidential.
- 3 We do not report on this issue (no intention of reporting in the future) as the disclosure is not material to our business because we do not report the information in Joules but in beverages produced per megajoule consumed.
- 4 EN8, EN9 and EN10: We do not report on this disclosure (no intention of reporting in the future), since the information is proprietary
- 5 We do not report on this point fully (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because we use recycling as our only disposal method..
- 6 We do not report on this issue fully (no intention of reporting in the future) as the disclosure is not material to our business because it is information too specific and does not impact our operation significantly
- 7 We do not report this information yet, as we have been unable to gather the training data divided by gender and employee category but we will be able to report this information in 2015.
- 8 LA11 and LA15: We do not report on this disclosure fully (no intention of reporting in the future), since the information is proprietary.
- 9 We do not report on percentage of contracts with suppliers that were declined (no intention of reporting in the future), since the information is proprietary
- 10 We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because we do not work with food.
- 11 We do not report on the results of our surveys yet (commitment to future reporting) as we have thus far been unable to gather the data of all the operations, but we will be able to report on this in 2015
- 12 We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because we do not work with GMOs, animals nor biofuels.
- 13 We do not report on this point (no intention of reporting in the future) since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because we do not work with genetics and animals.





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Verification Letter

(Free translation from the original in Spanish. In case of discrepancy, the Spanish language version prevails).

To the Readers of this Report

Introduction

We have conducted a review of the non-financial information contained in the 2013 Sustainability Report of Coca Cola FEMSA, S.A.B. de C.V. (hereinafter, Coca Cola FEMSA) for the year ended December 31, 2013 (hereinafter, "the Report"). The information reviewed is limited to the matters referred to in the section entitled "GRI Indicators Supplementary Annex" of the Report, where Coca Cola FEMSA is responsible for the preparation thereof, including the decision on the related subject matters.

Regarding the financial information included in such Report, our work has been limited to prove that such information comes from Coca Cola FEMSA's annual accounts, which have been audited by independent third parties.

Scope

The Report describes the efforts and progress achieved by Coca Cola FEMSA in attaining a sustainable and socially responsible performance. Our responsibility is limited to reviewing 30 profiles/indicators of the Report, as listed herein below, and verifying the adherence to the AA1000 Assurance Standard 2008 (AA1000AS (2008)) Type 2 and the Global Reporting Initiative Guidelines, Version 3 (GRI G3.1). The foregoing is based on the company's self-rated level and a limited level of assurance in accordance with ISAE 3000, which is consistent with the moderate level of the AA1000AS (2008) Assurance Standard.

The information review comprised the following:

- Quantitative data comes from reliable sources.
- Qualitative information therein is properly supported by internal or third-party documentation.
- The application of AA1000AS (2008) Type 2 and the G3.1 Guidelines for A+ application level.

Review criteria

We have conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB). Among other matters, this standard requires that:

- The engagement team has the specific knowledge, skills and professional competencies needed to understand and review the information included in the Report, and that they comply with the requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants (IFAC) to ensure their independence.
- When providing a limited assurance of information at a level lower than reasonable assurance, a limited conclusion will be used in conducting the engagement.

Our review was based on the information assurance Principles and Criteria provided by AA1000AS (2008) Type 2, including the evaluation of the nature and extent of adherence to the Accountability Principles, as well as the reliability of the specific information contained in the Report, as set out in this report. Our review was also based on the G3.1 Guidelines, which understanding and application is described in the section entitled "GRI Indicators Supplementary Annex" of the Report, as it is used by Coca Cola FEMSA.

Work conducted

a) Verification of quantitative data and other qualitative information contained in the Report

We have reviewed, in accordance with the scope described and based on the activities below, quantitative and qualitative information of Coca Cola FEMSA's 2013, where our work included:

- Interviews with people providing information contained in the Report.
- Identification of the systems used in generating, adding and providing data.

- Analysis of the extent and disclosure of information being offered.
- Review of corporate data gathering, using sampling and recalculation methods.
- Review of the qualitative information support, aimed at obtaining reasonable assurance that it is reasonably supported by internal or third-party documents.
- Review of information on 30 profiles/GRI indicators, generated in Coca Cola FEMSA Corporation and Toluca Production Plant using the sampling method.

The list of profiles/GRI indicators reviewed is as follows:

- Organization's profile (2): 4.9 and 4.16.
- Economic performance indicators (1): ECR.
- Environmental performance indicators (10): EN2, EN3, EN7, EN10, EN12, EN16, EN18, EN21, EN22 and EN29.
- Society performance indicators (15): LA1, LA2, LA5 of LA9, HR4, HR8, HR11, SO4, SO6, PR1, PR2 and PR5.
- Sector supplementary indicators - Food processing (2): FP2 and FP9.
- Review of information generated by the organization and disclosed on a consolidated basis by production plant and/or country using the sampling method and based on matters and data that are considered to be material by Coca Cola FEMSA.

b) Review of the adherence to the Principles and Criteria in defining the Reporting content and the extent thereof according to AA1000AS (2008) and G3.1 Guidelines

We have reviewed, on a documentary basis, the Principles and Criteria used in defining the Reporting content, pursuant to the scope described, considering the needs addressed by its stakeholders.

The Disclosure criteria on such information extent, including the essential limitations theme, significance, gathering and aggregation methods of Coca Cola FEMSA's data, are described in general in the section entitled "GRI Indicators Supplementary Annex" of the Report.

Conclusions

Based on our works, and the specific engagement scope, as described in this report, we have not found any circumstances to indicate that data gathered in the Report cannot be reliable, information is not disclosed appropriately, or any significant deviations or omissions exist.

Furthermore, regarding Coca Cola FEMSA's application of the AA1000AS (2008) Principles - Inclusivity, Materiality and Responsiveness- we conclude that the processes used in identifying stakeholders, understanding their needs, and selecting the contents to be included in the Report, are described in general in the sections entitled "Sustainability Strategy" and "Stakeholders".

Additionally, we recommend that Coca Cola FEMSA takes into account the observations made in our letter entitled "Improvement Opportunities", in preparing future Sustainability Reports. Among the main recommendations, we consider:

- To standardize the registering flows and units with regard to environmental and social matters, as applicable, throughout the various production plants.
- To increase the internal diffusion of the Report's use and value before, during and after its generation in order to boost it as a management tool and not only as reporting.

KPMG Cárdenas Dosal, S.C.

Jesús González Aréllano
 Mexico City
 March 24, 2014

External Verification

GRI Certificate



Statement GRI Application Level Check

GRI hereby states that **Coca-Cola FEMSA** has presented its report "2013 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 17 April 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The "+" has been added to this Application Level because Coca-Cola FEMSA has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 13 February 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

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links of interest:

www.coca-colafemsa.com

www.femsa.com

www.fundacionfemsa.com.mx

www.coca-colacompany.com/topics/sustainability

Healthy lifestyles:

<http://www.coca-colacompany.com/sustainabilityreport/me/active-healthy-living.html#section-the-global-problem-of-obesity>

Labeling and Nutritional Information:

<http://www.coca-colacompany.com/brands/nutrition-labels>

Responsible Marketing:

<http://www.coca-colacompany.com/sustainabilityreport/me/responsible-marketing.html>

Relationship with Suppliers:

<http://www.coca-colacompany.com/our-company/supplier-guiding-principles>

Workplace Rights:

<http://www.coca-colacompany.com/our-company/human-workplace-rights>

Sustainability Report for 2012-2013 *The Coca-Cola Company*

<http://assets.coca-colacompany.com/44/d4/e4eb8b6f4682804bdf6ba2ca89b8/2012-2013-gri-report.pdf>

Sustainability Report for 2012-2013 FEMSA

<http://www.informesostenibilidad.femsa.com/>



www.coca-colafemsa.com

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