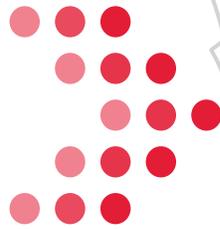


EXCELLENCE IN

EVO



LUTION

COCA-COLA FEMSA

SUSTAINABILITY REPORT 2015

2015 in NUMBERS

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14 OF OUR MANUFACTURING PLANTS OPERATE WITH ZERO WASTE INITIATIVES

MORE THAN 550 THOUSAND PEOPLE HAVE BEEN BENEFITED WITH OUR SOCIAL PROGRAMS



WE INVESTED USD \$10.2 MILLION IN COMPREHENSIVE TRAINING FOR OUR EMPLOYEES



30% OF THE ELECTRIC ENERGY WE USE IN MEXICO IS SUPPLIED BY RENEWABLE SOURCES

WE ACTIVATED MORE THAN 6.1 MILLION PEOPLE THROUGH RACES AND OTHER EVENTS



G
WITH THE
IATIVE



WE RECYCLE 94%
OF THE GENERATED
WASTE



WE CREATE **MORE THAN 100 THOUSAND DIRECT JOBS AND 1 MILLION 900 THOUSAND INDIRECT JOBS** THROUGHOUT OUR VALUE CHAIN



OUR PORTFOLIO INCLUDES **113 BRANDS** IN **10 CATEGORIES**



WE INVESTED MORE THAN **USD \$7.7** MILLION IN CONTRIBUTIONS TO THE COMMUNITY



MORE THAN 100% OF THE WATER USED TO PRODUCE OUR BEVERAGES IN MEXICO AND BRAZIL IS RETURNED TO THE ENVIRONMENT

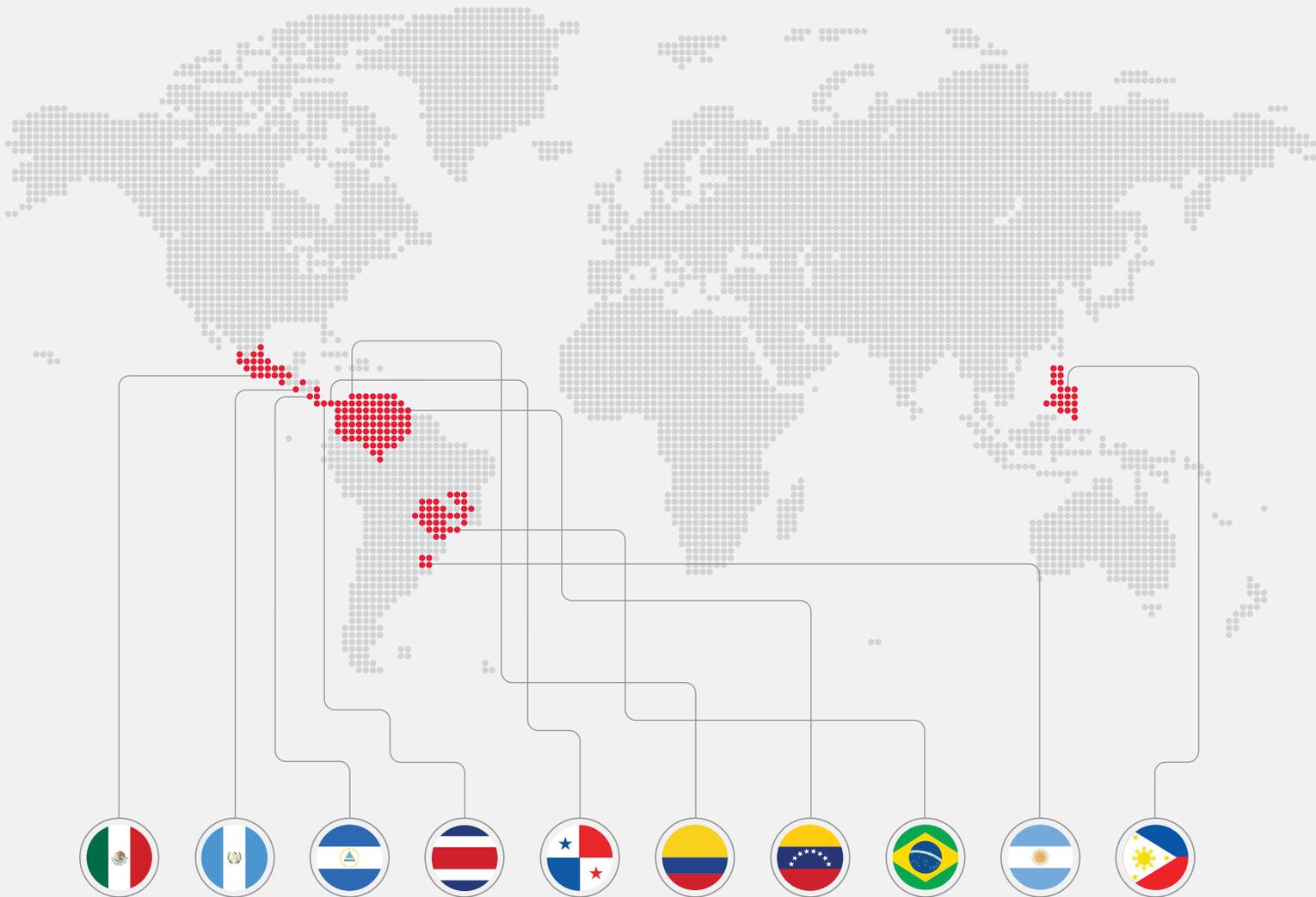


88% OF OUR SUPPLIERS IN MEXICO BELONG TO THE SMES ECONOMIC SECTOR

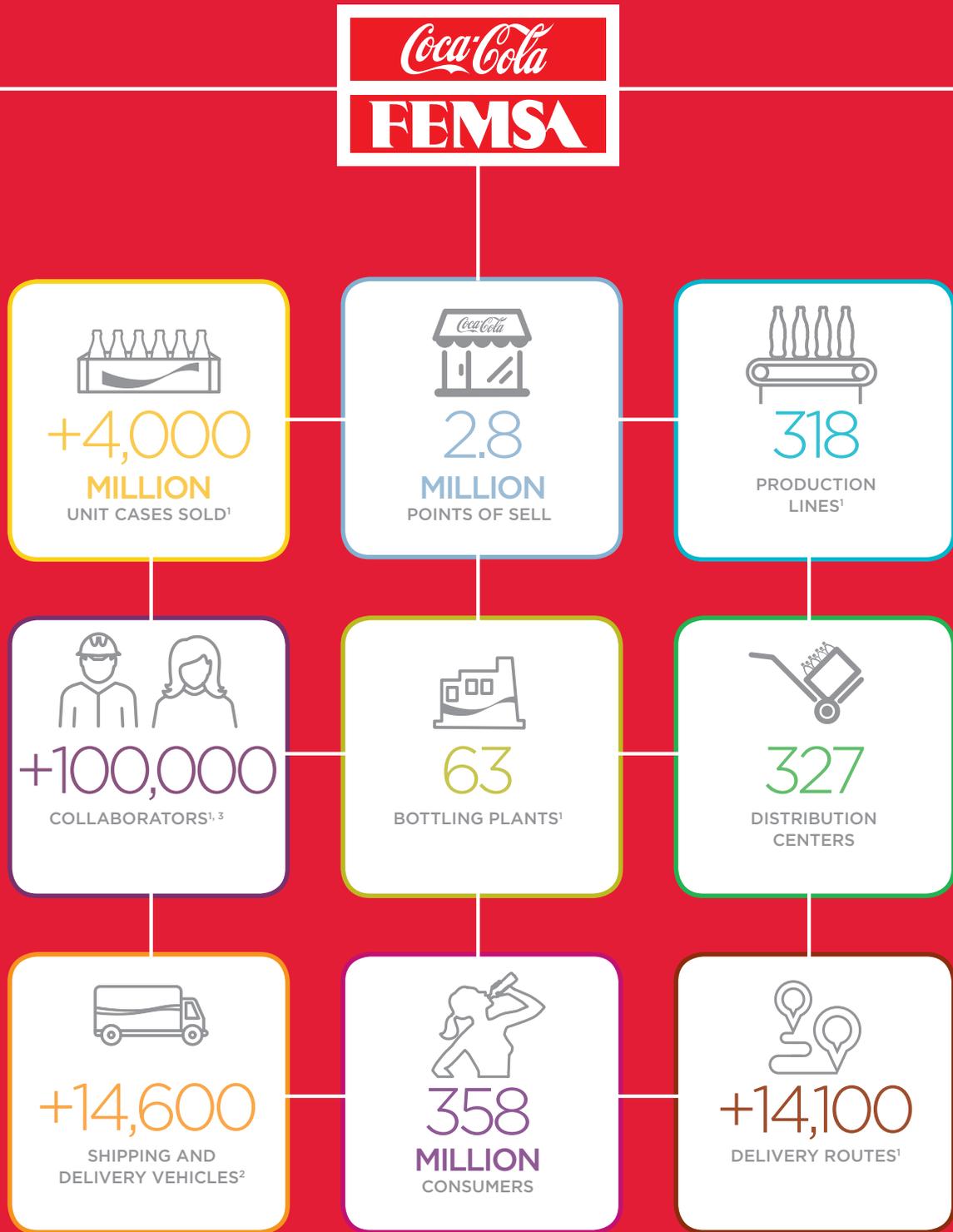
FOOTPRINT

BEING THE LARGEST BOTTLER OF COCA-COLA PRODUCTS IN THE WORLD MAKES US PROUD, AND REINFORCES OUR COMMITMENT TO CONTINUE IMPROVING. EXCELLENCE HAS CHARACTERIZED OUR EVOLUTION, AND OUR RESULTS RATIFY THAT WE ARE MOVING IN THE RIGHT DIRECTION.

ARGENTINA • BRAZIL • COLOMBIA • COSTA RICA • GUATEMALA • MEXICO • NICARAGUA • PANAMA • PHILIPPINES • VENEZUELA



We operate thanks to a **solid infrastructure**



1 Includes the operations in Philippines.
 2 Includes vehicles from third parties in primary distribution.
 3 Includes joint ventures.

Message from the CHIEF EXECUTIVE OFFICER



For Coca-Cola FEMSA, 2015 was a year of multiple business challenges arising from the complex economic and social environments of the 10 countries in which we operate. Nevertheless, we grew our business and achieved positive results through constant innovation and operational excellence.

This year we continued our evolution into a leaner, more agile, and flexible organization, strengthening our capabilities through the creation of centers of excellence in the manufacturing, commercial, distribution and logistics, and information technology areas. Thanks to our ongoing evolution, we captured profitable growth opportunities and excelled at serving daily our 2.8 million customers and 358 million consumers globally through our broad portfolio of beverages.

Aligned with our goal of becoming multi-category leaders in the beverage industry, we integrated sustainability as one of the pillars of our strategic business framework—together with the development of a winning portfolio of products, the transformation of our operating model, and the evolution of our corporate culture.

Through this Sustainability Report, we acknowledge the main results that we achieved during 2015 through the combined efforts of our allies and in coordination with our strategic partners FEMSA and The Coca-Cola Company. This year we doubled our collaborators' volunteer hours in the community to more than 105,000 hours. Also, over the past five years, more than 2.5 million people have benefited from our healthy lifestyle programs and initiatives. In addition, we advanced on our commitment to return to our communities and to nature the same amount of water used for our beverage production—replenishing more than 100% of the water used in our operations in Mexico and Brazil, while improving our efficiency in our use of this valuable resource by 10% at a global level compared with 2010.

Our focus on creating value for all our stakeholders enabled us to achieve solid business results, as well as awards for sustainability. For the fifth consecutive year, we are part of the Mexican Stock Exchange's Social Responsibility and Sustainability Index. Moreover, for the third consecutive year, we are part of the Dow Jones Sustainability Emerging Markets Index. We were also the only Mexican company recognized in the 2015 Sustainability Yearbook of RobecoSAM, an organization that also honored us as Industry Mover 2015.

I appreciate your interest in learning more about our commitment to generate economic, social, and environmental value through this report. I further extend my sincere appreciation to all our collaborators, who — through their commitment to excellence — enabled our organization to achieve these results, underscoring the positive transformation we seek to accomplish in our communities.

John Santa Maria Otazua
Chief Executive Officer



Message from the CORPORATE AFFAIRS OFFICER



At Coca-Cola FEMSA, we define sustainability as the continuous, simultaneous generation of economic, social and environmental value. Accordingly, we have integrated sustainability as a constant pillar in our company's strategic business framework to guide our organization's business decisions for long-term profitable growth.

Coca-Cola FEMSA's Sustainability Strategy is based on three main axes: Our People, Our Community, and Our Planet. These axes are supported by the Ethics and Values that characterize us as an organization—with the vision to positively transform our communities.

Due to the social complexity of the countries in which we operate in Latin America and Southeast Asia, this year we have continued to target our initiatives on risk mitigation and value generation, material issues for our business. This is highlighted by our water conservation programs and our promotion of active, healthy lifestyles, through which we achieved positive results in all of the axes and action areas of our sustainability strategy.

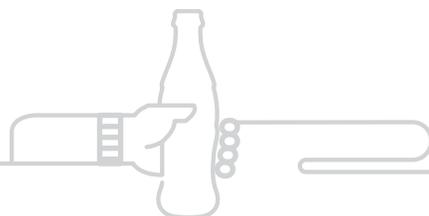
Through Our People axis, we aim to promote the integral development of our collaborators, investing more than US \$39 million in 2015 to promote the welfare, health, and training of all of those who comprise our team. We know that each one of our 100,000 collaborators is a key and essential piece to transform our challenges into our business' growth.

In Our Community axis, we focused our efforts on contributing to the creation of sustainable communities and on developing programs and initiatives to encourage a healthy lifestyle, community development, and environmental care, benefiting more than 550,000 people through an investment of more than US \$7.7 million in 2015.

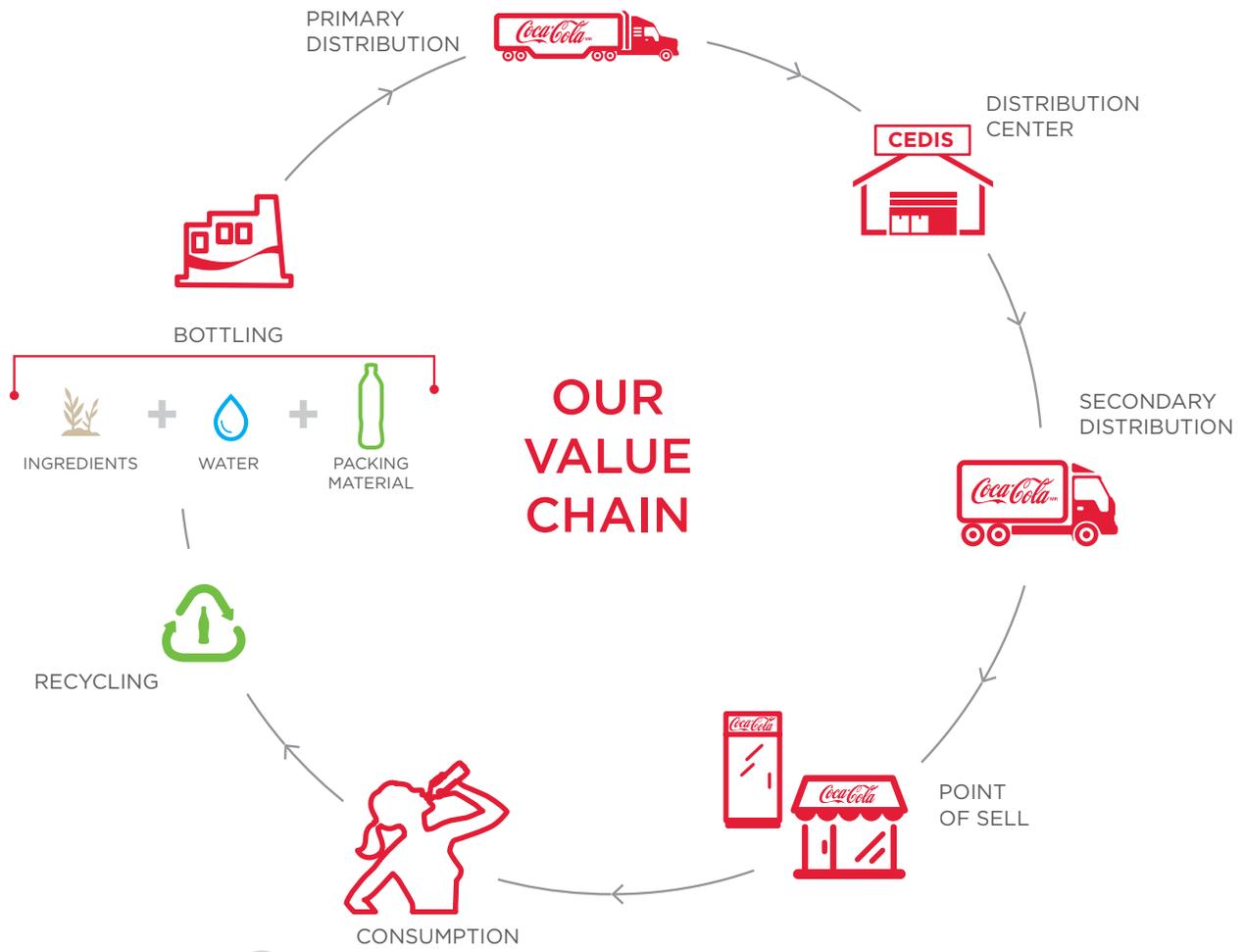
We are further committed to Our Planet. Consequently, we invested US \$21.3 million in initiatives to mitigate the environmental impact of our operations, focusing on our efficient use and protection of water, reducing our energy consumption, decreasing our emissions of greenhouse gases, and optimizing our processes to reduce waste and promote recycling. In 2015, we reduced our total water consumption by 4% from 2010, increased our energy efficiency by 14%, and incorporated 14.6% of recycled and/or renewable material in all of our PET packages.

The progress and results presented throughout our 2015 Sustainability Report confirm that we are moving in the right direction to achieve our goals for 2020 and, thereby, contribute to the accomplishment of our business objectives. I appreciate your interest in learning more about how we work at Coca-Cola FEMSA to meet our objectives, as we evolve our sustainability practices to remain global leaders in the beverage industry, always with a view toward the creation of economic, social, and environmental value for all of our stakeholders.

Francisco Suárez Hernández
Corporate Affairs Officer



Our COMPANY



BOTTLING

In our 63 plants we carry out actions to produce the high quality beverages we commercialize. We package and label the products before offering them to the market.

PRIMARY DISTRIBUTION

We transport our products to the distribution centers.

DISTRIBUTION CENTER

Here we organize the presale and secondary distribution processes to our 2.8 million points of sell.

PRESALE

Our large sales force is in charge of providing service to our customers.

SECONDARY DISTRIBUTION

Once an order is complete, the delivery routes are in charge of distributing the beverages to all points of sell.

POINT OF SELL

The customers sell our beverages to each one of our consumers.

CONSUMER

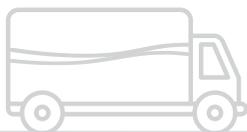
More than 358 million people buy a beverage, enjoy it and get hydrated.

RECYCLING

As part of our community responsibility, we generate processes to collect, recycle and recover the waste generated by our packages.

Throughout our value chain we created more than 100 thousand direct jobs and 1 million 900 hundred indirect jobs.¹

¹ It is estimated that for every generated job in the Coca-Cola System in Mexico, 19.23 indirect jobs are generated throughout the national economy.



We are a company that produces and distributes more than **113 brands of beverages from The Coca-Cola Company. Coca-Cola FEMSA is a Mexican company with operations in 10 countries in Latin America and Asia**, where, thanks to the constant work of our collaborators we have become **the world's largest bottler of Coca-Cola products.**

Operating HIGHLIGHTS

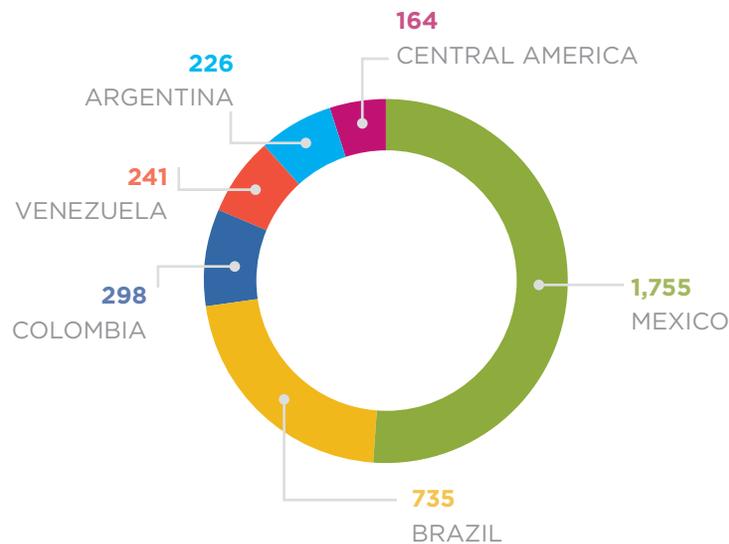
	POPULATION SERVED (MILLION)	POINT OF SELL	PLANTS	DISTRIBUTION CENTER
Argentina	12.2	51,325	2	4
Brazil	72.1	332,142	9	38
Central America	21.9	113,400	5	31
Colombia	46.7	446,236	7	25
Filipinas	101.8	806,369	19	53
Mexico	71.9	853,373	17	143
Venezuela	31.0	176,503	4	33
Total	358	2,779,348	63	327

	SPARKLING	WATER ¹	BULK WATER ²	STILL
Argentina	83.4%	9.6%	1.0%	6.0%
Brazil	87.8%	6.4%	0.9%	5.0%
Central America	82.3%	5.9%	0.3%	11.5%
Colombia	71.3%	8.7%	8.5%	11.5%
Mexico	72.2%	6.2%	15.4%	5.2%
Venezuela	86.2%	6.1%	0.7%	7.0%

1 Excludes still bottled water in presentations of 5.0 Lt. or larger. Includes flavored water.
2 Bulk water - still water in presentations of 5.0 Lt. or larger. Includes flavored water.

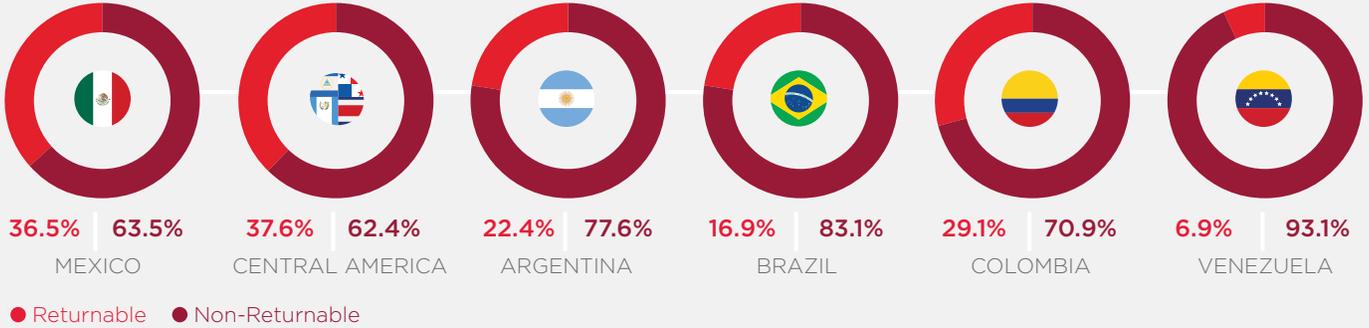
TOTAL VOLUME

Million unit cases



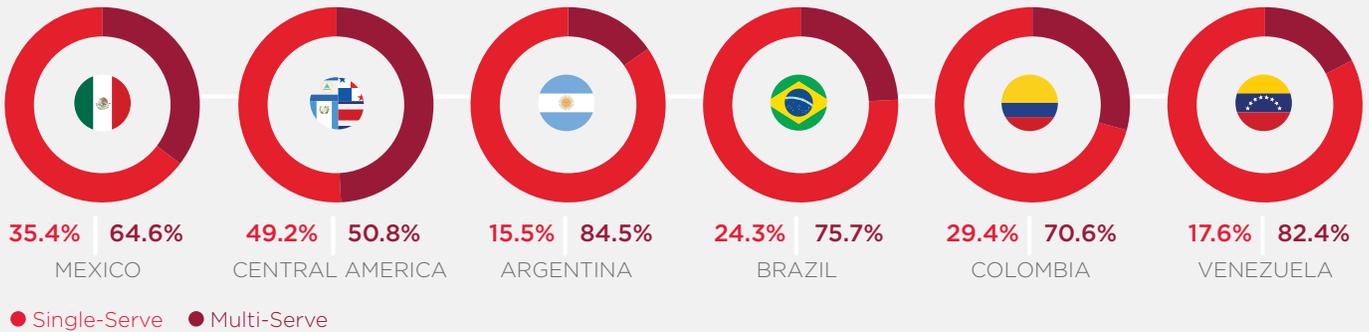
PRODUCT MIX BY PACKAGE

Sparkling Beverages



PRODUCT MIX BY SIZE

Sparkling Beverages



SPARKLING BEVERAGES

2,680.4
MILLION
UNIT CASES

0.5%
GROWTH VS. 2014



WATER AND BULK WATER

540.8
MILLION
UNIT CASES

-0.8%
GROWTH VS. 2014



STILL BEVERAGES

214.3
MILLION
UNIT CASES

4.9%
GROWTH VS. 2014

Our new plants

As part of the evolution of our company, in 2015 we continued growing by opening the plants of Itabirito in Brazil and Tocancipá in Colombia. Both projects received an investment of more than US \$500 million that let us keep our excellent service for 119 million consumers.

Both plants were built according to the LEED standard (Leadership in Energy and Environmental Design) and they are a point of reference in sustainability topics for the Coca-Cola System worldwide since technological improvements have been implemented in these plants for a better and more efficient use of energy and water, as well as to optimize waste management.

ITABIRITO PLANT

So far Itabirito is the plant with the most modern green technology in our production chain. In its construction 70% of recycled waste was used, and it has marked a new efficiency and productivity level by optimizing industrial processes, achieving that from every 1.4 liters of water used in the process, 1 liter is transformed into product.



370
MILLION
UNIT CASES¹



+600
DIRECT AND
INDIRECT JOBS



51%
LOCAL SUPPLIERS



40%
SAVINGS IN WATER
CONSUMPTION²

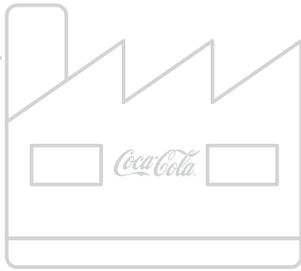


50%
SAVINGS IN ENERGY
CONSUMPTION²

¹ Approximated annual production capacity

² Savings in production processes





In 2015 we continued growing by opening the plants of **Itabirito** in Brazil and **Tocancipá** in Colombia

TOCANCIPÁ PLANT

Meanwhile, Tocancipá plant is considered the most modern in the production of non-alcoholic beverages in Latin America. It was planned with the implementation of more than 110 innovations in civil engineering, technology, and management and control systems.

Since the start of the project, social and environmental programs in benefit of the Tocancipá community have been implemented.



130
MILLION
UNIT CASES¹



+450
DIRECT AND
INDIRECT JOBS



IS PART OF
**INDUSTRIAL
PARK FEMSA**
of non-alcoholic
beverages, the most
modern in the region

¹ Approximated annual production capacity



Our PRODUCTS



Coca-Cola



We commemorate 100 years of the bottle that distinguishes the product which gave us origin: the most known brand in the world with 130 years in the market.



Juices, nectars and juice based drinks



Tea



Coffee



Energy drinks



The product portfolio from Coca-Cola FEMSA is composed by beverages brands from The Coca-Cola Company with which we seek to satisfy our customers' and consumers' needs for each consumption occasion and lifestyle.

OUR PORTFOLIO INCLUDES:

- **113** leading brands
- **1,461** presentations¹
- **40%** of our brands portfolio is composed by low or no-calorie beverages
- **26%** of our brands portfolio has vitamins, fibers, minerals or nutritional supplements

Flavored carbonated beverages



Natural and flavored water



Isotonics



Vitamin-enriched beverages



Dairy



¹ Includes every SKU (Stock-keeping unit) of the company.

Responsible MARKETING

We want our consumers to be well informed. In this way we offer the necessary data about the contents of our beverages, so they can choose the best option to hydrate themselves according to their lifestyle, based on a daily diet of 2000 calories according to the Guideline Daily Amounts (GDA).



Our responsibility with society is part of the excellence that characterizes us, for that reason our communication oriented to the young and children is developed in accordance with the Responsible Marketing policies and Global School Beverage Guidelines from The Coca-Cola Company. These policies establish our commitment and respect to education. Because of this, we do not advertise in media, including Internet, whose direct audience is composed by children under 12 years old. We neither advertise in classrooms and we do not sell products in elementary schools. As part of our interest to promote the healthy recreation of children, we have continuous physical activation programs.

To ensure the compliance of our policy, we constantly monitor and measure its fulfillment in the markets where we serve. In the same way, in Mexico we follow the recommendations made by organisms of advertising regulation such as the *Código PABI* (Self-Regulation Code of Advertising in Food and Non-Alcoholic Beverages for Child Audiences).

To know the Responsible Marketing Guides, consult:
<http://www.coca-colacompany.com/stories/responsible-marketing-policy/>

We expanded the personal presentations of our brands integrating packages with smaller portions, such as the **235 ml** and **237 ml** cans.



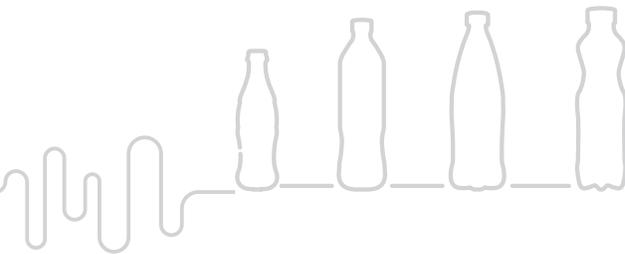


Customer satisfaction

We ensure bidirectional communication ways with our customers and consumers. To do this we provide the customer service 01-800 telephone lines indicated in our packages and in our website; we also do market research studies to know their concerns and needs.

We periodically evaluate markets consulting our clients to know their level of satisfaction regarding the services we provide. In Mexico we ran a study with more than 8 thousand surveys, which had a qualitative phase where personal interviews and group sessions were performed, and a quantitative phase developed through personal interviews, obtaining an overall score of 82.1% in satisfaction level. The main objective was to know the variables that product sellers and the final consumer consider are essential in customer service, as well as the opportunity areas perceived in the same field. The information generated by the surveys was one of the inputs used to develop improvement plans suitable for each territory.

Our manufacturing processes align with the Coca-Cola Operative Requirements (KORE), which allow us to keep the highest quality standards in all our beverages, and also align ourselves to the Management System for Food Safety, guaranteeing quality along the whole productive chain, where 100% of our plants are integrated to the Food Safety System Certification 22000 (FSSC 22000).



Economic PERFORMANCE

Consolidate as the biggest franchise of The Coca-Cola Company worldwide is the best reference to demonstrate that the economic results of our company are positive.

We know that profitability and value creation are very important aspects to continue with our business evolution to reach excellence, as well as for our investors.

We are certain that to achieve global leadership it is necessary to:

Develop our
portfolio

Transform our
operative models

Perform a
cultural evolution

	(US\$) 2015 ¹	(Ps.) 2015	(Ps.) 2014	% CHANGE
Sales Volume (million unit cases)	3,435.6	3,435.6	3,417.3	0.5%
Transactions (million transactions)	20,279.6	20,279.6	20,131.1	0.7%
Total Revenues	8,861	152,360	147,298	3.4%
Income from Operations	1,317	22,645	20,743	9.2%
Controlling Interest Net Income	595	10,235	10,542	-2.9%
Total Assets	12,227	210,249	212,366	-1.0%
Long-Term Bank Loans and Notes Payable	3,679	63,260	64,821	-2.4%
Controlling Interest	6,092	104,749	105,717	-0.9%
Capital Expenditures	668	11,484	11,313	1.5%
Book Value per Share ²	2.94	50.53	51.00	-0.9%
Controlling Interest				
Earnings per Share ³	0.29	4.94	5.09	-2.9%

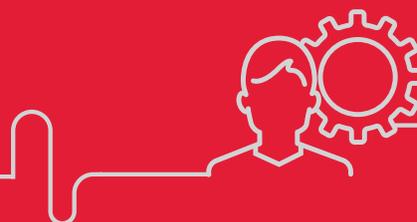
Millions of Mexican pesos and U.S. dollars as of December 31, 2015 (except volume, transactions and per share data). Results Under International Financial Reporting Standards. Figures do not include results of Coca-Cola FEMSA Philippines, Inc. The 2015 results of our Venezuelan operation were translated using the SIMADI⁴ exchange rate of 199.74 bolivars per U.S. dollar. The 2014 results of our Venezuelan operation were translated using the SICAD II⁴ alternate exchange rate of 49.99 bolivars per U.S. dollar.

¹ U.S. dollar figures are converted from Mexican pesos using the exchange rate for Mexican pesos published by the U.S. Federal Reserve Board on December 31, 2015, which exchange rate was Ps. 17.195 to U.S.\$1.00.

² Based on 2,072.9 million outstanding ordinary shares in 2015 and 2014.

³ *Sistema Marginal de Divisas* (Marginal Currency Administration System).

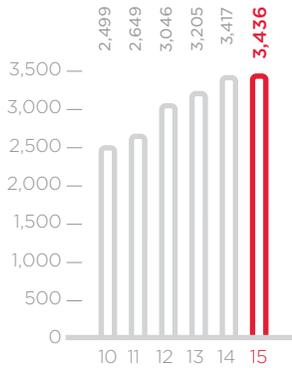
⁴ *Sistema Cambiario Alternativo de Divisas* (Supplementary Currency Administration System).



SALES VOLUME

3,436

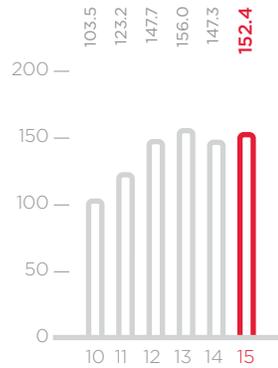
Million unit cases



TOTAL REVENUES

152.4

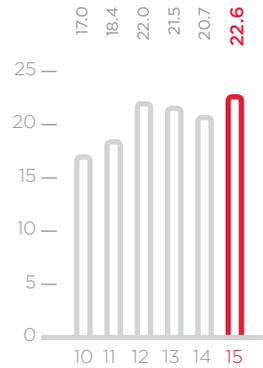
Billion Mexican Ps.



INCOME FROM OPERATIONS

22.6

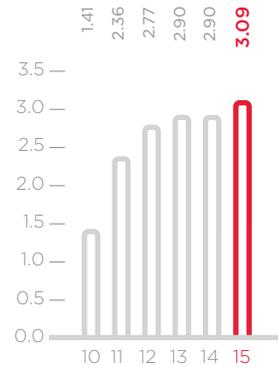
Billion Mexican Ps.



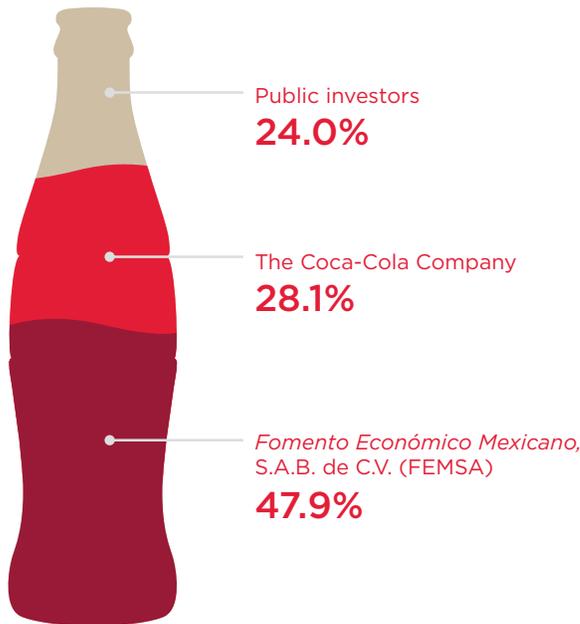
DIVIDENDS PER SHARE

3.09

Mexican Ps.



Capital stock of Coca-Cola FEMSA



FEMSA

125 years evolving:

THROUGH THE YEARS, FEMSA HAS DEVELOPED A SUSTAINABLE LONG-TERM COMPANY, ALWAYS CREATING ECONOMIC, SOCIAL AND ENVIRONMENTAL VALUE IN THE COMMUNITIES WHICH WE HAVE THE PRIVILEGE TO SERVE.

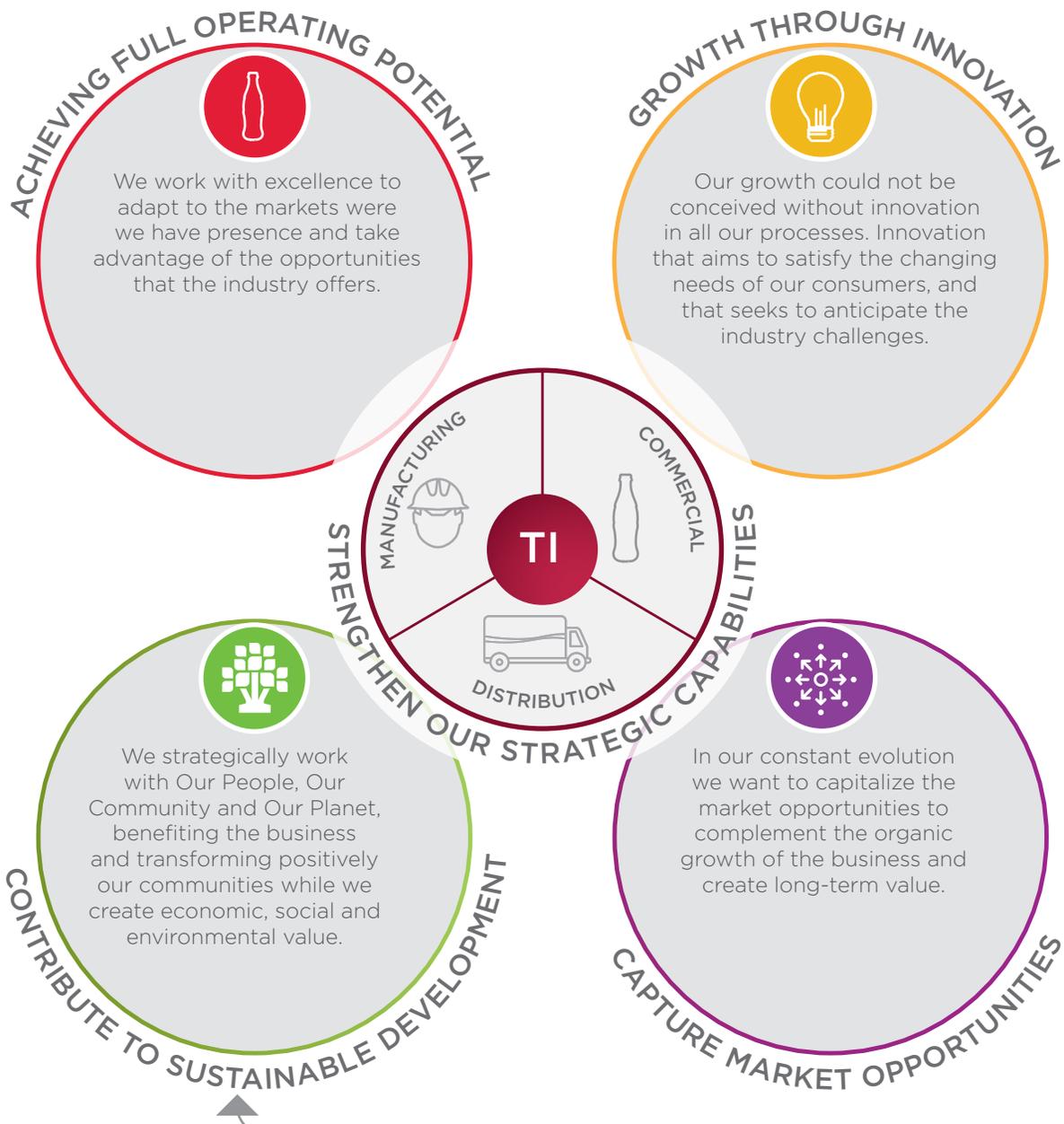
The publicly traded shares of KOF are Series L shares with limited voting rights that are listed on the *Bolsa Mexicana de Valores* (BMV: KOF L) and as American Depository Shares (ADS) on the New York Stock Exchange (NYSE: KOF). Each ADS represents 10 Series L shares.



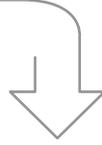
Business STRATEGY

In Coca-Cola FEMSA we seek to be better and to adapt to the growth of our organization, so we have begun an intensive transformation designed to respond to the changes and demands of the environment, determining that it is time to evolve.

Our **Strategic Business Framework** assures us the leadership in the commercialization of leading beverage brands worldwide that contribute to the generation of economic, social and environmental value for all our stakeholders. It is composed by five pillars that guide our way to operate and do business; this is what we call **Excellence in Evolution**.

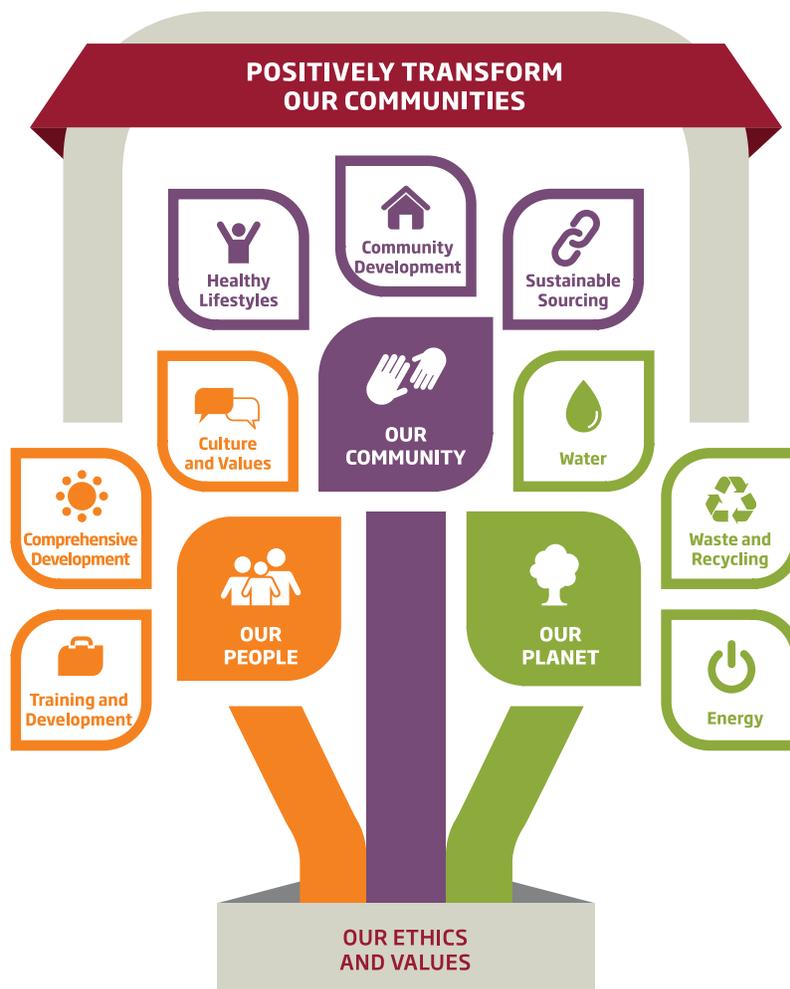


Sustainability STRATEGY



Contributing to sustainable development is a complex task, thus we have implemented our Sustainability Strategy which provides us with the guidelines to achieve our mission to positively transform the communities where we operate.

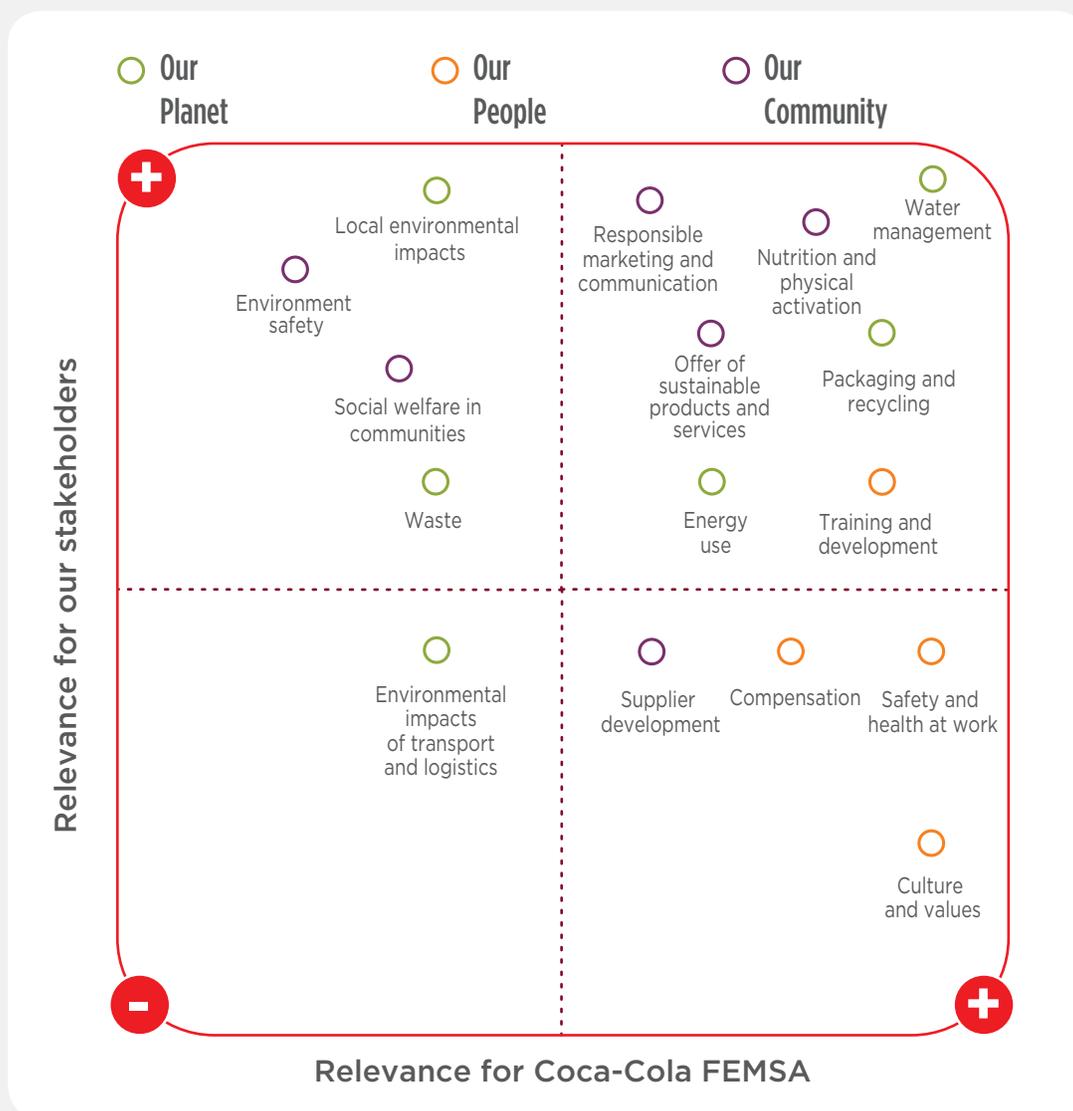
This strategy is aligned at the same time to the strategies from FEMSA and The Coca-Cola Company, consisting of three axes: Our People, Our Community and Our Planet supported by our Ethics and Values. Each of these axes has three action areas, through which we carry out projects, actions and activities that allow us to reach our objectives and create value for our stakeholders.



Materiality matrix and focus topics

Knowing the expectations of our stakeholders helps us to be in constant interaction and dialog through surveys with key executives, employees, members of the external community and sustainability specialists. This helps us to identify the relevant aspects for our business and determine the materiality topics for Coca-Cola FEMSA.

These consultations help us to orient our efforts to what generates more interest in both the internal and external communities, deriving from this exercise Coca-Cola FEMSA's focus topics, which are strategic issues in which we perform our sustainability initiatives.



OUR PEOPLE



Culture and Values

Reinforce culture and values in each operation through promotion mechanisms, as well as the identification and responses to non-compliance.



Comprehensive Development

Offer programs with benefits oriented to the integral development of our employees and their families.



Training and Development

Provide training facilities, professional development and security in our operations.

OUR COMMUNITY



Healthy Lifestyles

Promote a healthy lifestyle and satisfy with excellence our consumers through a vast product portfolio.



Community Development

Develop initiatives and projects that impact positively the community.



Sustainable Sourcing

Work with suppliers to reduce the environmental impacts and improve the social conditions of our chain of value fostering its development.

OUR PLANET



Water

Increase the efficiency in water use in our operations, promote the recycling and reuse of the resource, treat wastewater and act on water conservation in watersheds with a long-term vision.



Waste and Recycling

Generate mechanisms that increase the efficiency in material use, promoting its optimal disposal and recycling.



Energy

Increase the energetic efficiency of our operations, to diversify the energetic portfolio and improve transport efficiency.

Sustainability policy

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 Our People, Our Community and Our Planet.

We know it is important that our Sustainability Strategy evolves and concretes on tangible results. That is why we have established **our 2020 goals** for each axis:



In Coca-Cola FEMSA we keep the communication and the dialogue channels with the different **stakeholders** we interact with.

This communication let us know what interests and concerns the people involved in our business activities, who we have identified in 10 groups, in order to offer contact ways according to their needs.

	REPORTING SYSTEM	01-800 TELEPHONE LINE	E-MAIL / WEBSITE	LABORAL ENVIRONMENT SURVEY	COMMUNITY STUDIES	DIALOGUE SESSIONS	PARTICIPATION IN ASSISTANCE FORUMS	AREA IN CHARGE	MAJOR ISSUES IDENTIFIED
EMPLOYEES AND THEIR FAMILIES								Human Resources	Business philosophy, work culture, employment relationship.
COMMUNITY								Corporate Affairs, Commercial Development, 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, suponsorships, technical support and sales.
SUPPLIERS								Supply	Commercial relations.
SHAREHOLDERS AND INVESTORS								Investor Relationships	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, employments
CIVIL SOCIETY ORGANIZATIONS								Corporate Affairs	Joint projects.
MEDIA								Corporate Affairs	Business strategy, financial results, community development, programs and environmental care institutional positioning.
EDUCATIONAL INSTITUTIONS								Human Resources, Corporate Affairs	Joint projects, academic advice, research, training.

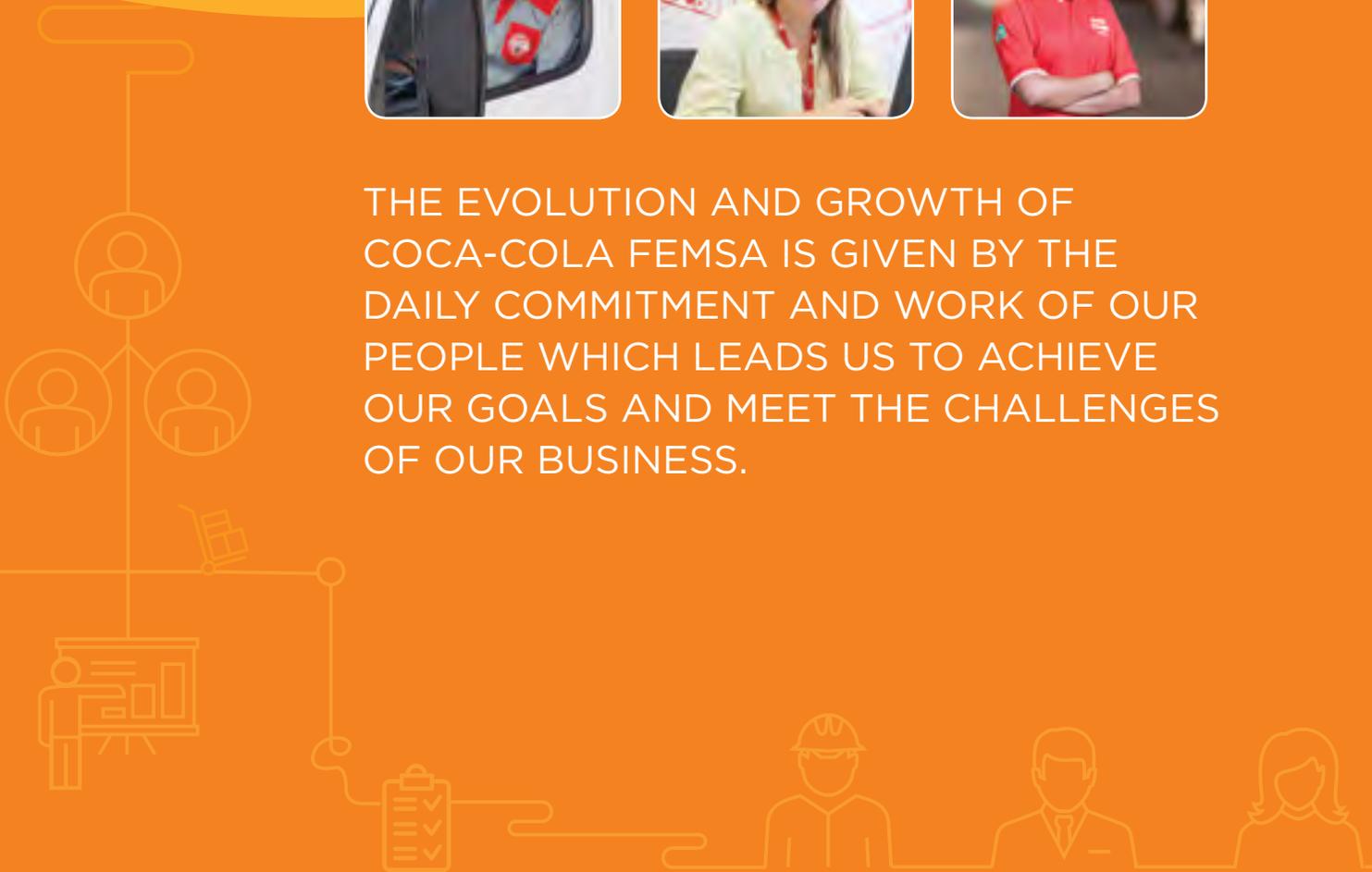
Permanent Annual Variable

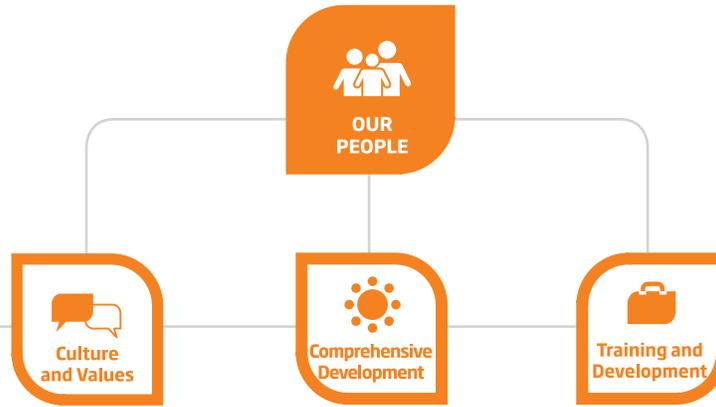


OUR PEOPLE



THE EVOLUTION AND GROWTH OF COCA-COLA FEMSA IS GIVEN BY THE DAILY COMMITMENT AND WORK OF OUR PEOPLE WHICH LEADS US TO ACHIEVE OUR GOALS AND MEET THE CHALLENGES OF OUR BUSINESS.





RELEVANT 2015 RESULTS

100 thousand
COLLABORATORS
ARE PART OF COCA-COLA FEMSA¹

+2
MILLION
HOURS
OF TRAINING

+US \$39
MILLION
INVESTED IN OUR PEOPLE

¹ Includes the operations in Philippines and joint ventures.

OUR COMMITMENT

Generate 1 million volunteer hours from 2015 to 2020

Promote living the FEMSA Culture every day in all of our operations.

To have the best team of motivated and capable collaborators to make timely and assertive decisions.

WHAT WE HAVE ACHIEVED



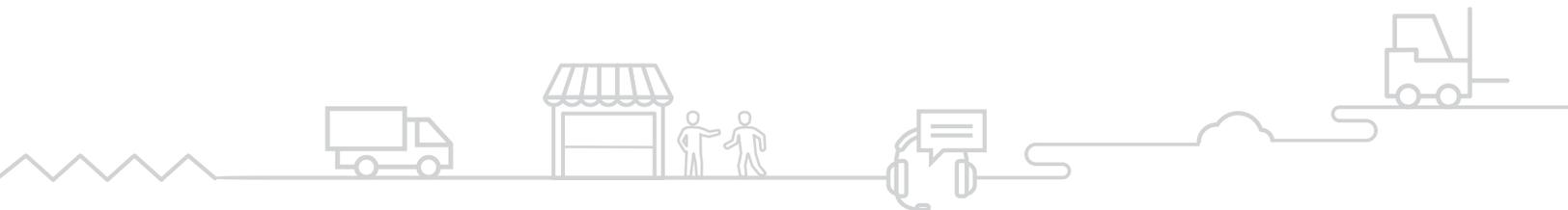
20 thousand 608 volunteers contributed with 105 thousand 564 hours during 2015.



We invested US \$12.9 million in programs that promote the balance between personal life and work, in order to provide better conditions for our team.

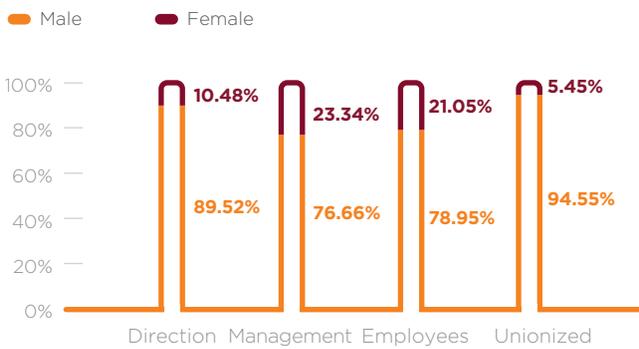


We invested US \$10.2 million in Training and Development.

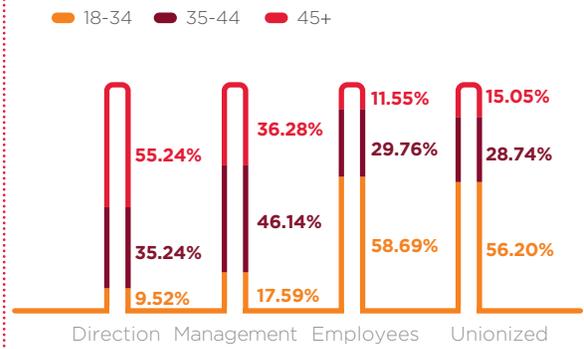




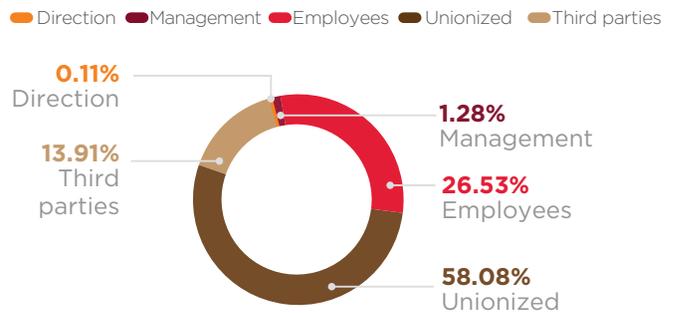
PERSONNEL PER ORGANIZATIONAL LEVEL AND GENDER¹



PERSONNEL PER ORGANIZATIONAL LEVEL AND AGE¹



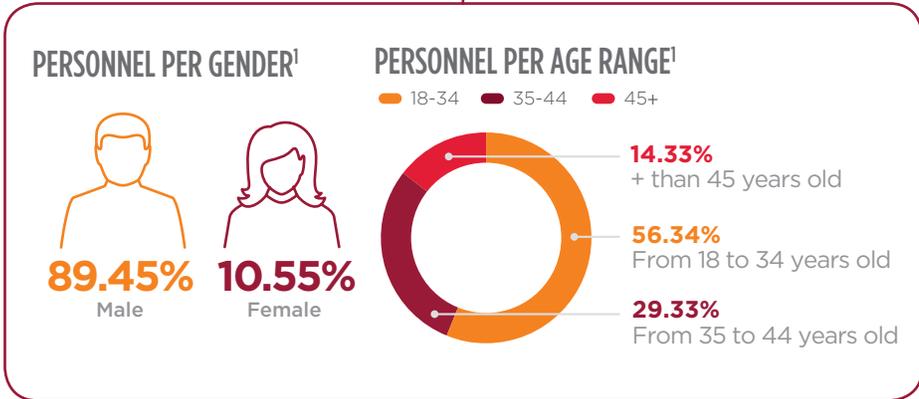
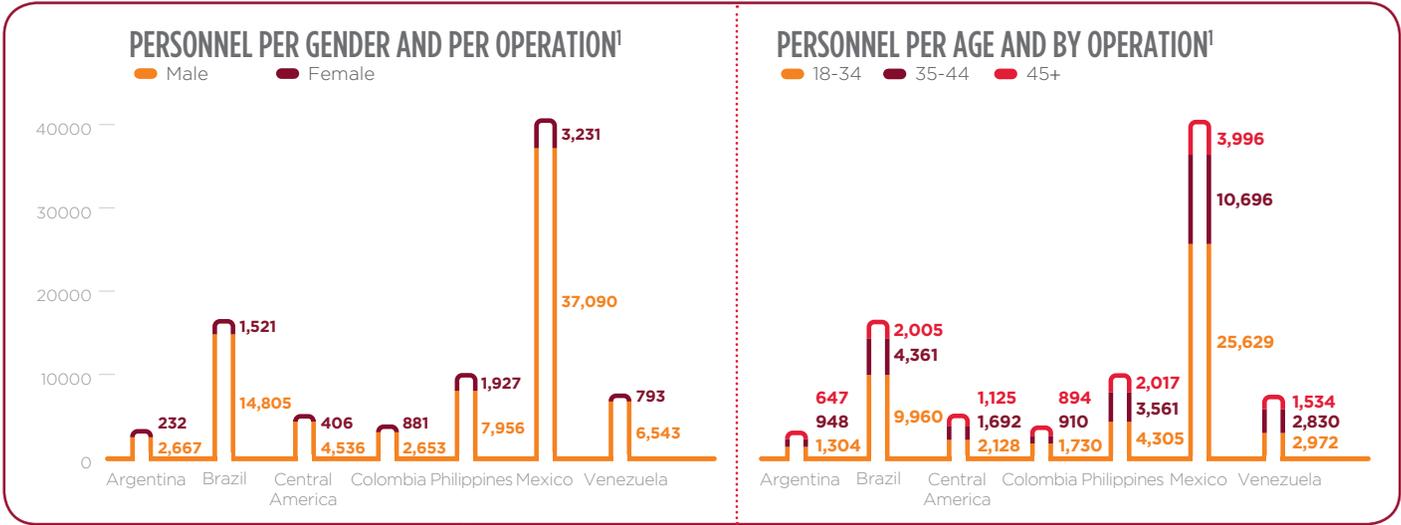
PERSONNEL BY ORGANIZATIONAL LEVEL



¹ Does not include third parties information

Our People have a primary role in the sustainability of our business, which is why we work within this axis in three action areas: **Culture and Values, Comprehensive Development, and Training and Development**, in order to generate a rewarding work environment personally and professionally.

Our employees represent us as a company, which is why we are a diverse team, composed by men and women with different ways of thinking and acting, but with the same opportunities.

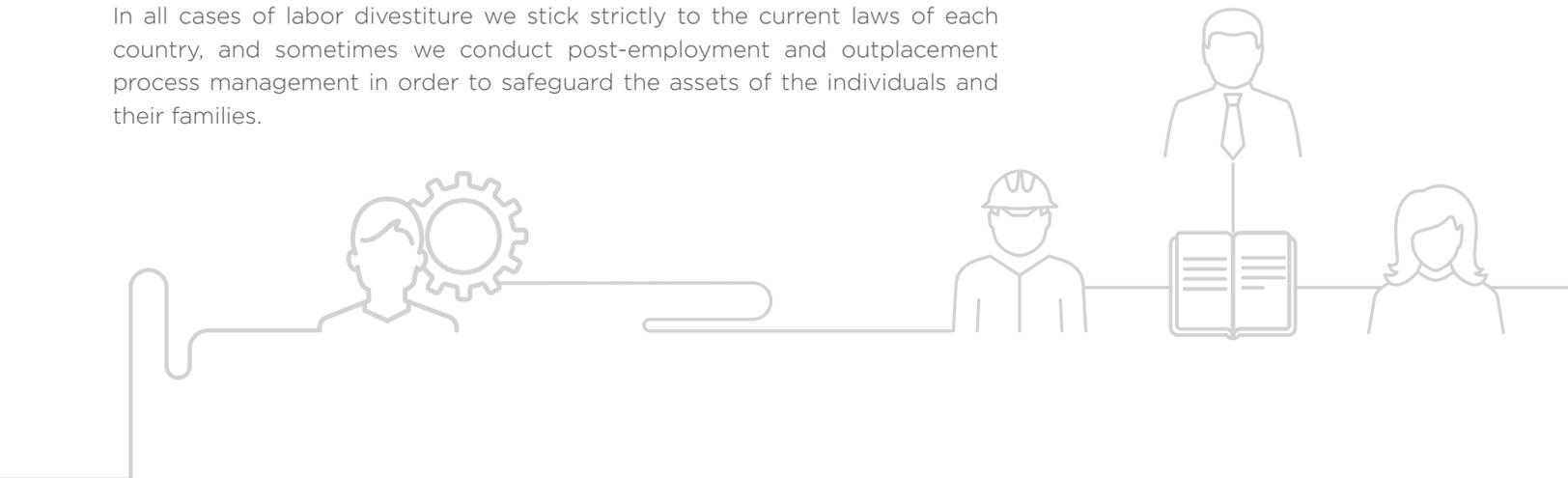


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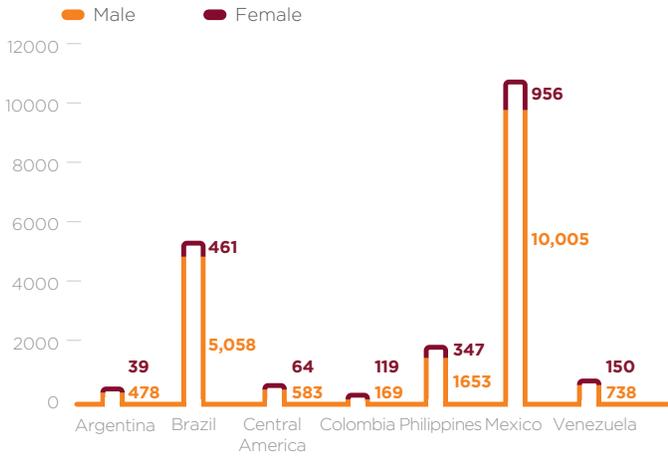
In the evolution towards excellence change is an inevitable factor, so we look to have the best talent to form a better trained team and attached to the needs of our customers and consumers.

As a natural part of this process, in 2015 we made 20 thousand 820 contracts, and from employees who left our company, 5 thousand 580 were voluntary resignations, 15 thousand 103 non-voluntary, and 103 retired, representing an average monthly turnover of 2.2%.

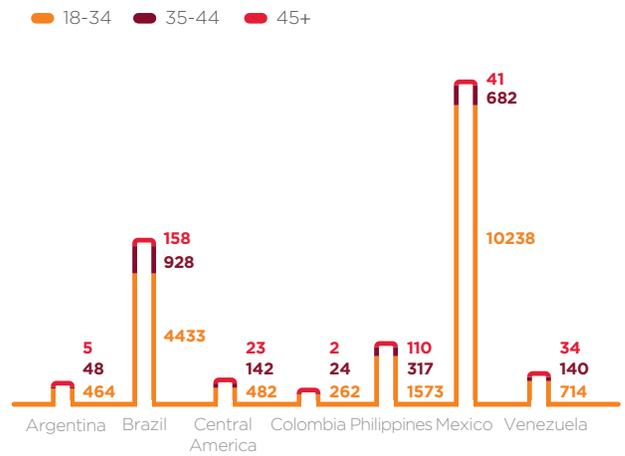
In all cases of labor divestiture we stick strictly to the current laws of each country, and sometimes we conduct post-employment and outplacement process management in order to safeguard the assets of the individuals and their families.



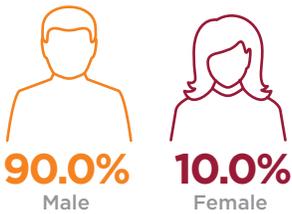
NEW RECRUITMENTS PER GENDER AND REGION¹



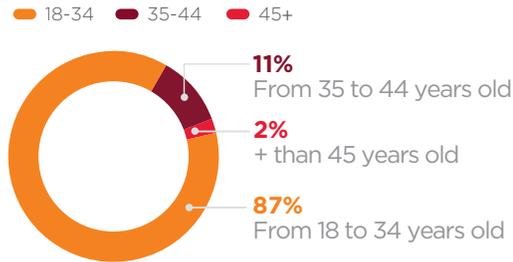
NEW RECRUITMENTS PER AGE AND REGION¹



NEW RECRUITMENTS PER GENDER¹



NEW RECRUITMENTS PER AGE¹



¹ Does not include third parties information



Culture and Values

The FEMSA Culture is lived every day at Coca-Cola FEMSA through our behavior, work style and shared values. This identifies us as a team and gives meaning to what we do. Moreover, is the standard under which we guide ourselves to operate inside and outside our organization.

Mission

Satisfy and please beverage consumers with excellence.

Vision

Be the best bottler in the world, recognized for its excellent operations and the quality of its people. Generate sustainable economic and social value by managing innovative and winning business models with the best employees in the world.

The Coca-Cola FEMSA **Values** talk about what we are and what distinguishes us.



Passion for customer service. We are focused on identifying and meeting the needs of our customers, always looking for their choice through innovative solutions.



Respect and integral development of team members. We promote respect and integral development of the individual and his family, so that they have access to better opportunities for economic, professional and social growth.



Integrity and austerity. We act honestly, responsibly and in accordance with the ethical principles, being aware of the impact of our actions and decisions. We are cautious in our behavior and in the use of company resources.



Social value creation. We contribute positively to transform our communities, through the simultaneous creation of economic, social and environmental value.



Confidence. Among us loyalty and trust are necessary to strengthen the bonds that unite us. As a bicycle chain allows movement and provides stability, trust gives us security among us and certainty to advance steadily.

We want that the men and women who work for our company can grow and develop themselves day by day, that is why we invite them to work under the KOF Leader Attitude, ten practices implemented in 2015 that invite everyone to collaborate under a common business vision.

We have also integrated into the annual targets of each employee an indicator of Leadership Administration, that apart from encouraging the participation in culture and values, it measures not only the results but how we achieve them.





Comprehensive Development

Due to the importance of the comprehensive development of our collaborators and their families, throughout 2015 we invested US \$12.9 million in programs intended to promote the balance between personal life and work, in order to provide better conditions for our team. From these initiatives more than 632 thousand people were benefited.

We achieved all this in accordance with the Social Development System of FEMSA, which is composed by seven dimensions:



Labor: we seek excellent performance of our employees in work and personal areas.



Education: we promote the continued development of the intellectual and cultural heritage.



Health: we value and promote the physical and emotional health, as well as the prevention habits.



Values: we understand and live human values that make individuals better people.



Economic: we promote among our employees and their families the protection and construction of suitable assets to their present and future needs.

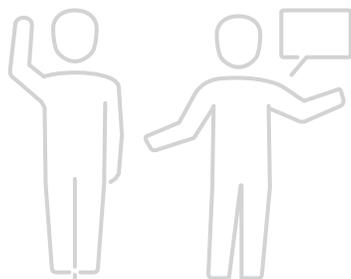


Family: we foster a strongly integrated affective and formative core.



Social and Environment: we are committed to the common good and, we respect the laws and care for the environment.

Throughout 2015 we invested **US \$12.9 million** in programs intended to **promote the balance between personal life and work.**



SOCIAL DEVELOPMENT IN

Initiatives	3,936
Beneficiaries	632,327
Volunteering activities	635
Volunteers	20,608
Volunteer hours	105,564

As part of the benefits we offer to Our People we have integral work schemes that privilege the welfare of all those who are part of our team and promote in this way Social Development.

An example of this is the differentiated workday schemes, where benefits of working at home are provided to 1 thousand 093 employees, flexible hours to 860 and reduced hours schemes to 269.

COLLABORATORS IN DIFFERENTIATED WORKDAY SCHEMES 2015 ¹			
	MALE	FEMALE	TOTAL
Work at home	670	423	1,093
Flexible hours	428	432	860
Reduced hours	161	108	269
Another scheme or flexible benefit	43	40	83
	1,302	1,003	2,305

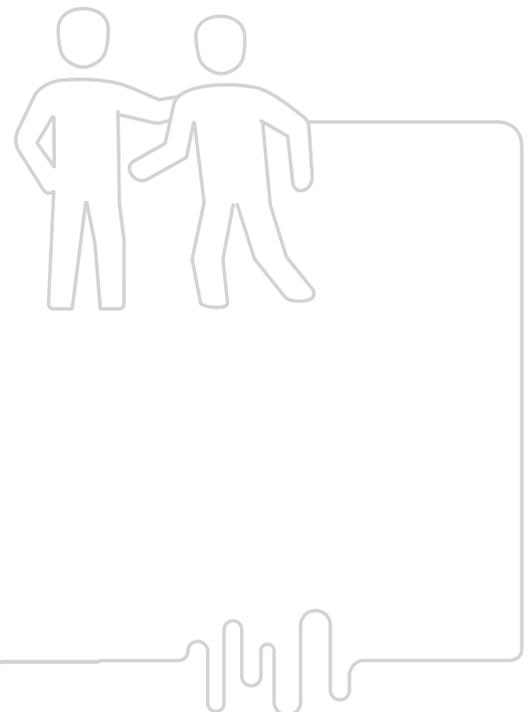
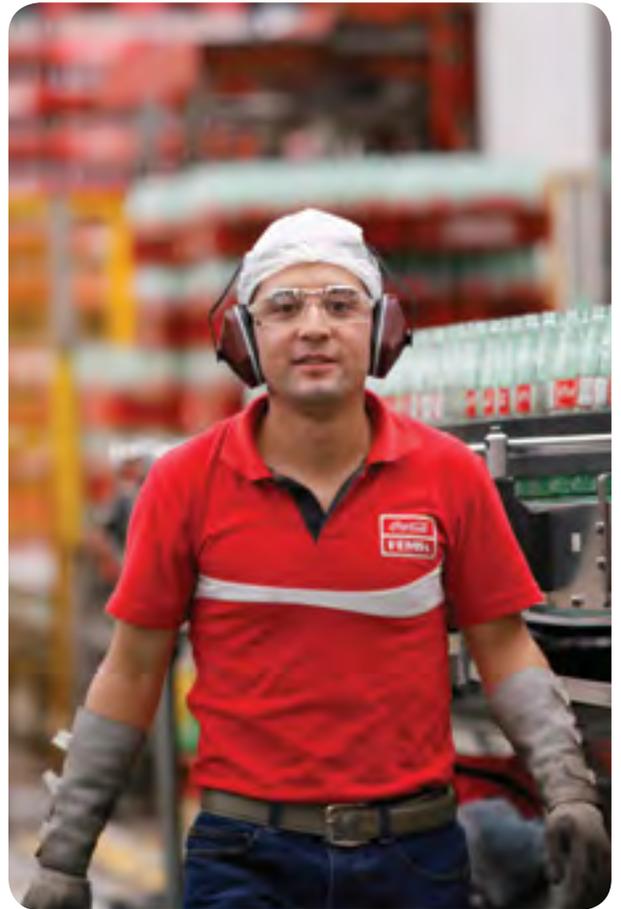
¹ Operations of Argentina, Brazil, Colombia and Mexico are considered, which represent the 71% of our global operation.

We also have Social Development initiatives for our employees and their families. An example is the KOF Entrepreneur Families program, implemented in Costa Rica during 2015, in which different courses and workshops are taught to the families of our employees to develop technical and business abilities and, in this way, keep on with our mission to generate economic and social value. In 2015 we had the participation of 35 people and we expect that for 2016 this program generates more results.

Other initiatives are dedicated to promote the adoption of healthy habits that contribute to improve the quality of life of Our People. To do this, we offered fitness classes and sports tournaments, and in some countries we have enabled gyms to offer Healthy Zones where our collaborators can exercise.

To ensure that our collaborators have a good working environment, where respect and dignity prevail, every two years we conduct a Diagnosis of Organizational Environment. In 2015, 100% of the work centers were evaluated, with the participation of 90% of the employees, obtaining an improvement in the level of satisfaction in the working environment of 3% compared to the previous year.

We are also promoting the use of technology for better communication and closeness between our employees in the various operations. We accomplish this through YammerKOF, an internal communication network downloadable for any mobile device where experiences, achievements, photos, comments and news of interest can be shared. Similarly, we have digital media platforms that support and strengthen the attraction of new talent; as an example is our website and LinkedIn account, where we have more than 224 thousand followers.





"At Coca-Cola FEMSA we are committed to create a culture of diversity and inclusion, promoting equal opportunities and respect; recognizing that our differences make us stronger, while we impact positively our business results, our community and our work environment."

John Santa Maria Otazua
CEO Coca-Cola FEMSA" por "Chief Executive Officer

Training and development

Excellence is achieved only with a trained, updated and receptive team to all the issues that concern our industry. Only in this way can we continue evolving to offer better products and services to our customers and a better working environment for Our People.

Similarly **Diversity & Inclusion** are characteristics of our company. We encourage an environment with equal opportunities and do not discriminate against any person by grounds of origin, race, marital status, age, political opinion, gender, creed, association or trade union membership, social or economic class, family status, pregnancy, language, sexual orientation, identity and gender expression, disability, illness, nationality or migratory status, ensuring this way equal opportunities for professional development and growth.

In 2015, we invested US \$10.2 million in training for our employees, which connects to the **Development Agenda**, methodology that allows us to offer a comprehensive training offer with which we try to potentiate three competences: leadership, technical skills and functional skills. Each employee receives a **Training Needs Detection Diagnosis** to design plans according to individual needs. This process of personal development is formed with a plan where 70% of the time is spent on critical experiences, 20% in the process of mentoring and coaching, and 10% by virtual and presence training.

In 2015 we implemented the Diversity and Inclusion Networks in order to build support points that stimulate the development of initiatives, activities and programs that enrich and foster a culture of respect and integration in six areas: gender equality, moms and dads, multi-generation, disability, multiculturalism and LGBT.



diversity & inclusion





Some training sessions that were offered during the year were related to the following topics: health and safety, human rights, ethics and corruption, culture of legality, sustainability, languages, technical knowledge and other skills.

We offered 28 thousand 879 hours of training in human rights; 9 thousand 652 hours in ethics and corruption; 1 thousand 857 culture of legality; totaling 40 thousand 390 hours of training related to our Code of Ethics.

TRAINING 2015	
CONCEPT	RESULTS
Investment (US)	\$ 10,245,051
Number of trained employees	87,404
Number of training hours	2,001,173
Training investment by employee (US)	\$ 117.22
Training coverage ¹	103%
Average number of hours per trained employee	23

TRAINING HOURS PER CATEGORY	TOTAL
Directors	712,355
Managers	442,437
Employees	461,111
Unionized	369,343
Third party collaborators	15,927



In 2015, we invested US \$10.2 million in training for our employees.

¹ The number is more than 100% since it takes into account people who rotated and people with more than one training.

Compensation and benefits

A company that operates in a global environment must be competitive in terms of the compensation and benefits granted to its collaborators. In Coca-Cola FEMSA we want all who are part of our team in our company to find a space for equitable development according to their expectations.

Therefore, we make sure that compensation is competitive according to the industry and countries where we operate. One way to ensure this is through studies by international consultants, through which we compare our annual total compensation packages with the industry trend by offering compensation to our collaborators according to their performance regardless of gender, age or nationality.

In the last year, 5 thousand 150 employees have Administration by Objectives programs through which an evaluation of their performance is done. This is accomplished through a system called Vertical Review, where progress in established goals and objectives are monitored according to business priorities for each evaluated collaborator and his boss.

Some examples of benefits that are our collaborators receive, in addition to what the law requires in each country are: life insurance plan for all administrative personnel, major medical expenses plan, short-term incentives plan and long-term incentive plan for executive levels.

Moreover, for those team members who are retiring, we have retirement plans and we sometimes offer a complementary scheme of a lifetime payment and health care services. The economic benefits and pensions are established in accordance with the conditions specified by the laws of each country.

In regards to the unionized staff, the entire workforce has benefits that meet and often exceed the parameters established in the current legislation of each of the countries where we operate, such as vacation time, overtime pay, access to social security, uniforms, among other benefits agreed in the collective labor agreements, which are reviewed regularly with their representatives. We comply with notice periods and other notifications to our collaborators, by adhering strictly to the rules and guidelines of the labor authorities in each country.



In Coca-Cola FEMSA **we want** all who are part of our team in our company to find a **space for equitable development** according to their expectations.



Occupational health and safety

In order to protect the health of our staff and at the same time meet the safety guidelines of each country, we operate under our policy of Industrial Safety and Occupational Health, which is based on the principle of commitment and co-responsibility between managers and partners.

We invested US \$15.9 million in stock that allow us to provide safe working environments, which is managed by the System of Occupational Safety and Health Administration (SASSO, by its name in Spanish), which seeks to increase awareness of risk

prevention and diseases in the workplace, promote individual responsibility for occupational health and safety, and specially to identify, control and eliminate the risks that may arise.

We also have the OHSAS 18001 certification in all our plants. This certificate allows the management of Occupational Health and Safety and establishes the best practices in this area to provide working conditions in accordance with international practices. In 2015 our rates for every 100 employees of accidents, lost days and overall disease improved by 14%, 11% and 16% respectively, against last year.

OCCUPATIONAL HEALTH AND SAFETY					
COUNTRY	ACCIDENTS RATE PER EACH 100 COLLABORATORS (ACCUMULATED)	LOST DAYS RATE PER ACCIDENTS PER EACH 100 COLLABORATORS (ACCUMULATED)	GENERAL DISEASE RATE PER EACH 100 COLLABORATORS (ACCUMULATED)	LOST DAYS RATE PER GENERAL DISEASE PER EACH 100 COLLABORATORS (ACCUMULATED)	WORK FATALITIES OF OUR OWN PERSONNEL
Argentina	5.1	164.4	95.2	790.3	0
Brazil	1.3	31.7	142.1	1,381.3	0
Colombia	5.2	42.0	107.7	779.4	1
Costa Rica	3.3	96.3	69.8	415.0	0
Philippines	0.5	2.8	208.8	472.6	0
Guatemala	1.4	70.3	113.7	611.9	1
Mexico	5.7	120.1	26.3	279.5	0
Nicaragua	4.8	106.1	80.8	613.5	0
Panama	2.0	10.3	337.7	526.5	0
Venezuela	1.7	39.2	64.2	509.8	0
Total	3.7	77.5	85.3	595.3	2



Our People in numbers

PARTNERS PER REGION 2015					
COUNTRY	NON UNIONIZED	UNIONIZED	TOTAL	THIRD PARTIES	TOTAL
Argentina	697	2,202	2,899	104	3,003
Brazil	206	16,120	16,326	1,679	18,005
Central America	2,625	2,317	4,942	1,256	6,198
Costa Rica	1,581	0	1,581	353	1,934
Guatemala	353	954	1,307	247	1,554
Nicaragua	307	442	749	356	1,105
Panama	384	921	1,305	300	1,605
Colombia	3,001	533	3,534	1,648	5,182
Mexico	17,740	22,581	40,321	3,667	43,988
Venezuela	1,234	6,102	7,336	0	7,336
Total Coca-Cola FEMSA	25,503	49,855	75,358	8,354	83,712
Philippines	2,501	7,382	9,883	5,423	15,306
Total Coca-Cola FEMSA + Philippines	28,004	57,237	85,241	13,777	99,018

TRAINING				
COUNTRY	# TRAINED PEOPLE	# TRAINING HOURS	# HOURS PER PERSON	% COVERAGE ¹
Corporate	765	30,481	40	134.86%
Argentina	2,018	54,400	27	76.64%
Brazil	10,407	290,383	28	60.13%
Central America	6,135	33,880	6	100.53%
Colombia	12,956	122,700	9	251.95%
Philippines	10,449	7,018	1	130.89%
Mexico	39,204	1,398,054	36	99.65%
Venezuela	5,471	192,518	35	74.76%
Total	86,639	2,098,954	24	100.95%

¹ In the cases where the number is greater than 100% , people who rotated and people with more than one training were taken into account.



ROTATION 2015							
COUNTRY	KIND OF WORK LEAVE						TOTAL
	VOLUNTARY		NON VOLUNTARY		RETIREMENT		
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
Argentina	49	20	145	10	1	0	225
Brazil	522	80	3,417	474	1	0	4,494
Colombia	152	91	260	217	9	4	733
Central America	274	42	2,166	38	24	3	2,547
Philippines	378	234	363	115	36	3	1,129
Mexico	2,816	357	5,807	376	22	0	9,378
Venezuela	459	106	1,533	182	0	0	2,280
Total	4,650	930	13,691	1,412	93	10	20,786
	5,580		15,103		103		

INDICATOR	RESULT
Vacancies covered by internal promotions.	33% (4,850)
Directors originating from the country where they work.	72
Rate of return to work after maternity/paternity.	90.6%
Weighted average starting salary of our employees with regard to the minimum salary in each country.	5.50
Partners whose integrated salary is greater or equal to range in the market.	36%



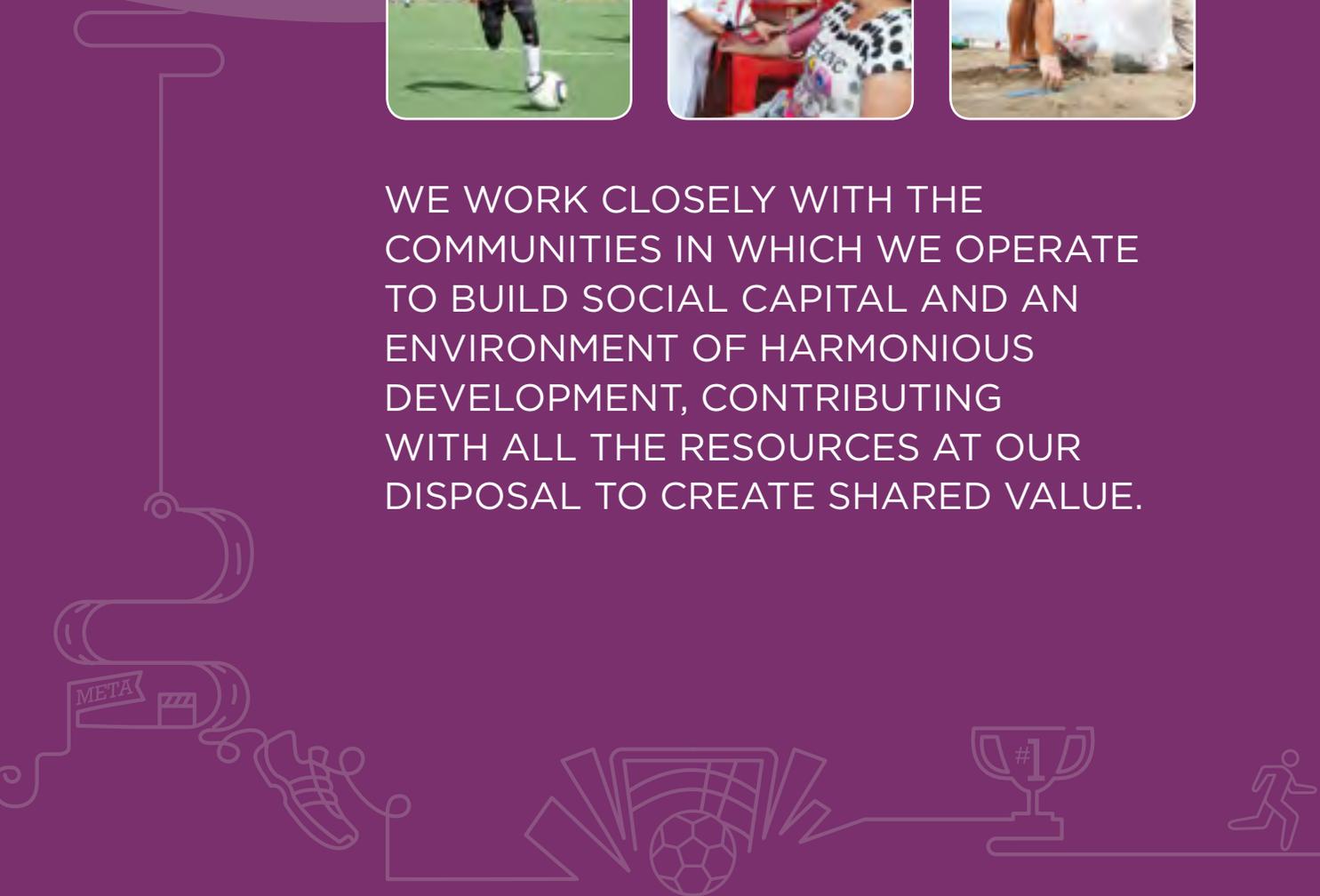


OUR

COMMUNITY



WE WORK CLOSELY WITH THE COMMUNITIES IN WHICH WE OPERATE TO BUILD SOCIAL CAPITAL AND AN ENVIRONMENT OF HARMONIOUS DEVELOPMENT, CONTRIBUTING WITH ALL THE RESOURCES AT OUR DISPOSAL TO CREATE SHARED VALUE.





RELEVANT 2015 RESULTS

US \$7.7

MILLION INVESTED IN PROGRAMS AND ACTIVITIES FOR OUR COMMUNITY.

113

INITIATIVES OF HEALTHY LIFESTYLES, SOCIAL WELFARE AND CARE OF LOCAL ENVIRONMENTAL IMPACTS.

107

SUPPLIERS EVALUATED IN 2015 ON ENVIRONMENTAL, SOCIAL AND ETHICAL ISSUES.

OUR COMMITMENT

Benefit 5 million people through our programs and initiatives that promote nutrition and physical activation from 2015 to 2020.

By 2020 all our priority plants and distribution centers will have a social license program.

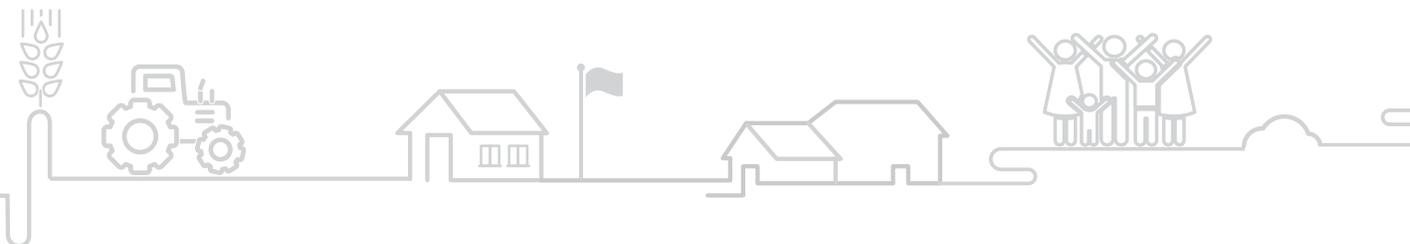
To be a generator of competitiveness and sustainable principles in our current and future suppliers.

WHAT WE HAVE ACHIEVED

509 thousand 795 benefited people.

We developed the Methodology for Addressing Risks and Relations with the Community (MARRCO, by its name in Spanish) to strengthen our interaction with communities.

Since 2012 we have evaluated 452 suppliers on social and environmental issues.





Our participation in communities is focused on three action areas: **Healthy Lifestyles, Community Development and Sustainable Sourcing.**

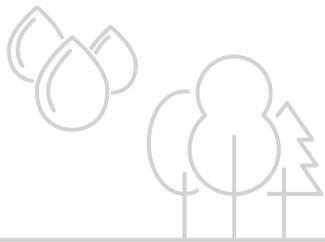
We want our actions with communities to generate mutual benefits in the medium and long term, adding value in areas where we have organizational strengths. Therefore, we developed along with all of FEMSA's Business Units the Methodology for Addressing Risks and Relations with the Community (MARRCO), whose purpose is to strengthen our interaction with communities, based on the construction of dialogue, trust, cooperation and commitment.

Through five steps we'll develop skills in work teams to identify locally the impact of our operations in communities, as well as the circumstances that could impact our operation.

1. Identify and understand the needs, resources and commitments of the business with the community, their way of being and their priorities.
2. Analyze and plan the risks and opportunities to achieve community relations.
3. Agree and act together with the community to establish commitments and take actions of common interest.
4. Evaluate and measure the impact and progress for community management.
5. Learn and improve by identifying opportunity areas and best practices.

NUMBER OF INITIATIVES	OBJECTIVE	INVESTMENT
55	Social welfare in the communities	US \$1.5 million
31	Nutrition and physical activity	US \$3.0 million
27	Local environmental impacts	US \$3.2 million

During 2015 we carried out **113 community, environmental, nutrition, and physical activation initiatives benefiting more than 550 thousand people.**



FUNDACIÓN FEMSA

To generate legacies beyond our operations we work with FEMSA Foundation, our social investment instrument. For 7 years we have worked to boost long-term sustainable projects in vulnerable communities to help solve the problems of water and nutrition faced in Latin America and Philippines.

We focus on access to water and sanitation, watershed conservation and nutrition education with projects in which the community is not only a participant, but becomes owner of these initiatives and therefore of its own development. We also promote research and training in water and nutrition through the **Water Center for Latin America and the Caribbean** and **FEMSA Biotechnology Center** at *Tecnológico de Monterrey*.

PROJECTS IN COLLABORATION WITH FEMSA FOUNDATION 2015

Our Community

- CONIN Centers for Early Childhood
- Be Healthy (*Ser Saludable*)
- Colors Campaign (*Campaña de Colores*)
- Malnutrition Reduction
- Schools with Food Education
- Clean Water in Schools
- Sanitation in *La Gallina II*
- Water For Minas Gerais
- Water Ties (*Lazos de Agua*)
- Zavaleta II Intervention

Our Planet

- Water for the Future
- Latin American Alliance for Water Funds





We activated **6.1 million people** through races and other physical activation events in Colombia, Costa Rica, Guatemala, Mexico, Nicaragua and Panama.



Healthy Lifestyles

Because we care about the health of our consumers, in Coca-Cola FEMSA we endorse Healthy Lifestyles through initiatives, projects and programs that promote a culture of physical activation, health, sports and self-care, helping to improve the life quality of Our Community.

For example in Argentina with **Sustainable Gardens (Huertos Sustentables)** we create hydroponic gardens to supply eating places of the surrounding communities to our operations and enrich in this way the diet of its inhabitants.

We have programs that promote physical activation of students, involving teachers and local organizations in programs such as **Time to Move (Hora de Moverse)** and **Enroll to Move (Apúntate a Moverte)** in Colombia, Costa Rica, Guatemala, Nicaragua, Panama and Venezuela.

Similarly, in many countries we encourage sport. For example thanks to **Coordinates for Life**, we offer sports clinics to children in risk at Philippines. In Venezuela we do it through the **Coca-Cola Cup**, where we organize inter-school football tournaments, or through the very well-known **Coca-Cola Caimaneras**, where professional players offer baseball and soccer clinics for children and adolescents from 5 to 15 years old interested in these sports.

FEMSA Foundation

Since 2008 we have joined to the efforts from FEMSA Foundation through initiatives to contribute for a better education in nutrition of the people that live in the communities where we operate.

Thanks to **Colors Campaign (Campaña de Colores)**, we promote nutritious and healthy food habits of the Nicaraguan children. Through the **CONIN Centers for Early Childhood** we support pregnant women and mothers of little children in Argentina with talks about health in early childhood, early stimulation, social assistance and cooking workshops. In Guatemala, in collaboration with CARE, the initiative **Be Healthy (Ser Saludable)** was launched, with the purpose to promote an integral strategy of behavior change to reduce malnutrition in two vulnerable populations of the country.



These are some of the initiatives through which **we promote Healthy Lifestyles in the ten countries where we operate.**

PHYSICAL ACTIVATION



SPORTS GLORIES
(GLORIAS DEL DEPORTE)

National social integration program through football academies located in the zones of greater violence, it was done in collaboration with the Ministry of Governance and Capital MX.



TIME TO MOVE AND ENROLL TO MOVE
(HORA DE MOVERSE AND APÚNTATE A MOVERTE)

Coca-Cola in partnership with the Ministries of Education from the countries involved in the program launched the initiative in public schools, where teachers are trained to guide students to perform 60 minutes per day of physical activity.



UP TO DATE HEALTH
(SALUD AL DÍA)

Recreational days in educational institutions that encourage active lifestyles and promote hydration during these activities.



MOVE YOURSELF
(MOVEMENTE-SE)

Online platform for the identification of free sport practices in group in nearby towns.




COCA-COLA CUP

Interschool sports tournaments that promote sport among children and adolescents.



NUTRITION



COLORS CAMPAIGN *(CAMPAÑA DE COLORES)*

Along with the Federation Network NicaSalud, American Nicaraguan Foundation (ANF) and FEMSA Foundation we created a network of information that improves the knowledge and practices about nutrition, and healthy and active lifestyles between students of primary schools in Nicaragua.

FEMSA FOUNDATION



A DISH, A SMILE
(UN PLATO, UNA SONRISA)

This initiative seeks to benefit children in school centers and kitchens with talks about a balanced diet and daily supplementary food.




MALNUTRITION REDUCTION

We reduced chronic malnutrition in Guatemala through an educational model that fosters positive changes in the behavior of mothers and children under 5 years old.

FEMSA FOUNDATION



SCHOOLS WITH FOOD EDUCATION

We support the training of students and families in Bogotá to make sustained decisions when choosing foods.

FEMSA FOUNDATION



LIVING POSITIVELY

Program that supports nutrition education to parents and representatives of the communities close to the area where the Coca-Cola *Caimaneras* are implemented.





Community Development

Our priority in this action area is to develop programs and activities that let us relate to those communities near our operations, where we can bring benefits and elements that serve the needs of their inhabitants.



Each country is immersed in a different context, which is why the initiatives tend to be diverse, and thus enriching. For example, in Brazil we promote culture through theatrical performances for children and young people in the **Municipal Week of Science, Technology and Innovation**; and through the diffusion of the Brazilian cinema in public spaces to communities with limited access to culture thanks to **Projeto Cine na Estrada**. Meanwhile, in Colombia we focus on the development of knowledge, skills and decision-making in children living in situations of risk through the initiative **Coordinates for Life**.

In Venezuela through **Productive Neighborhood** we train and transfer knowledge, in order to generate projects that increase the family income. In Argentina we develop a closer relationship with the residents of our plants to meet their needs and problems through the program **Neighbors First**.

FEMSA Foundation

In order to contribute to the conservation of the environment in our communities; we joined forces to FEMSA Foundation on projects for access to water, sanitation and hygiene. We work with the people so that they take ownership of the projects and be in charge of tracking them in the future, thus making them sustainable.

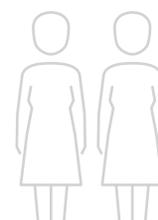
We work in different initiatives that address the problem in an integral way. In Colombia, with Planet Water Foundation and other partners we support the project **Clean Water in Schools**. Safe water supplying towers are installed in rural schools, and also educational workshops in water, health and hygiene are given with the purpose that students and teachers are catalysts for positive change in their community. In the second phase of our project **Sanitation in La Gallina** in Nicaragua, we trained the families of the community located in San Rafael del Sur for the construction, use and maintenance of eco-toilets that contribute to the development of a healthy and dignified life.

In Brazil we developed the program **Water for Minas Gerais**, in which we treat, store and distribute drinking water in rural communities. This effort joins the installation and start of three fixed treatment water plants in 2014.

But perhaps one of the projects with greater environmental impact is **Water Ties (Lazos de Agua)**, a project we launched in 2013 which seeks to improve the quality of life of at least 100 thousand people in more than 100 marginalized communities of five countries in Latin America through sustainable access to safe water, improved sanitation infrastructure, and the reinforcement of good hygiene habits in families. To make this sustainable, in many communities, water committees operated by the inhabitants are created being in charge of the resources and newly installed infrastructure. This program is financed by The Coca-Cola Company Latin America, Millennium Water Alliance and FEMSA Foundation, and is executed with the support of key players with extensive experience in the sector such as Living Water International and World Vision in Mexico; CARE in Guatemala; Water for People in Honduras, WaterAid in Nicaragua and *Aguayuda* in Colombia.



In 2015 we designated **US \$479 thousand in donations to the community**, and **US \$175 thousand in sponsorships** for charitable actions.



During 2015 we conducted **55 social welfare initiatives** in communities and **27 initiatives of attention to local environmental impacts.**

SOCIAL WELFARE



SPACES FOR PEACE AND RECONCILIATION, ESPERE

This project seeks to create space for demobilized people, in compliance with Law 1424, to enable them to undertake community service and develop remediation and forgiveness actions for the benefit of communities and victims of violence.



PRODUCTIVE NEIGHBORHOOD

This project seeks to build networks of productive cooperation between the inhabitants of a territory, with the purpose to generate ventures that increase family income through training and knowledge transfer.



PROJETO CINE NA ESTRADA

Seeks the stimulation of cultural development in communities without access to culture, through cinematography and dissemination of Brazilian cinema, using public spaces with cultural activities to reinforce the self-esteem and affection of the people regarding their cities.



COORDINATES FOR LIFE

Program focused on developing skills for children at risk, in order to help them overcome difficult situations developing in them knowledge, skills and decision-making.



LOCAL ENVIRONMENTAL IMPACTS



WATER TIES (LAZOS DE AGUA)

We improved access to safe water, sanitation and hygiene of rural communities with adequate infrastructure to the location, involving the inhabitants to the project in such way that the sustainability of the interventions is ensured.

FEMSA FOUNDATION



REFORESTATION

26 thousand 586 trees reforested by our volunteers. This initiative is part of Water for the Future, the Program of Water Replenishment of the Coca-Cola System, which aims to reach a neutral water footprint by 2020.



SANITATION IN LA GALLINA II

We improved the sanitary conditions of the housing of the families of La Gallina by installing eco-toilets that they build and maintain in optimal function.

FEMSA FOUNDATION



ZVALETA II INTERVENTION

In the south of Buenos Aires we give permanent access to piped water over the households and drainage, as well as community spaces for healthy recreation.

FEMSA FOUNDATION



REDES CAR

The Sustainable Business Network program seeks to transform productively in competitiveness and environmental performance the supply chains made up by large suppliers and SMEs.



CITIZENSHIP SQUARE

Project in partnership with various institutions and public entities that provides infrastructure for the strengthening of services that benefit communities, in health and environmental protection topics.



MAMBRÚ IS NOT GOING TO WAR, THIS IS ANOTHER STORY

Through workshops and cultural and artistic events we seek to strengthen prevention in the recruitment of children, adolescents and young people to armed groups outside the law in areas impacted by violence.



EMPLOYMENT BRIDGES

Contribution to the recovery of young people who used drugs to support their employment.



ESKWELA BRIGADE

Initiative that helps the Department of Education to prepare public schools for the beginning of classes.



COMMUNITY LEARNING CENTERS, CCAS

Virtual classrooms project in which more than 86 free self-study courses are given for vulnerable communities in different regions of the country, as an opportunity for development through formal education tools so that they can improve their employability while promoting entrepreneurship.



WATER WATCHERS

Project where 400 students learn to save water resources promoting the rational use of water. It is divided into three phases: identifying opportunities for saving water in schools; adapting their facilities to maximize water use by changing the system of pipes, installation of efficient taps; and student training.



CLEAN WATER IN SCHOOLS

We installed safe water supplying towers in rural schools to reduce illnesses and absenteeism. We give educational workshops in water, health and hygiene to the teachers of the schools aiming to be key players in the sustainability of the project.



FEMSA FOUNDATION



Sustainable Sourcing

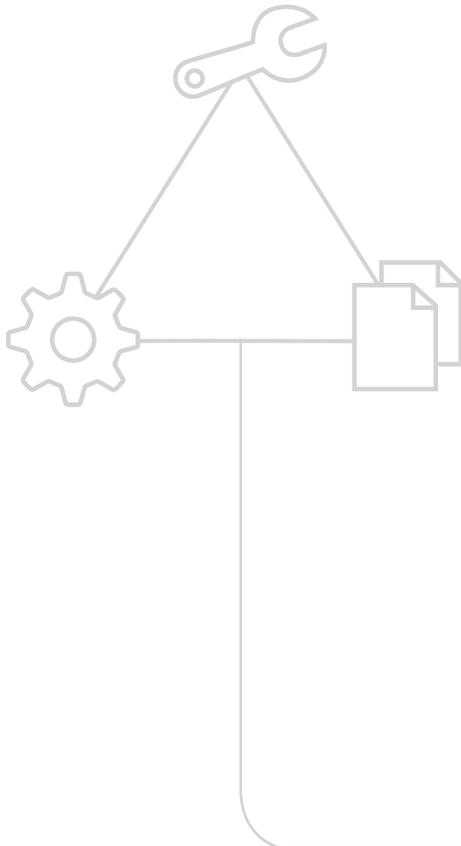
In Coca-Cola FEMSA we understand **sustainability** as the ability to generate social, environmental and economic conditions necessary to operate today and grow over time in harmony with the environment, creating long-term value.

Therefore, Sustainable Sourcing is a fundamental part of how we operate. This means that we apply social, environmental and ethical guidelines in the purchasing, selection, hiring and evaluation processes of all our suppliers. We do not only set conditions, we also train and develop our suppliers on these issues, as we evaluate and audit them, to contribute to their future sustainability, because we are also committed to excellence throughout our value chain.

With regard to compliance and respect for human rights of all the people with whom we interact, we formalized our **Declaration of Human Rights**. For working with our suppliers and collaborators, we are guided by the principles on rights at the workplace, which are included in our **Workplace Rights Policy**, in the **Supplier Guiding Principles** established by The Coca-Cola Company, as well as in the **Supplier Guiding Principles** set by FEMSA.

The Coca-Cola Company's **Supplier Guiding Principles** communicate our values and expectations of suppliers and independent bottlers, and emphasize the importance of responsible practices in the workplace that respect human rights and comply, at least, with local labor and environmental laws, as well as key international conventions. These laws and regulations include, among others, those relating to work hours, remuneration, working conditions and employees rights to choose whether to be represented by third parties and to bargain collectively. That is how we guarantee that all people that affect our operations receive appropriate treatment and that their rights are respected.

On the other hand, FEMSA's Supplier Guiding Principles ensure that they operate on the basis of policies, principles and responsible business practices through four themes: Work Rights, Environment, Community and Ethics and Values. With this we contribute to the improvement of the working, social and environmental performance of all suppliers.



Guiding Principles for Suppliers FEMSA

Labor rights	1.	Child labor
	2.	Forced labor and movement freedom
	3.	Freedom of association and collective bargaining
	4.	Discrimination and harassment
	5.	Working hours and compensation
	6.	Health and safety at work
	7.	Complaint mechanisms
Environment	8.	Impacts and environmental compliance
Community	9.	Community development
Ethics and values	10.	Legal compliance
	11.	Fiscal integrity
	12.	Anti-corruption
	13.	Money laundering
	14.	Fair competition
	15.	Conflict of interests
	16.	Privacy and intellectual property

We share with our suppliers our **Business Code of Ethics**, for them to subscribe it and ensure that their operations are aligned to our ethical requirements.

To effectively implement these Principles, we offer a support guide which is available for all our suppliers publicly and in many languages.

We want all suppliers with whom we have some sort of relationship to work in an environment where their human and labor rights are respected and, we are also committed to make sure that these rights are respected in the communities and original towns from which we get agricultural inputs, since a healthy supply chain is essential to the welfare of communities and is crucial to the success of our business.

Supplier Guiding Principles, available at:
<http://www.coca-colacompany.com/our-company/supplier-guiding-principles/>





Through the **Sustainable Agriculture Principles** set by The Coca-Cola Company, we seek to protect the environment, defend the labor rights of those who work the land and build sustainable communities in the long term, maintaining a secure chain among the suppliers of the agricultural ingredients that define our brands.

We work with concrete actions for sustainability to be reached in our operations across the entire chain, from the interaction we have with our suppliers, to the end of life of our products. We evaluate our suppliers with the 5C's (by their names in Spanish) of Sustainable Supply in the topics of environment, society, ethics and bonding with their community under the following areas: Commitment, Comprehension, Qualification, Control and Compliance, all with the goal of aligning our supply chain to the principles and values that govern Coca-Cola FEMSA's operation.

In 2015 we started this process with 107 suppliers who were evaluated in human rights, environment and labor practices. As a result of this evaluation there were no significant impacts found on the supply chain.

Get to know the Sustainable Agriculture Principles at:
<http://www.coca-colacompany.com/press-center/company-statements/sustainable-agriculture-guiding-principles/>



In Mexico, 88% of our suppliers belong to the SMEs; of these, 33 were audited on environmental and social issues, while 74 defined an action plan based on the evaluations and audits conducted.

COUNTRY	NUMBER OF SUPPLIERS EVALUATED				TOTAL OF SUPPLIERS
	SUPPLIERS EVALUATED IN 2012	SUPPLIERS EVALUATED IN 2013	SUPPLIERS EVALUATED IN 2014	SUPPLIERS EVALUATED IN 2015	
Argentina	4	12	9	5	30
Brazil	36	46	61	54	197
Colombia	3	2	21	8	34
Costa Rica	0	2	4	2	8
Guatemala	1	8	5	3	17
Mexico	36	46	33	33	148
Nicaragua	0	1	1	0	2
Panama	0	0	2	1	3
Venezuela	3	5	4	1	13
Total	83	122	140	107	452



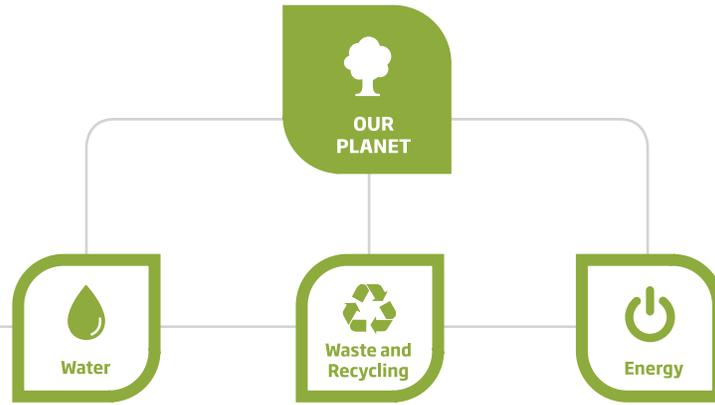


OUR PLANET



WE WORK WITH FULL RESPECT AND CARE FOR OUR PLANET INTEGRATING TECHNOLOGY INTO OUR PROCESSES FOR THE EFFICIENT MANAGEMENT OF RESOURCES WHILE PROMOTING A CULTURE OF ENVIRONMENTAL AWARENESS AMONG OUR EMPLOYEES AND STAKEHOLDERS.





RELEVANT 2015 RESULTS

100%

OF THE WATER USED FOR BEVERAGE PRODUCTION IN MEXICO AND BRAZIL IS RETURNED TO THE ENVIRONMENT.

14.6%

OF PET IN OUR PACKAGING IS RECYCLED AND/OR FROM RENEWABLE SOURCES.

US \$21.3

MILLION INVESTED IN PROGRAMS AND ACTIVITIES FOR THE ENVIRONMENT.

OUR COMMITMENT

Increase our efficiency in water use to 1.5 liters of water per liter of beverage produced by 2020.

Provide 85% of energy in manufacturing in Mexico with clean energy by 2020.

Recycle at least 90% of our waste in each of our bottling plants by 2020.

WHAT WE HAVE ACHIEVED



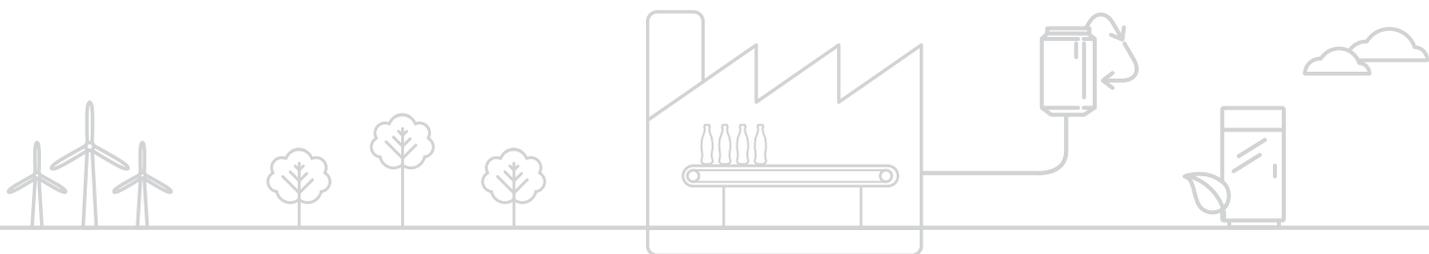
Currently our processes require 1.77 liters of water per liter of beverage produced, an improvement of 10% compared to 2010.



30% of the energy we use in Mexico comes from clean energy sources.



At the end of 2015, 78% of our plants already recycle at least 90% of their waste.





During 2015 we invested **US \$21.3 million** in initiatives to mitigate the impacts of production processes on the environment.

In Coca-Cola FEMSA we are committed with **Our Planet**, since the sustainability of our business mainly depends on it. We are distinguished by the efficient management of resources in our processes, our constant evolution in new technology use to reduce our environmental impact, and by the generation of programs to develop awareness in environmental protection at all levels of our supply chain and the communities where we operate.

To achieve excellence in this area we are focused on three action areas: Water, Waste and Recycling, and Energy, continuously implementing actions to increase our efficiency in resource use, promote waste management and recycling, and ensure environmental sustainability of our supply chain.

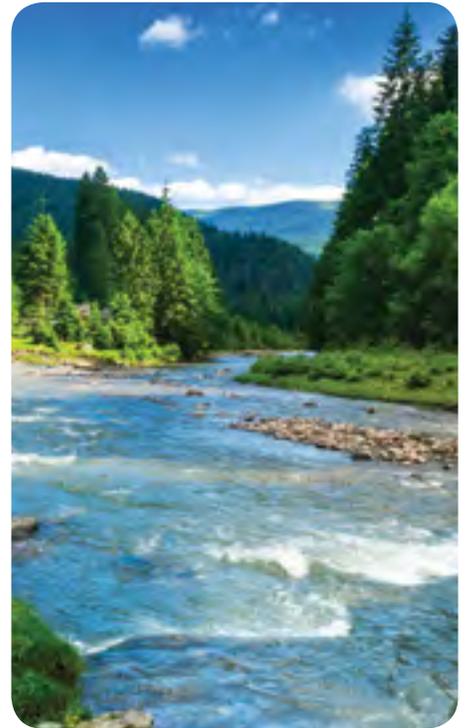
Convinced that our contribution to this subject is relevant, during 2015 we invested US \$21.3 million in initiatives to mitigate the impacts of production processes on the environment, as well as to make our operations more efficient and responsible.

To enhance our efforts and ensure that they have a greater significance, we have joined to initiatives and commitments with strategic partners and international organizations who work to address the environmental problem that affects Our Planet.

We carefully comply with the principles established by The Coca-Cola Company in this regard. We also boost and put into practice the United Nations Global Compact Principles and participate in the Carbon Disclosure Project (CDP), an international organism that encourages companies and other entities to measure, disclose and reduce the impact of their operations on the environment.



Internally we have worked to comply with environmental processes and certifications, making 97% of our plants have the ISO 14001 certification, while 12 of our plants in Mexico have the Clean Industry certification granted by PROFEPA (Federal Attorney of Environmental Protection) and 4 are in the certification process. These initiatives, with our policies and procedures, help our processes to align to the highest environmental standards; making us not receive fines or penalties in environmental matters during 2015.



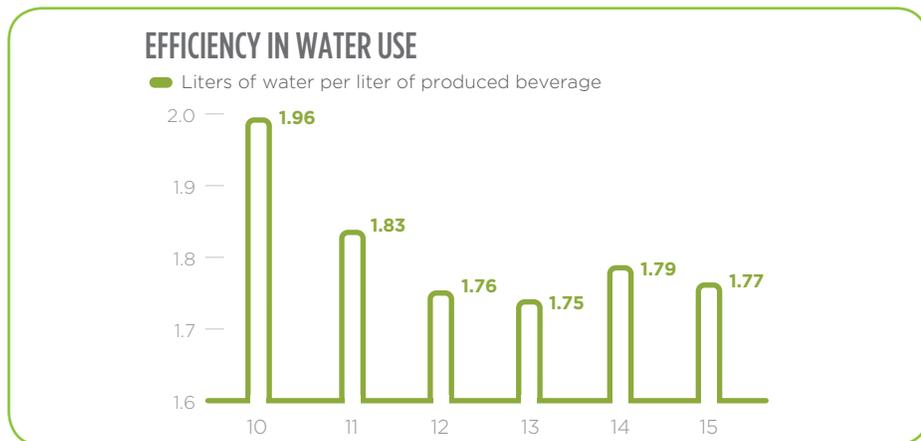
Water

Water is the main supply for making beverages that meet the hydration needs of our customers, so we generate big commitments to ensure that we are making efficient use of this resource.

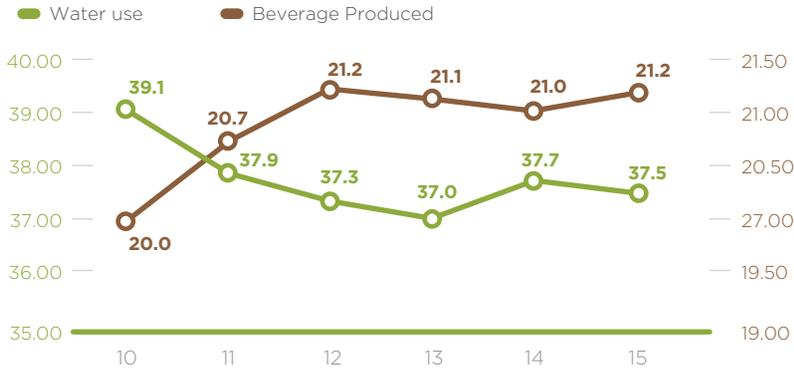
In our production processes we have set as a goal **to increase our efficiency in water use up to 1.5 liters of water per liter of beverage produced by 2020**. In 2015 we used a total of 37.5 billion liters of water for beverage production, which represented a decrease in consumption of 4% compared to 2010¹ and an increase of efficiency in 10%.

¹ Retroactively considering all Coca-Cola FEMSA production plants at the end of 2015.

Our goal is to **return to the environment and to our communities** the same amount of water used to produce our beverages by 2020.



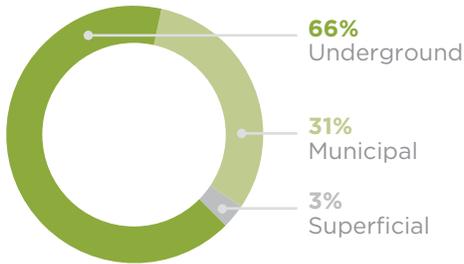
WATER USE AND BEVERAGE PRODUCED¹



¹ Datos incluyen todas las plantas de Coca-Cola FEMSA a cierre de 2015.

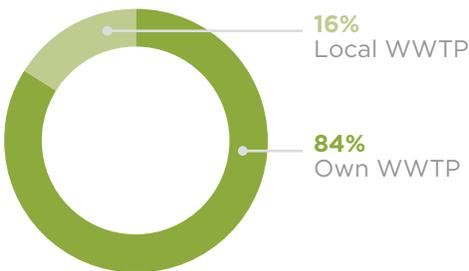


WATER EXTRACTION BY SOURCE



We also have wastewater treatment plants (WWTP) in 100% of our manufacturing facilities.

WASTEWATER DISPOSAL



Through our program Top 10 Water Saving Initiatives we seek to increase efficiency in global water consumption. This initiative focuses primarily on 10 points:

1. Formation of a water management team.
2. Elaboration of an action plan with targets and indicators for use and water consumption.
3. Effective communication for plant personnel.
4. Written program to detect and eliminate leaks.
5. Optimizing the use of water in the CIP System (Clean in Place).
6. Optimizing the use of water in returnable container washing machines.
7. Optimizing water losses in water treatment process.
8. Optimizing the use of water in boilers, cooling towers and evaporative condensers.
9. Optimizing the use of water in rinse of non-returnable containers.
10. Installation of water recovery systems and ultra-filtration backwash procedures with sand and carbon filters.



Besides the efficiency projects implemented in our operations, we seek to return to the environment and communities the same amount of water we use to prepare our beverages through the replenishment and conservation of water sources. In our operations in Mexico and Brazil, that represent more than the 70% of our operation, we returned more than 100% of water we used to the communities and the environment.

FEMSA Foundation

Additionally, in collaboration between the Latin American Alliance of Water Funds and The Coca-Cola Company, along with other Coca-Cola bottling plants, we are working on the initiative **Water for the Future** to ensure that the water used in the manufacturing processes of the plants of Central America and Colombia is replenished to the nature. From 2014 to 2017, Water for the Future will achieve the conservation of 6 thousand hectares of basins and the replenishment of 6.9 million cubic meters of water to nature.

The **Latin American Water Funds Partnership**, formed by The Nature Conservancy, Inter-American Development Bank, the World Environment Fund and FEMSA Foundation seeks to preserve water sources of the region in sustainable ways. To date it has protected 19 key basins in 7 countries. Preserving water sources is essential, since they filter and supply the liquid to some of the most important Latin American cities. Through this alliance, we provide seed capital to local Water Funds serving as a transparent mechanism for investment, governance, conservation and monitoring of watersheds.

Moreover, and in order to contribute to the protection of biodiversity, we conduct reforestation journeys where our employees, their families and other stakeholders participate as volunteers.

We participated in the National Reforestation and Water Harvesting Program, the most important conservation program of Mexico, through which we have planted more than 68.7 million trees in nearly 61 thousand hectares since 2008. We conducted this program in collaboration with SEMARNAT, CONAFOR, PRONATURA and the Mexican Industry of Coca-Cola.

Waste and recycling

In Coca-Cola FEMSA, one way to evolve is by innovate our processes and mitigate the impacts of our packages on the environment. We do this through reusing materials that have already accomplished their life cycle, taking advantage of resources to the fullest, and working in favor of the economic efficiency of our business.



We aim to **integrate 25% of recycled and/or renewable materials** in our PET packages by 2020.

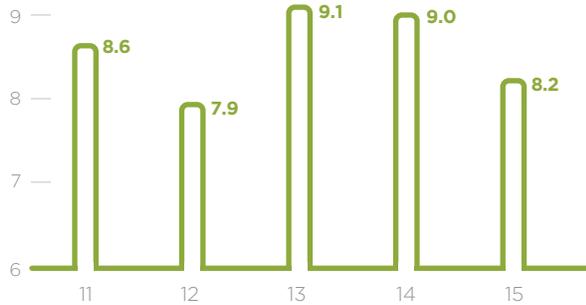




At the end of 2015, six of our plants joined the **Zero Waste** initiative, having so far a total of 14 manufacture centers in the program. We guarantee use reduction of natural resources without sending waste to sanitary landfills, while decreasing greenhouse gas emissions.

WASTE EFFICIENCY

Grams of waste per liter of beverage produced



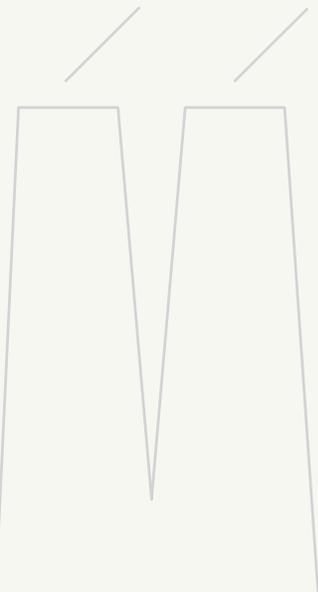
Efficiency in waste generated by beverage produced is variable, since acquisitions of new operations affect the amount of waste generated, as happened in 2013 with respect to 2012. However, from 2014 the trend has declined thanks to the measures taken to reduce this indicator.

We know that our **packages** have an impact on the environment, encouraging us to invest in applied research to our processes for lighter packages, with a higher percentage of recycled and environmentally friendly materials, without losing the required characteristics to maintain our products fresh, with the quality that characterizes us.

In 2015 we saved 3 thousand 571 tons of PET used during our production processes, representing savings of US \$7.2 million, given by the lightening of our packages, where thanks to design innovations we have been able to use lesser amounts of PET in its production. Additionally, we generated improvements in this area by integrating BioPET and recycled PET and, since 2015 we have also integrated Future PET resin which has the same properties and quality as virgin resin, but with 25% of recycled components.

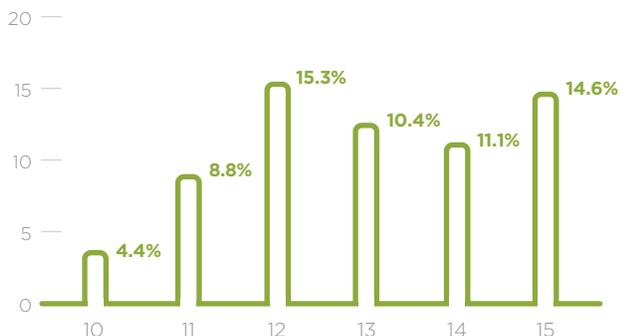
In respect to the cans and glass containers we use, the first ones are made with over 90% of recycled material, while the second ones are composed by over 70% of recycled material.

All these actions and innovations aim to facilitate the **recycling** of our packaging materials, extending our responsibility beyond our

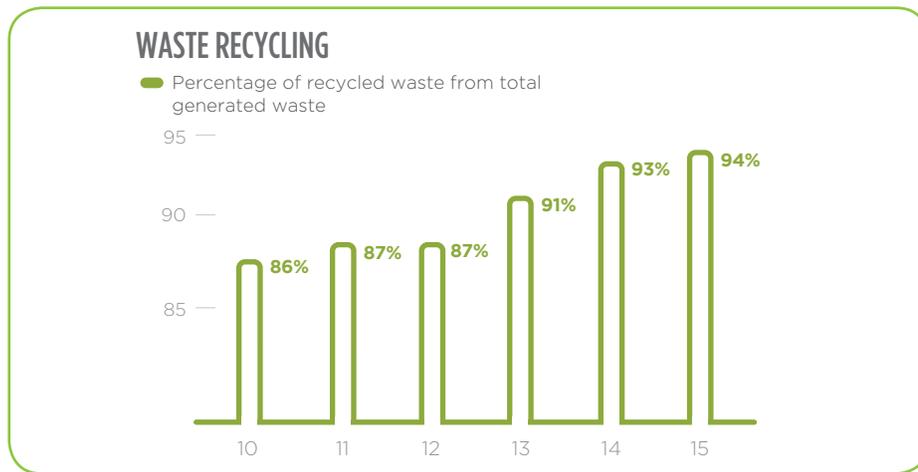
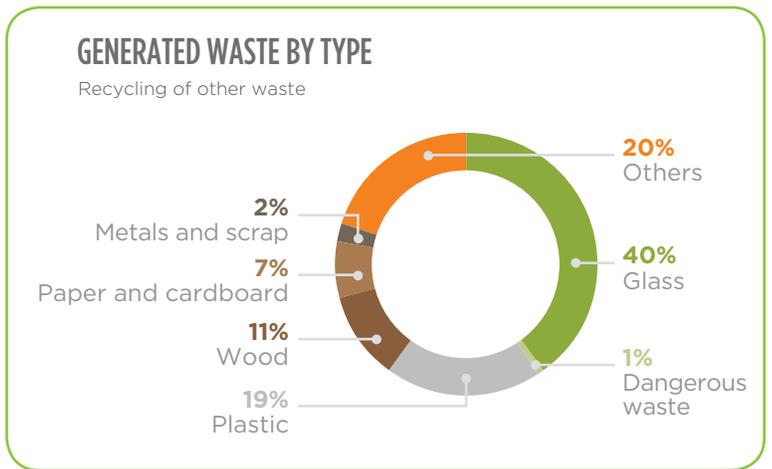


MATERIAL OF OUR PET PACKAGES

Percentage of renewable or recycled material in our PET packages



production line. In that sense, the Mexican Recycling Industry plant (IMER, by its name in Spanish), is dedicated to PET recycling, material which is then used in our processes. Here we recycled 17 thousand 6761 tons during 2015 and 143 thousand accumulated since its opening in 2004. We also have recycling processes in Argentina, through CABELMA and in Colombia by ENKA. Together, these initiatives have enabled us to recycle more than 100 thousand tons of PET globally from 2010 to 2015.



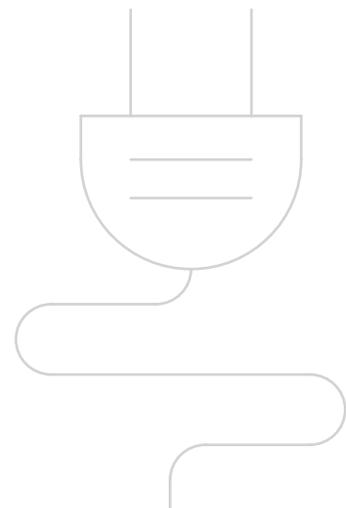
The generated waste in our operations during 2015 amounted a total of 174 thousand tons, of which 163 thousand were recycled. This implies that we recycled 94% of the generated waste. **Our goal by 2020 is to recycle at least 90% of our waste in each of our bottling plants. At the end of 2015, 78% of our plants already accomplish this goal.**

Energy

Our goals by 2020 in energy are to reduce the carbon footprint of our supply chain by 20% and provide 85% of the manufacturing energy in Mexico with clean energy.

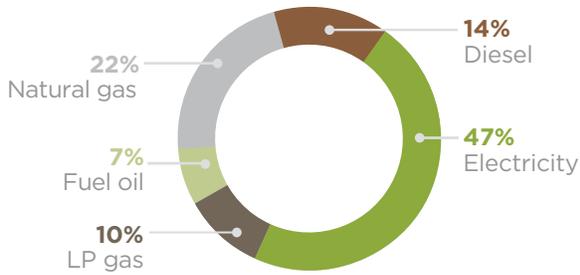
We work every day in a large number of projects aimed to reduce the energetic impact of our operations on the environment. We do this through measurements, emission reduction targets, process innovation, increase of our operational efficiency and use of clean energy, in order to have more environmentally friendly products that allow us to be an active player in the preservation of Our Planet.

In 2015 we consumed 5 thousand 048 million mega joules of energy in our processes. Regarding our electricity consumption, 30% in Mexico comes from clean energy sources, through which we contribute to mitigate our carbon footprint, percentage we plan to increase with our 2020 goal in this country.



¹ In 2014 the reported data for this indicator was 16 thousand 656 tons recycled in the IMER plant. For recalculation issues, the correct data for 2014 is 19 thousand 983 tons.

ENERGY CONSUMPTION BY SOURCE



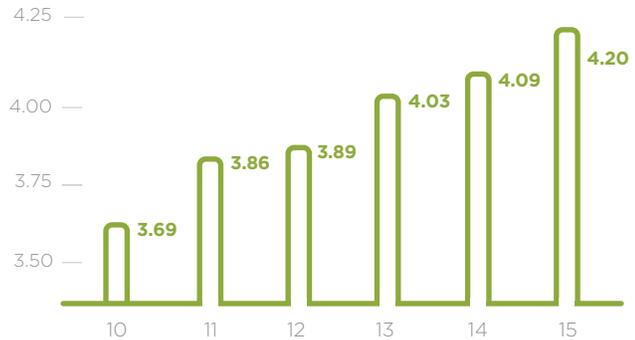
As part of our commitment to reduce the carbon footprint we create and increase the percentage of our consumption from clean energy sources, in 2015 we began receiving energy from the Dominica II Wind Park in Mexico. With a production capacity of 100 MW we now reach a total of 30% of energy supplied from clean sources in our operations in Mexico.

From 2010, our base measurement year, to 2015, we increased our energy efficiency by 14%.



ENERGY EFFICIENCY

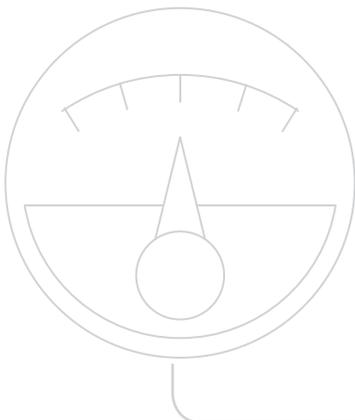
● Liters of beverage produced per MJ consumed



Note: An adjustment on information published in 2014 is performed, for the same year, resulting of a review in the operations of Brazil and Philippines.

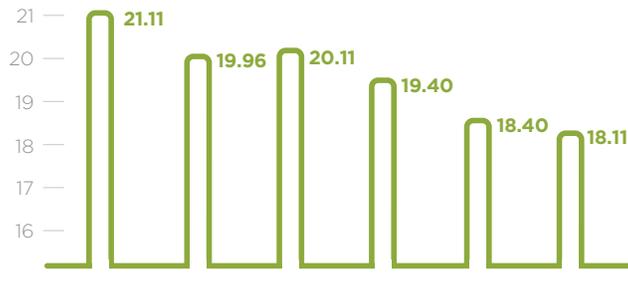
Reiterating the commitment to transparently communicate our environmental performance, since 2012 we report our greenhouse gas emissions to the Carbon Disclosure Project (CDP), as well as to the Volunteer Program of Accounting and Greenhouse Gases of the Ministry of Environment and Natural Resources (SEMARNAT) in Mexico.

We generated 383 thousand 585 tons of CO_{2(eq)} in our manufacturing processes, of which 43% are the result of fuel consumption (scope 1, direct emissions) and 57% for electricity consumption (scope 2, indirect emissions). Our commitment is to continue to generate initiatives to reduce greenhouse gas emissions (GHG) per liter of beverage produced. In 2015 we generated 18.11 grams of CO_{2(eq)} per liter of beverage produced in manufacturing processes, representing a decrease of 14% compared to 2010.



EFFICIENCY IN GREENHOUSE GAS EMISSIONS IN MANUFACTURING PROCESSES

Grams of CO_{2(eq)} per liter of beverage produced



We have also taken the task to calculate the GHG emissions of our value chain, regarding our ingredients, packaging, manufacturing, distribution and cooling stages. In 2016 we will be reporting the corresponding information about this topic.



INGREDIENTS



PACKAGING



MANUFACTURING



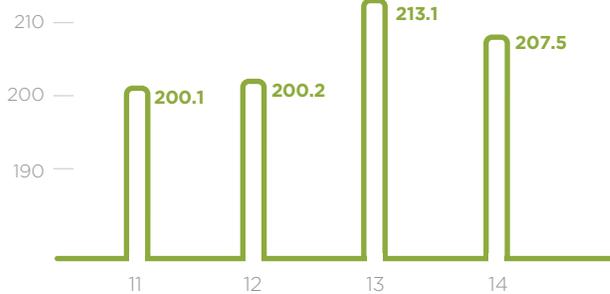
DISTRIBUTION



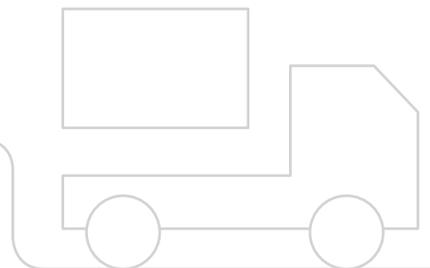
COOLING

EFFICIENCY IN GREENHOUSE GASES EMISSIONS IN THE VALUE CHAIN^{1,2}

Grams of CO_{2(eq)} per liter of beverage produced



¹ Estimated data for the entire value chain
² 2015 data will be presented in the next report





Best Practices

With our Energy Saving Program in Distribution Centers in Mexico we implemented LED technology with a management and monitoring system based on the ISO 50001 norm connected to a platform that generates additional savings according to the habits and specific uses of each locality. This leads to improvement in lighting and uniformity levels, also contributing to foster better working environments while enhancing the performance of our collaborators. Thanks to this initiative, we achieved average savings of 82% in energy consumption for each of the eight distribution centers that participated in the program.

By 2020 we have the goal to **reduce by 20% the carbon** footprint of our value chain.

Also, FEMSA Logistics, one of FEMSA's Business Unit that provides transportation services to Coca-Cola FEMSA, participated in the Voluntary Clean Transportation Program, and was recognized for the fifth consecutive year for the environmental performance of the fleet, including more efficient use of fuel, the reduction of greenhouse gas emissions and the decrease of trucks operating costs. This program is promoted by the Ministry of Environment and Natural Resources (SEMARNAT, by its name in Spanish) and the Ministry of Communications and Transportation (SCT, by its name in Spanish) of Mexico.

In Imbera, FEMSA's Business Unit, which produces refrigeration equipment, we continue with the project initiated in 2012 where conventional electrical panels are replaced by programmable boards to control air extractors, allowing for the reduction of electric energy per equipment produced. By 2015 we have reduced this indicator in 11%.



Table of environmental indicators

AREA	INDICATOR	UNIT	2011	2012	2013	2014	2015
Water	Beverage Produced	Billions of liters	20.7	21.2	21.0	21.0	21.2
	Water consumption	Billions of liters	37.9	37.3	37.0	37.7	37.4
	Efficiency in water	Liters of water per liter of beverage produced	1.83	1.76	1.75	1.79	1.77
	Recycling of water	Percentage of waste water treated in our manufacturing operations	100%	100%	100%	100%	100%
Waste and recycling	Renewable and/or recycled material in PET ²	Percentage of the total	8.8%	15.3%	10.4%	11.1%	14.6%
	Total PET consumption ¹	Tons	234,411	263,085	292,248	288,550	338,321
	Virgin PET consumption ²	Tons	213,862	222,871	261,998	256,567	288,872
	Recycled PET consumption ²	Tons	9,549	14,024	16,578	19,441	33,659
	BioPET consumption ²	Tons	11,000	26,190	13,672	12,542	15,790
	Savings in PET for packaging optimization	Tons	7,315	3,864	2,077	3,829	3,571
	Efficiency in waste	Grams per liter of beverage produced	8.6	7.9	9.1	9.0	8.2
	Recycled waste	Percentage of the total	87%	87%	90%	93%	94%
	Generated waste	Thousands of tons	177,507	167,197	193,009	189,011	174,204
			154,281	145,228	174,672	176,661	163,735
Energy	Efficiency in greenhouse gases ²	CO _{2(eq)} grams per liter of beverage in manufacturing	19.96	20.11	19.40	18.90	18.11
	Efficiency in greenhouse gases	CO _{2(eq)} grams per liter of beverage in the value chain	200.1	200.2	213.1	207.5	-
	Energy efficiency ²	Liters of beverage produced by mega joules	3.86	3.89	4.03	4.09	4.20
	Total energy consumption ²	Millions of mega joules	5,371.5	5,450.3	5,240.9	5,146.6	5,048.4
	Renewable energy consumption in Mexico ²	Percentage of total consumed energy	12%	13%	14%	26%	30%
	Emissions of Other Gases (NO _x , COV, COP)	Percentage of total emissions	Less than 1%				
			1%	1%	1%	1%	1%

1 Dangerous waste included

2 Indicators with adjustment in calculation of previous years due to reviews, inclusion of operations or updates of factors and data

Corporate GOVERNANCE

Our government operates under Coca-Cola FEMSA's values, which are fundamental to achieve the excellence in evolution we look in all of our actions, decisions and strategy. Our practices adhere to the law, standards and policies applicable to the countries where we operate.

We also comply with the provisions regarding corporate governance established by the stock laws in which we are listed: Mexican Market Law (Mexican Stock Market) and Sarbanes-Oxley Law of the United States of America (New York Stock Exchange). We are recognized as one of the leading companies to comply with the Code of Best Corporate Practices established by the Mexican Business Coordinator Council.

Considering the importance of sustainability for our organization, the economic, social and environmental topics are addressed by the Board of Directors through its Committees, taking into account the consultations with the stakeholders throughout the company. In addition, the directors of different areas are involved in the execution of our Sustainability Strategy, which is led by the Corporate Affairs Direction, responsible area for communicating the relevant topics to the Board of Directors committees, as well as to approve the Sustainability Report.

Board of Directors

The Board of Directors is the principal governance body of Coca-Cola FEMSA and it is composed by 21 members and 19 alternate members, elected or confirmed by the shareholders, who take into account that their background and knowledge are adequate to carry out their duties inside the board. The assignment is as follows:

- **Shareholders A Series: appoint 13 members and their alternates.**
- **Shareholders D Series: appoint five members and their alternates.**
- **Shareholders L Series: appoint three members and their alternates.**

The Board meets at least four times a year in compliance with our statutes and the information generated in these meetings communicates to the directive team, in order to achieve a broader scope, as well as knowledge about these topics throughout the organization.

Board of Directors Coca-Cola FEMSA

NAME	POSITION	YEARS AS BOARD MEMBER	ALTERNATE
Appointed by the Shareholders A Series			
José Antonio Fernández Carbajal	President of the Board of Directors, Coca-Cola FEMSA and Executive Chairman of the Board of Directors, FEMSA	23	Bárbara Garza Lagüera Gonda
Carlos Salazar Lomelín	Chief Executive Officer, FEMSA	16	Max Michel González
Daniel Alberto Rodríguez Cofré ¹	Chief Financial and Corporate Officer, FEMSA	1	Paulina Garza Lagüera Gonda
Javier Gerardo Astaburuaga Sanjines	Vice-President of Corporate Development, FEMSA	10	Francisco José Calderón Rojas
Federico Reyes García ¹	Independent Consultant	24	Alejandro Bailleres Gual
John Anthony Santa María Otazua	Chief Executive Officer, Coca-Cola FEMSA	2	Héctor Treviño Gutiérrez
Mariana Garza Lagüera Gonda	Private Investor	7	Alfonso Garza Garza
Ricardo Guajardo Touché ¹	Chairman of the Board of Directors, SOLFI, S.A.	23	Eduardo Padilla Silva
Alfonso González Migoya ^{*2}	Chairman of the Board of Directors, <i>Controladora Vuela Compañía de Aviación, S.A.B. de C.V.</i> (Volaris)	10	Ernesto Cruz Velázquez de León ²
Enrique F. Senior Hernández ^{*1}	Managing Director, Allen & Company, LLC.	12	Herbert Allen III
Alfredo Livas Cantú ^{*3}	President, <i>Praxis Financiera, S.C.</i>	2	Jaime El Koury
Daniel Servitje Montull ^{*3}	Chief Executive Officer and Chairman of the Board of Directors, <i>Grupo Bimbo</i>	18	Sergio Deschamps Ebergenyi
José Luis Cutrale	Chief Executive Officer, <i>Sucroctrico Cutrale, Ltda.</i>	12	José Luis Cutrale, Jr
Appointed by the Shareholders D Series			
Gary Fayard	Retired in May 2014 as Executive Vice-President and Chief Financial Officer, The Coca-Cola Company	13	Wendy Clark
Irial Finan ¹	Executive Vice-President and President of Bottling and Chain of Supply Investments, The Coca-Cola Company	12	Sunil Ghatnekar
Charles H. McTier ^{*2}	Trustee, Robert. W. Woodruff Foundation	18	-
Kathy Waller	Executive Vice-President and Chief Financial Officer, The Coca-Cola Company	1	Gloria Bowden
Eva María Garza Lagüera Gonda	Private Investor	1	Luis Rubio Freidberg
Appointed by the Shareholders L Series			
Herman Harris Fleishman Cahn [*]	Chairman of the Board of Directors, <i>Grupo Tampico, S.A. de C.V.</i>	4	Robert A. Fleishman Cahn
José Manuel Canal Hernando ^{*2}	Private Consultant	13	-
Francisco Zambrano Rodríguez ^{*2}	Chief Executive Officer, <i>Verterrak, S.A.P.I. de C.V.</i> and Vice Chairman of the Board of Directors, <i>Desarrollos Inmobiliarios y de Valores, S.A. de C.V. (DIV)</i>	13	Karl Frei Buechi ³
Secretary			
Carlos Eduardo Aldrete Ancira	Legal Director, FEMSA	23	Carlos Luis Díaz Sáenz

* Independent member

1 Member of the Planning and Financial Committee

2 Member of the Audit Committee

3 Member of the Corporate Practices Committee

Executive Directors Coca-Cola FEMSA

John Anthony Santa Maria Otazua

Chief Executive Officer

Héctor Treviño Gutiérrez

Chief Financial Officer

Raymundo Yutani Vela

Human Resources Officer

Ernesto Javier Silva Almaguer

Chief Operating Officer – Mexico

Alejandro Javier Duncan Ancira

Supply Chain and Engineering Officer

José Ramón de Jesús Martínez Alonso

Chief Operating Officer – Brazil

Francisco Suárez Hernández

Corporate Affairs Officer

Washington Fabricio Ponce García

Chief Operating Officer – Asia Division

Tanya Cecilia Avellán Pinoargote

Planning, Information Technology and
Commercial Officer

Rafael Alberto Suárez Olaguibel

Chief Operating Officer – Latin America

Eduardo Guillermo Hernández Peña

New Businesses Officer

MANAGEMENT	PARTICIPATION IN THE SUSTAINABILITY STRATEGY
General Management	To supervise and ensure compliance with the Sustainability Strategy
Corporate Affairs Management	Responsible for the Sustainability Strategy and Our Community
Human Resources Management	Responsible for Our People in the Sustainability Strategy
Administration and Financial Management	Responsible for the financial aspects and Sustainable Sourcing
Supply Chain and Engineering Management	Responsible for Our Planet in the Sustainability Strategy
Planning, Information Technology and Commercial Management	Integration of the Sustainability Strategy to our Business Plans
Division Management	Implementation and execution of the Sustainability Strategy

To ensure the correct and adequate decision taking and in compliance with the laws from the stock markets that we report, we have committees that support the management of the company on issues such as risk assessment; internal control; internal and external audits; financial reports; compliance with regulations, legal aspects and contingencies; code of conduct and administrative aspects.

The Executive Directors have a benefit plan given under the same criteria as the rest of the partners, their monetary compensation is determined by a fixed amount and a variable amount, the last one is calculated with the EVA methodology (Economic Value Added) which combines quantitative and qualitative performance objectives, and considers, inter alia, sustainability issues.

Finance and Planning Committee

The strategic and financial annual and long-term plan are the responsibility of this committee, which among other things, determines the optimal capital structure of the company, the issue of shares and/or debt, and reviews the potential financial risks.

Audit Committee

The integrity of the financial information of the company lies with this committee, composed by independent members according to the laws of the stock market in Mexico and the United States. It is responsible for reviewing the accuracy and integrity of quarterly and annual financial information; appointment; compensation, retention and supervision of independent auditors; likewise, they receive complaints or clarifications, confidential or anonymous, regarding to internal accounting or auditing matters.

Corporate Practices Committee

As the Audit Committee, this committee is also composed by independent members, whose function is to mitigate the risks of operations that could damage the value of the company or benefit a particular group of shareholders. Similarly, it is who is responsible for the approval of related party transactions, as well as the compensation plan of the CEO and other senior officers.

At the same time, our Code of Ethics provides in its tenth section, the position of the company regarding to situations where there could be conflict of interests in the relationships that Coca-Cola FEMSA maintains with people and entities.

Risk Management

Being prepared to manage the risks that may arise in the global environment in which we operate is vital for our business. To address them we have a comprehensive risk management process in our company, while we rely on the methodology IMCR (Incident Management & Crisis Resolution Program), through which we deal with those incidents to mitigate them promptly.

Some of the risks we have identified in Coca-Cola FEMSA are:

- Changes in consumer preferences and public concerns about health issues may reduce demand for some of our products.
- Competition may adversely affect our financial performance.
- The water deficit or failure to maintain our current concessions may affect our business.
- The increase in the price of raw materials we use can influence production cost.
- Taxes and regulations of the regions where we are present can affect our business.
- Inclement weather conditions may affect our results.
- There is the possibility of not achieving successfully the integration of new acquisitions, which could affect our operating efficiency.
- Political and social events in the countries where we operate can affect our operations.

Ethics

Acting with integrity and adherence to ethical principles is very important for us. This is reflected in our Code of Ethics and is also one of our five organizational Values; a fundamental value which we promote in the communities in which we operate through programs that encourage the culture of legality.



All our operations are governed under clearly defined rules in our Code of Ethics, which declares explicitly the behaviors we expect from our partners in the relationship we have with third parties.

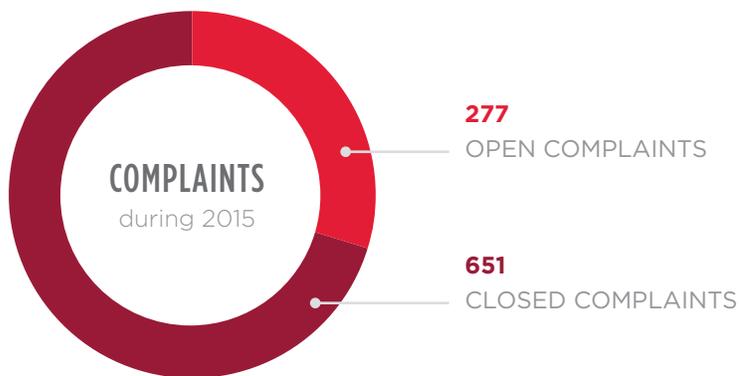
The document is available to all our groups of interest on our website in three languages, Spanish, English and Portuguese. Some of the topics covered correspond to the company's position in relation to our customers, suppliers, competitors, authorities and the community; as well as corruption, advertising and marketing, health and safety at work, conflicts of interest and information management.

Employees from all organizational levels endorse an annual declaration of compliance with the Code of Ethics. To ensure proper dissemination and knowledge, in 2015 we taught 40 thousand 390 hours of training in the Code of Ethics, of which 71% were related to human rights issues, 24% to ethics and corruption, and 5% to culture of legality.

The way in which both partners and providers can lodge any complaints regarding the breach of the Code of Ethics or practices that violate human rights, such as child labor, forced labor or impediment to freedom of association, is through a whistle blowing system known as DILO, which has different communication channels - telephone line, email and instant messaging- in order to confidentially communicate their concerns or cases to the Human Resources area, responsible for their monitoring and resolution.

In Coca-Cola FEMSA, we do not contribute to political parties, which is clearly stated in our Code of Ethics. During 2015, we did not receive claims for unfair competition, monopolistic practices or against free competition. We did not receive claims for privacy violation or leakage of customer data in none of the ten countries in which we have operations.

In 2015, we received 928 complaints, from which 277 are still open and 651 were closed. We received no complaints regarding to child labor, forced labor or freedom of association. From the reported complaints, 2% were financial reporting issues, 20% from operation and 78% issues related with human resources.



Business participation of Coca-Cola FEMSA

We actively participate in associations and organizations that promote sustainability, where we seek to acquire best practices and contribute with our experience as members of the private sector.

Argentina	Argentinian Manufacturers Association of Coca-Cola (AFACC) ¹
	Argentinian Chamber of the non-Alcoholic Beverages Industry (CADIBSA) ¹
	Argentinian Mexican Chamber of Commerce ¹
	Coordinator of the Food Products Industries (COPAL)
Brazil	Brazilian Association of the Refreshments and non-Alcoholic Beverages Industries (ABIR) ¹
	Brazilian Association of the Mineral Water Industry (ABINAN/SINDNAN) ¹
	Brazilian Association of Advertisers (ABA)
	International Association Focused on Marketing on Retail (POPAl)
	Paulist Association of Supermarket (APAS) ¹
	Mexican Chamber of Commerce ¹
	Corporate Commitment for Recycling (CEMPRE)
Union of the Beverages Industry of the State of Paraná (Sindibebidas) ¹	
Colombia	Industrials Association of Tocancipá (ASIENORTE)
	National Business Association of Colombia (ANDI)
	National Federation of Traders (FENALCO), Bogotá
Costa Rica	American Chamber (AMCHAM) Costa Rica
	Business Association for Development (AED)
	Chamber of Commerce Costa Rica Mexico
	Costa Rican Food Industry Chamber (CACIA)
	Industries Chamber Costa Rica
Philippines	Costa Rican Union of Chambers and Business Sector Association (UCCAEP)
	Beverage Industry Association of the Philippines ¹

Guatemala	American Chamber (AMCHAM) Guatemala
	Chamber of Commerce Guatemala
	Chamber of Commerce and Industries Guatemala Mexico
	Industries Chamber of Guatemala
	Union Food of Guatemala
	Bottling Union of Guatemala ¹
Mexico	Bottling Association Coca-Cola (ASCOCA) ¹
	National Association of Refreshments and Water Producers (ANPRAC)
	Chamber of the Transformation Industry (CANACINTRA)
	Mexican Center for Philanthropy (CEMEFI)
	Study Commission for the Sustainable Development of the Business Coordinating Council (CESPEDES) ¹
	Confederation of Industrial Chambers (CONCAMIN) ¹
	Patronal Confederation of the Mexican Republic (COPARMEX) ¹
	Business Coordinating Council (CCE)
	Mexican Council of the Consumer Products Industry (CONMEXICO) ¹
	Ecology and Business Commitment, A.C. (ECOCE) ¹
	Mexican Fund for Nature Conservancy (FMCN) ¹
	Global Environmental Management Initiative (GEMI)
	World Environment Center (WEC) ¹
	Nicaragua
Chamber of Commerce Nicaragua ¹	
Chamber of Commerce Nicaragua Mexico	
Industries Chamber Nicaragua	
Panama	Chamber of Commerce and Industry Panama Mexico
	Chamber of Commerce Panama
	Union of Industrials of Panama
Venezuela	Industrials and Traders Association of the Villages and the Ruices (ASICOR)
	National Association of Refreshing Beverages (ANBER) ¹
	Venezuelan Mexican Chamber of Commerce and Industry (CAVEMEX) ¹
	Venezuelan American Chamber of Commerce and Industry (Venancham)
	Venezuelan Chamber of the Food Industry (CAVIDEA) ¹

¹ Associations in which we participate in the government board



About OUR REPORT

In Coca-Cola FEMSA, S.A.B. de C.V., based in Mexico City, we present our Sustainability Report 2015 in its eighth annual edition, attached to the guidelines of the Global Reporting Initiative (GRI) in its G4 version, in compliance with the Essential Conformity and with the indicators of the Supplement Food Processor Sector from the same guide.

The information reported corresponds to the period from January 1st to December 31st, 2015, and includes data from all countries where we have operations: Argentina, Brazil, Colombia, Costa Rica, Guatemala, Mexico, Nicaragua, Panama and Venezuela. The data from Philippines is reported since Coca-Cola FEMSA has a majority ownership in the operation.

During the period covered by the report, no significant changes occurred in the organization and in relation to the submission of data, calculations of some indicators of Our Planet due to the incorporation of new acquisitions were reformulated. Throughout the document, where there is variation in the numbers presented in previous years, descriptions are provided.

The scope of the document is limited to our operations and does not include information on the following cases: joint ventures where we have a minority stake; operations acquired in a period less than one year; operations of suppliers or entities outside our company. The exchange rate considered for the investments in local currency was the average from January to December 2015.

This Report complements the Communication on Progress (COP) from the Global Compact of the United Nations presented by FEMSA for its 2015 report.

Deloitte conducted external assurance for 65 of the presented indicators. The development of the document was carried out by Allant Consultants and graphical content by DR. *Generador* Graphic Studio. The logo design (Excellence in Evolution) was developed by Signi.

United Nations Global Compact Principles

AREA	PRINCIPLE	DESCRIPTION
Human Rights	1	Businesses should support and respect the protection of internationally proclaimed human rights; and
	2	make sure that they are not complicit in human rights abuses.
Labour	3	Businesses should uphold the freedom association and the effective recognition of the right to collective bargaining;
	4	the effective abolition of child labour; and
	5	the elimination of discrimination in respect of employment and occupation.
	6	the elimination of discrimination in respect of employment and occupation.
Environment	7	Businesses should support a precautionary approach to environmental challenges;
	8	undertake initiatives to promote greater environmental responsibility; and
	9	encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	10	Businesses should work against corruption in all its forms, including extortion and bribery.

Distinctions and awards

In 2015 we received several distinctions, awards and acknowledgements in sustainability in the 10 countries where we have presence, not only about our Company or our business, but also about the projects we carried out throughout the company.

About the distinctions we highlight our participation for the third consecutive year in the Dow Jones Sustainability **Emerging Markets Index**, and the inclusion of Coca-Cola FEMSA as the only Mexican company in the **Sustainability Yearbook 2015** of RobecoSAM, entity who also recognized us as Industry Mover 2015.

In December of this same year, Euronext Vigeo – Emerging 70 included us in its index, which distinguishes the companies with the best environmental, social and corporate governance performance in emerging markets.

We highlight our participation as a leading company of the Sustainable Index from the Mexican Stock Market, where we have been members for the fifth consecutive year.

The **Silver Eikon Award** in the category of relationship with the community given by Revista Imagen of Argentina, **Inclusive Company** of the Ministry of Labor and Social Security in Mexico and the **Social Responsibility National Award** that Comfamiliar Huila gives in Colombia, were some of the most outstanding acknowledgements for Coca-Cola FEMSA during 2015.

For the eleventh consecutive year we obtained the **Empresa Socialmente Responsable** distinctive that the Mexican Center for Philanthropy (CEMEFI by its name in Spanish) gives. And also, several Education Ministries of the countries in Central America where we operate awarded our project **Hora de Moverse**, while the American Nicaraguan Foundation (ANF) awarded the initiative **Un Plato, Una Sonrisa**.

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM



ROBECOSAM
Sustainability Award
Industry Mover 2015



Index

GRI-G4

G4	PAGE	DESCRIPTION	EXTERNAL ASSURANCE
Strategy and analysis			
G4-1	2	Statement from the most senior decision-maker of the organization, such as CEO, about the relevance of sustainability to the organization and the strategy for addressing it.	
G4-2	66	Key impacts, risks and opportunities.	✓
Organization profile			
G4-3	69	Name of the organization.	
G4-4	11	Primary brands, products and services.	✓
G4-5	69	Location of the organization's headquarters.	
G4-6	69	Countries where the organization operates.	
G4-7	69	Nature of ownership and legal form.	
G4-8	6, Footprint	Markets served (with geographic breakdown, sectors served, and types of customers).	
G4-9	14	Scale of the organization, including: total number of employees, total number of operations, net sales, total capitalization and quantity of products or services provided.	
G4-10	22	Total number of employees by employment contract, type, gender and region.	
G4-11	22	Percentage of total employees covered by collective bargaining agreements.	
G4-12	4	Organization's supply chain.	✓
G4-13	69	Significant changes during the reporting period (regarding size, structure, ownership, or its supply chain).	
Participation in external initiatives			
G4-14	14, 66	Whether and how the precautionary approach or principle is addressed by the organization.	
G4-15	51	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses.	
G4-16	68	Memberships of associations and national or international advocacy organizations in which the organization holds a position on the governance body, participates, provides funding, or views membership as strategic.	✓
Material aspects and Boundaries			
G4-17	14	Entities included in the organization's consolidated financial and equivalent statements, and the entities not covered by the report.	
G4-18	16	Process followed to define the report content and the Aspect Boundaries. How the organization implemented the Reporting Principles for Defining Report Content.	
G4-19	16	List of material Aspects.	
G4-20	16, 51, 69	Aspect Boundary within the organization for each material Aspect.	
G4-21	16, 51, 69	Aspect Boundary outside the organization for each material Aspect.	
G4-22	69	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	
G4-23	69	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	
Stakeholder engagement			
G4-24	21	List of stakeholder groups engaged by the organization.	✓
G4-25	21	Basis for identification and selection of stakeholders with whom to engage.	✓
G4-26	21	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	✓
G4-27	21	Key topics and concerns that have been raised through stakeholder engagement.	
Report profile			
G4-28	69	Reporting period for information provided.	
G4-29	69	Date of most recent previous report.	
G4-30	69	Reporting cycle (annual, biennial).	
G4-31	81	Contact point for questions regarding the report or its contents.	
GRI content Index			
G4-32	69, 71	"In accordance" option chosen by the organization, GRI Context Index for the chosen option, and the reference to the External Assurance Report (if that is the case).	

G4	PAGE	DESCRIPTION	EXTERNAL ASSURANCE
G4-33	78	Organization's policy and current practice regarding external assurance for the report. Relationship between the organization and the assurance providers.	
Governance			
G4-34	62	Governance structure of the organization, including committees of the highest governance body and their responsibilities about social, economic and environmental impacts.	✓
G4-35	62	Process for delegating authority for economic, social and environmental topics from the highest governance body to senior executives and other employees.	✓
G4-36	62	Executive-level positions with responsibility for economic, environmental and social topics, and if the holders report directly to the highest governance body.	✓
G4-37	21, 62	Processes for consultation between stakeholders and the highest governance body on economic, social and environmental topics.	✓
G4-38	62	Composition of the highest governance body and its committees.	✓
G4-39	62	Indicate whether the Chair of the highest governance body is also an executive officer, describing his or her function within the organization's management and the reasons for this arrangement.	✓
G4-40	62	Nomination and selection processes for the highest governance body and its committees.	
G4-41	62	Processes for the highest governance body to ensure conflicts of interest are avoided and managed, indicating if these are disclosed to stakeholders.	
Highest governance body's role in setting purpose, values, and strategy			
G4-42	62	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, and policies.	✓
Highest governance body's competencies and performance evaluation			
G4-43	62	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, social and environmental topics.	
G4-44	62	Processes for evaluation of the highest governance body's performance with respect to governance of economic, social and environmental topics. Indicate whether such evaluation is independent or not, and its frequency.	
Highest governance body's role in risk management			
G4-45	62	Highest governance body's role in the identification and management of impacts, risks and opportunities, and its role in the implementation of due diligence processes. Indicate whether stakeholder consultation is used.	
G4-46	62	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes.	
G4-47	62	Frequency of the highest governance body's review of economic, social and environmental impacts, risks, and opportunities.	✓
Highest governance body's role in sustainability reporting			
G4-48	62	Highest committee or position that reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	✓
Highest governance body's role in evaluating economic, social and environmental performance			
G4-49	62	Process for communicating critical concerns to the highest governance body.	
G4-50	Not reported	Nature and total number of critical concerns communicated to the highest governance body, and the mechanism(s) used to address and resolve them.	
Remuneration and incentives			
G4-51	62	Remuneration policies for the highest governance body and senior executives.	
G4-52	32, 62	Process for determining remuneration, if consultants are involved, and if they are independent of management.	
G4-53	Not reported	How stakeholders' views are sought and taken into account regarding remuneration.	
G4-54	Not reported	Ratio of the annual total compensation for the organization's highest-paid person in each country to the median annual total compensation for all employees, excluding the highest-paid person in the same country.	
G4-55	Not reported	Ratio of percentage increase in annual total compensation for the organization's highest-paid person in each country to the median percentage increase in annual total compensation for all employees, excluding the highest-paid person in the same country.	
Ethics and integrity			
G4-56	27, 66	Organization's values, principles, standards and norms, such as code of conduct or code of ethics.	
G4-57	66	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as help or advice lines.	
G4-58	66	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	
Generic Disclosures on Management Approach			
G4-DMA	46	Suppliers management.	✓

Development Indicators

G4	PAGE	DESCRIPTION	OMISSIONS	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
Economic Performance					
G4-EC1	14	Direct economic value generated and distributed.			
G4-EC2	51	Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure.			7
G4-EC3	32	Coverage of the organization's defined benefit plan obligations.			
G4-EC4	Not reported	Financial aid received from government.	Government aid was not received.		
G4-EC5	Not reported	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Confidential information.		1
G4-EC6	34	Proportion of senior management hired from the local community at significant locations of operation.			
Indirect economic consequences					
G4-EC7	8	Development and impact of infrastructure investments and services supported.		✓	
G4-EC8	51	Indirect economic impacts.		✓	
Procurement practices					
G4-EC9	Not reported	Proportion of spending on local suppliers at significant locations of operation.	Confidential information.		
Environmental Performance					
Materials					
G4-EN1	55	Materials used by weight or volume.		✓	
G4-EN2	55	Percentage of materials used that are recycled.		✓	7 y 8
Energy					
G4-EN3	57	Energy consumption within the organization.		✓	8
G4-EN4	57	Energy consumption outside of the organization.		✓	8
G4-EN5	57	Energy intensity.		✓	
G4-EN6	57	Reduction of energy consumption.		✓	8
G4-EN7	57	Reductions in energy requirements of products and services.		✓	8 y 9
Water					
G4-EN8	53	Total water withdrawal by source.		✓	7 y 8
G4-EN9	53	Water sources affected by withdrawal of water.			
G4-EN10	53	Percentage and total volume of water recycled and reused.		✓	8 y 9
Biodiversity					
G4-EN11	42	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.			
G4-EN12	42	Significant impacts of activities, products, and services on biodiversity in protected and of high biodiversity value areas.			
G4-EN13	42	Habitats protected or restored.			7 y 8
G4-EN14	42	IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.			
Emissions					
G4-EN15	57	Direct GHG emissions (scope 1).		✓	8
G4-EN16	57	Indirect GHG emissions (scope 2).		✓	8
G4-EN17	57	Other indirect GHG emissions (scope 3).		✓	8
G4-EN18	57	GHG emissions intensity.		✓	8 y 9
G4-EN19	57	Reduction of GHG emissions.		✓	7 y 8
G4-EN20	61	Emissions of ozone-depleting substances.			

G4	PAGE	DESCRIPTION	OMISSIONS	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
G4-EN21	61	NOx, SOx and other significant air emissions.		✓	
Effluents and waste					
G4-EN22	53	Total water discharge by quality and destination.		✓	
G4-EN23	55	Total weight of waste by type and disposal method.		✓	8
G4-EN24	Not reported	Number and volume of significant spills.	There were no spills.		8
G4-EN25	55	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.			
G4-EN26	53	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff.			8
Products and services					
G4-EN27	51, 55	Extent of impact mitigation of environmental impacts of products and services.			7
G4-EN28	55	Percentage of products sold and their packaging materials that are reclaimed by category.			8
Compliance					
G4-EN29	51	Fines and non-monetary sanctions for non-compliance with environmental laws and regulations.			8
Transportation					
G4-EN30	57	Environmental impacts of transporting products and other goods for the organization's operations, and transporting employees.			7 y 8
Overall					
G4-EN31	51	Environmental protection expenditures and investments by type.		✓	
Supplier environmental assessment					
G4-EN32	46	Percentage of new suppliers that were examined using environmental criteria.		✓	
G4-EN33	46	Significant actual and potential negative environmental impacts in the supply chain and actions taken.		✓	7 y 8
Environmental grievance mechanisms					
G4-EN34	Not reported	Number of grievances about environmental impacts filed, addressed and resolved through formal mechanisms.	There were no claims.		8
Labor Practices and Decent Work					
Employment					
G4-LA1	22	Total number and rates of new employee hires and turnover by age group, gender and region.		✓	
G4-LA2	32	Benefits provided to full-time employees that are not provided to temporary or part-time employees.			6
G4-LA3	35	Return to work and retention rates after parental leave, by gender.			
Labor/management relations					
G4-LA4	32	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.			1 y 3
Occupational health and safety					
G4-LA5	33	Percentage of workers represented in formal health and safety committees.			3
G4-LA6	34	Type and rates of injury, occupational diseases, lost days, absenteeism and fatalities related to work by region and gender.		✓	1

G4	PAGE	DESCRIPTION	OMISSIONS	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
G4-LA7	Not reported	Workers with high incidence or risk of disease related to their occupation.	Confidential information.	√	
G4-LA8	33	Health and safety topics covered in formal agreements with trade unions.			
Training and education					
G4-LA9	34	Average hours of training per year per employee, by gender and employment category.		√	1
G4-LA10	31	Programs for skills management and lifelong learning that support employability of workers and assist them in managing career endings.		√	
G4-LA11	32	Percentage of employees receiving regular performance and career development reviews, by gender and employee category.			
Diversity and equal opportunities					
G4-LA12	28	Composition of governance bodies and breakdown of employees by category according to gender, age group, minorities and other indicators of diversity.		√	
Equal pay for men and women					
G4-LA13	32	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.			1 y 6
Supplier assessment for labor practices					
G4-LA14	46	Percentage of new suppliers that were examined in terms of labor practice.		√	1 y 6
G4-LA15	46	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.		√	6
Labor practices grievance mechanisms					
G4-LA16	66	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.			
Human Rights					
Investment					
G4-HR1	46	Number and percentage of significant investment agreements and contracts that include human rights clauses.			1, 2, 3, 4, 5 y 6
G4-HR2	66	Total hours of employee training on human rights policies or procedures concerning aspects that are relevant to operations.			
Non-discrimination					
G4-HR3	66	Total number of incidents of discrimination and corrective actions taken.		√	1, 2, 4 y 5
Freedom of association and collective bargaining					
G4-HR4	46, 66	Operations and suppliers identified in which freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.			1, 2 y 6
Child Labor					
G4-HR5	66	Operations and suppliers identified as having significant risk of child labor, and measures taken to contribute to the effective abolition of child labor.			1, 2, 4 y 5
Forced or compulsory labor					
G4-HR6	66	Operations and suppliers identified as having significant risk for incidents of forced labor, and measures taken to contribute to the elimination of all forms of forced labor.			1, 2, 4 y 5
Security practices					
G4-HR7	66	Percentage of security personnel trained in policies and procedures of the organization regarding human rights.			1, 2 y 4
Indigenous rights					
G4-HR8	66	Number of incidents of violations involving rights of indigenous people and actions taken.			1
Assessment					
G4-HR9	66	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.			1

G4	PAGE	DESCRIPTION	OMISSIONS	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
Supplier human rights assessment					
G4-HR10	46	Percentage of new suppliers examined using human rights criteria.		✓	1, 2, 3, 4, 5 y 6
G4-HR11	46	Significant actual and potential negative human rights impacts in the supply chain and actions taken.		✓	1, 2, 3, 4, 5 y 6
Human rights grievance mechanisms					
G4-HR12	66	Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms.			1, 2, 3, 4, 5 y 6
Society					
Local communities					
G4-SO1	38	Percentage of operations with implemented local community engagement, impact assessments, and developed programs.		✓	
G4-SO2	38	Operations with significant actual and potential negative impacts on local communities.			
Anti-corruption					
G4-SO3	46, 66	Number and percentage of operations assessed for risks related to corruption and the significant risks identified.			10
G4-SO4	66	Communication and training on anti-corruption policies and procedures.			10
G4-SO5	66	Confirmed incidents of corruption and actions taken.			2 y 10
Public Policy					
G4-SO6	66	Anti-competitive behavior			10
Anti-competitive behavior					
G4-SO7	66	Number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.			
Compliance					
G4-SO8	66	Monetary value of fines and number of non-monetary sanctions due to non-compliance with laws and regulations.			
Supplier assessment for impacts on society					
G4-SO9	46	Percentage of new suppliers that were examined using criteria for impacts on society.		✓	
G4-SO10	46, 51	Significant actual and potential negative impacts on society in the supply chain and actions taken.		✓	
Grievance mechanisms for impacts on society					
G4-SO11	66	Number of grievances on society filed, addressed and resolved through formal grievance mechanisms.			
Product Responsibility					
Customers' health and safety					
G4-PR1	11	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.		✓	
G4-PR2	12	Number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.		✓	
Product and service labelling					
G4-PR3	12	Type of product and service information required by the organization's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements.		✓	8
G4-PR4	12	Number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling.			
G4-PR5	13	Results of surveys measuring customer satisfaction.		✓	

G4	PAGE	DESCRIPTION	OMISSIONS	EXTERNAL ASSURANCE	UN GLOBAL COMPACT
Marketing communications					
G4-PR6	12	Sale of banned or disputed products.		✓	
G4-PR7	12	Number of incidents of non-compliance with regulations or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship.			
Customer privacy					
G4-PR8	66	Number of substantiated complaints regarding breaches of customer privacy and losses of customer data.			1
Compliance					
G4-PR9	12	Monetary value of fines for non-compliance with laws and regulations concerning the provision and use of products and services.		✓	
Sector Supplement on Food and Beverages					
G4-FP1	46	Percentage of volume of materials purchased from suppliers that meet the supply chain standards.		✓	
G4-FP2	46	Percentage of volume of materials purchased from suppliers that meet internationally recognized standards on responsible production, presented by standard.		✓	
G4-FP3	66	Percentage of working time lost due to disputes, strikes and other industrial demonstrations by country.			
G4-FP4	40	Nature, scope and effectiveness of programs and practices (in charity, volunteer work, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles, chronic disease prevention, access to nutritious food at affordable prices and improved welfare of poor communities.		✓	
G4-FP5	11	Percentage of production in manufactured volume manufactured in sites invoiced by an independent third party, in accordance with internationally recognized guidelines for food safety management.		✓	
G4-FP6	11	Percentage of total sales volume of consumer products, by product category with decrease in saturated fat, trans fat, sodium and sugar.		✓	
G4-FP7	11	Percentage of total sales volume of consumer products, by product category containing increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional additives.		✓	
G4-FP8	12	Policies and practices of communication with consumers about the ingredients and nutritional information beyond legal requirements.		✓	
G4-FP9	Not reported	Percentage and total hatched animals processed by species and breed.	Does not apply.		
G4-FP10	Not reported	Policies and practices, by species and class related to physical alterations and the use of anesthesia.	Does not apply.		
G4-FP11	Not reported	Percentage and total hatched animals and/or processed animals by species and breed by storage type.	Does not apply.		
G4-FP12	Not reported	Policies and practices on the use of antibiotics, anti-inflammatory drugs, hormones and/or stimulants for development by species and breeds.	Does not apply.		
G4-FP13	Not reported	Total number of incidents of non-compliance with laws and regulations and adherence to voluntary standards related to practices on transport, handling and slaughter of live terrestrial and aquatic animals.	Does not apply.		



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Independent assurance report to COCA-COLA FEMSA, S.A.B. de C.V. (KOF) on the Sustainability Report 2015

Responsibilities of KOF and Independent Reviewer

The elaboration of the Sustainability Report 2015 (SR 2015), as well as its content is responsibility of KOF, who is also responsible for defining, adapting and maintaining the management systems and internal control from which information is obtained. Our responsibility is to issue an independent report based on the procedures applied during our review.

This report has been prepared exclusively for the management of KOF in accordance with the terms of our agreement letter dated November 19th, 2015 and is not intended to be nor should it be used by someone other than this.

We have performed our work in accordance with the standards of independence required by The Code of Ethics of the International Federation of Accountants (IFAC).

Scope of our work

The scope of our assurance was limited, and is substantially lower than a reasonable assurance work. Therefore, the security provided is also lower. This report in no case can be understood as an audit report. We conducted our review of the SR 2015 under the following conditions and / or criteria:

- a) The adaptation of the contents of the SR 2015 to the Global Reporting Initiative (GRI) Guidelines version 4 (G4) and according to the materiality study provided by KOF.
- b) The review of the sustainability performance indicators reported according to the option Core and specified in the GRI Content Index of the SR 2015.
- c) The consistency of information contained in the SR 2015 with supporting evidence provided by the management.

Assurance standards and procedures

We have performed our work in accordance with the International Auditing Standard ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) of IFAC.

Deloitte

Our review work included the formulation of questions to the management as well as various areas of KOF that have participated in the elaboration of the SR 2015 and the application of certain analytical and sample screening tests that are described below:

- a) Meetings with staff of KOF to learn the principles, systems and applied management approaches.
- b) Analysis of the process to collect, validate and consolidate the data presented in the SR 2015.
- c) Analysis of scope, relevance and integrity of the information included in the SR 2015 in terms of the understanding of KOF and of the requirements that stakeholders have identified as material aspects.
- d) Selected sample review from the evidence that supports the information included on the SR 2015.

The following table details the performance indicators on sustainability reviewed according to the GRI Guidelines version 4:

General and specific standard disclosures

G4 - 2	G4 - 38	G4 - EN5	G4 - EN22	G4 - LA14	G4 - PR5
G4 - 4	G4 - 39	G4 - EN6	G4 - EN23	G4 - LA15	G4 - PR6
G4 - 12	G4 - 42	G4 - EN7	G4 - EN31	G4 - HR3	G4 - PR9
G4 - 16	G4 - 47	G4 - EN8	G4 - EN32	G4 - HR10	G4 - FP1
G4 - 24	G4 - 48	G4 - EN10	G4 - EN33	G4 - HR11	G4 - FP2
G4 - 25	G4 - EC7	G4 - EN15	G4 - LA1	G4 - SO1	G4 - FP4
G4 - 26	G4 - EC8	G4 - EN16	G4 - LA6	G4 - SO9	G4 - FP5
G4 - 34	G4 - EN1	G4 - EN17	G4 - LA7	G4 - SO10	G4 - FP6
G4 - 35	G4 - EN2	G4 - EN18	G4 - LA9	G4 - PR1	G4 - FP7
G4 - 36	G4 - EN3	G4 - EN19	G4 - LA10	G4 - PR2	G4 - FP8
G4 - 37	G4 - EN4	G4 - EN21	G4 - LA12	G4 - PR3	

Disclosures on management approach

Supplier management

Conclusion

Based on the work performed and described in this report, nothing comes to our attention that could make us believe that the SR 2015 contains significant errors or has not been prepared in accordance with the Core Option.



Recommendations

Additionally we present our recommendations for strengthening future Sustainability Reports, which do not modify the conclusions expressed in this report:

- Improvement of the information reported of the general and specific standard disclosures using the Global Reporting Initiative (GRI) Guidelines and the Sector Supplement.
- Strengthened internal management for the processes related to gathering material aspects information.

Galaz, Yamazaki, Ruiz Urquiza, S.C.
Member of Deloitte Touche Tohmatsu Limited

A handwritten signature in black ink, appearing to read "Daniel Aguiñaga Gallegos".

Daniel Aguiñaga Gallegos
Partner
February 25th, 2016

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For more information about our financial results visit our website

Coca-Cola FEMSA, S.A.B. de C.V.

(BMV: KOF L; NYSE: KOF) is the largest Coca-Cola franchise bottler in the world, delivering close to 4.0 billion unit cases a year.

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 southeast and northeast Mexico), 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 Rio de Janeiro, and part of the state of Minas Gerais), Argentina (federal capital of Buenos Aires and surrounding areas) and Philippines (nationwide), along with bottled water, juices, teas, isotonic, beer, and other beverages in some of these territories.

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 Shares (ADSs) on the New York Stock Exchange (NYSE: KOF). Each ADS represents 10 Series L shares.





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