RE-
EVOLUTION

COCA-COLA FEMSA Integrated Report 2021

More than an evolution, we're igniting a business **re-evolution**.

Our strategic growth and industry leadership is driven by our **purpose** to **refresh the world anytime, anywhere**—always finding the most efficient and sustainable way to put our consumer's choice in their hands whenever and wherever they want it.

Guided by our purpose, we're working seamlessly, collaboratively, and agilely across **six strategic corridors**: Build out an Open Omnichannel Platform; Develop a Winning Consumer-Centric Portfolio; Foster an Agile, Digital Savvy, and People-Centric Culture; Place Sustainability at the Heart of our Organization; Digitize the Core; and Actively pursue Value-Enhancing Acquisitions.

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OVERVIEW

CHAIRMAN'S AND CEO'S LETTER TO STAKEHOLDERS

DEAR FELLOW STAKEHOLDERS

This year highlighted our business's resilience, adaptability, and agility. In these unprecedented times, our resilience was evident in our company's ability to protect the safety and wellbeing of our people, while delivering accelerated results across all of our strategic fronts—from portfolio management and digital transformation to milestones in sustainable development—highlighted by our issuance of the first ever sustainability-linked bonds in the Mexican market.

José Antonio Fernández Carbajal
Chairman of the Board

John Santa Maria Otazua
Chief Executive Officer

Consistent with our strategy, we are further adapting and reshaping our company to thrive in the new global business environment. Together with The Coca-Cola Company and the Coca-Cola System in Brazil, we redesigned our distribution partnership with Heineken. This agreement enables us to continue our relationship with Heineken as a key partner, allowing us to serve the Brazilian market with a customer-centric portfolio of premium, mainstream, and economy brands and affording us the flexibility to further complement our portfolio. To this end, we acquired Brazilian craft beer brand Therezópolis, and we agreed to distribute Estrella Galicia's beer portfolio in Brazil.

Importantly, we worked with The Coca-Cola Company to bolster our successful, longstanding relationship. Our enhanced cooperation framework ensures the long-term alignment of our partnership, growth plans, and strategies—enabling us to not only continue building a winning consumer-centric portfolio, but also explore new multi-category opportunities across our markets while we develop new strategic digital initiatives.

Consistent with this framework, we've already rolled out pilot programs to test the distribution of complementary categories such as spirits, other alcoholic beverages, and consumer brands in certain markets—working together to improve distribution economics and open new revenue streams by providing other leading brands access to our company's deep customer relationships, distribution network, and rapidly evolving omnichannel commercial platform.

Re-Evolving Business, Vision & Strategy

Aligned with our purpose and our vision, we are working across six strategic corridors: Build out an Open Omnichannel Platform; Develop a Winning Consumer-Centric Portfolio; Foster an Agile, Digital Savvy, People-Centric Culture; Place Sustainability at the Heart of our Organization; Digitize Our Core; and Actively pursue Value-Enhancing Acquisitions.

We worked with The Coca-Cola Company to bolster **our successful, longstanding relationship.**

To this end, we're developing a winning consumer-centric portfolio that is allowing us to consolidate our industry leadership within the non-alcoholic ready-to-drink (NARTD) space. Underscored by the success of the new formula and visual identity of Coca-Cola Zero Sugar, our sparkling beverage category posted solid volume and share growth, while our still beverage and personal water categories achieved double-digit growth and share gains across most of our territories.

On the omnichannel front, we accelerated the expansion of our B2B customer-centric omnichannel commercial platform. To give you a sense, we now have approximately 300 thousand active monthly purchasers, up over twofold from a year ago. Notably, digital purchases now represent over 6% of our total orders, generating close to US$360 million in sales. This marks triple-digit growth in our digital orders and revenues compared with 2020.

Additionally, in the direct to home channel, we substantially increased the number of home delivery routes—from almost 800 routes to over 1,200 routes, allowing us to reach close to 600 thousand Mexican households.

We've further deepened our company's commitment to sustainable development, placing sustainability at the heart of our organization. As a result of our Climate Action Strategy, 85% of our bottling operations' power came from clean energy sources, up more than fourfold from 2015. We increased the use of recycled materials in our PET packaging to 31%, while increasing the collection of bottles that we put into our markets, thus accelerating the transition to a circular economy. Through our water stewardship, we improved our water use ratio to an average of 1.47 liters of water per liter of beverage produced, an industry benchmark. Furthermore, we issued the first sustainability-linked bonds in the Mexican market, enabling us to align our financial strategy with the achievement of ambitious water efficiency targets that are now public commitments. Indeed, for the second consecutive year, our sustainability (ESG) performance

We substantially increased the number of home delivery routes—from almost 800 routes to **over 1,200 routes**, allowing us to reach close to **600 thousand** Mexican households.

Our focus on affordability and execution enabled us to deliver **5.3%** year-over-year volume growth—**2.6%** ahead of our 2019-baseline year.

enabled us to be the only Mexican company in our sector included in the S&P Global Sustainability Yearbook 2022.

Aligned with our commitment to ESG, we acknowledge the importance of evolving towards a more balanced governance model to enrich our corporate governance profile. We are working to ensure our board's composition includes the skills, experiences, diversity, and capabilities required to provide effective oversight into the future.

To win in the market and our industry, we are re-evolving the way we work, creating an agile, digital savvy, culture while we continue to foster a diverse, inclusive, and people-centric culture. To improve gender diversity, we're systematically working to recruit, develop, and retain female talent at all levels of the organization. Indeed, this is the fourth consecutive year that Coca-Cola FEMSA is part of the Bloomberg Gender-Equality Index.

Looking ahead, we plan to actively pursue value-enhancing acquisitions. We're not only exploring traditional opportunities to shape our company's future NARTD footprint, but also prioritizing adjacent categories for portfolio expansion. To this end, we acquired Brazilian craft beer brand Therezópolis, our first ever acquisition in the beer segment. We also acquired Brazilian Coca-Cola bottler CVI Refrigerantes Ltda., bolstering our NARTD leadership position in the region.

Performance

As we navigated a dynamic environment, our focus on affordability and execution enabled us to deliver 5.3% year-over-year volume growth—2.6% ahead of our 2019-baseline year. For the year, total revenues increased 6.1% to Ps. 194.8 billion. Operating income improved 8.6% to Ps. 27.4 billion. Operating cash flow increased 4.0% to Ps. 38.8 billion. Controlling net income rose 52.4% to Ps. 15.7 billion to achieve earnings per share of Ps. 0.93 and per unit of Ps. 7.48 (Ps. 74.77 per ADS).

Notably, our return on invested capital improved for the fifth consecutive year, closing out the year in the double digits. Moreover, our net-debt-to-EBITDA ratio ended the year at 0.9 times—while our cash position was more than Ps. 47 billion—reflecting our strong balance sheet, while putting us in a great position to grow.

As we move forward, one of our key strengths is our business relationship with The Coca-Cola Company. Working together, we're able to successfully navigate ever changing macroeconomic and industry dynamics, driving a consumer-centric approach and fundamental transformation in the way we operate and collectively go to market.

Building on this longstanding relationship, our overarching strategic priorities are to accelerate the build out of our open omnichannel commercial platform; and ensure the necessary investment behind our capabilities to escalate our business growth.

When we reflect on our vision for Coca-Cola FEMSA and the actions we're taking, we are confident that we are building the right set of capabilities to expedite our company's growth and value creation for many years to come.

On behalf of our employees, we thank you for your continued confidence in our ability to deliver economic value and to generate social and environmental wellbeing for you all.

José Antonio Fernández Carbajal
Chairman of the Board

John Santa Maria Otazua
Chief Executive Officer

INTERVIEW WITH **OUR CFO**

Constantino Spas, our company's Chief Financial Officer, reflects on our company's ability to navigate a dynamic market environment and deliver accelerated results across all of our strategic fronts. He discusses the strategic importance of our enhanced cooperation framework with The Coca-Cola Company, redesigned distribution partnership with Heineken, approach to value-enhancing acquisitions, first ever sustainability-linked bonds in the Mexican market, and disciplined capital allocation.

Constantino Spas
Chief Financial Officer

Q) Constantino, how would you reflect on the company's performance for the year?

A) This year, we successfully navigated a dynamic market environment to deliver accelerated results across all of our strategic fronts. We strengthened key longstanding partnerships, accelerated the build out of our customer-centric B2B and D2C omnichannel commercial platforms, achieved key milestones in our sustainable development, capitalized on value-enhancing acquisition opportunities, and emerged even stronger from the pandemic—closing the year with escalating momentum by delivering solid top- and bottom-line growth, coupled with share gains across our territories.

Thanks to our consistent strategic execution, we achieved consolidated volume growth of 5.3% year over year, improving 2.6% compared to our 2019 baseline. Consolidated revenues rose 6.1%, surpassing our 2019 baseline, and operating income grew 8.6%, increasing 7.8% compared with 2019. This enabled us to finish the year with a very solid financial foundation while continuing to improve our return on invested capital (ROIC). We further increased our annual dividend, delivering on our commitment to our shareholders.

Perhaps most importantly, based on our enhanced cooperation framework with The Coca-Cola Company, we're reshaping our company to thrive in the new global business environment. Aligned with our purpose to refresh the world anytime, anywhere, we are working seamlessly and collaboratively across six strategic corridors: Build out an Open Omnichannel Platform; Develop a Consumer-Centric Winning Portfolio; Foster an Agile, Digital Savvy, and People-Centric Culture; Place Sustainability at the Heart of our Organization; Digitize the Core; and Actively pursue Value-Enhancing Acquisitions.

Q) Given its strategic importance, could you elaborate further on the company's enhanced cooperation framework with The Coca-Cola Company?

A) Our enhanced cooperation framework is great news for both of our companies. It further strengthens our relationship, ensuring long-term alignment and certainty, positioning us to accelerate further towards our shared purpose of refreshing the world. Specifically, this enhancement will ensure long-term alignment in the following key areas:

1) Growth plans. We have agreed to build and align long-term strategies and business plans to ensure coordinated execution. These growth plans aim to increase our operating income via top-line growth, volume expansion, cost and expense efficiencies, and the implementation of marketing and commercial strategies and productivity programs.

2) Relationship economics. We have agreed to ensure that the economics of our business and management incentives are fully aligned towards long-term system value creation, always considering investment and profitability levels that are beneficial to both The Coca-Cola Company and Coca-Cola FEMSA.

3) Potential new businesses and ventures. As the system continues to evolve, we agree to explore potential new businesses and ventures, such as the distribution of beer, spirits, and other consumer goods. Indeed, we've already rolled out pilot programs to test the distribution of complementary categories in certain markets—thereby working together to improve distribution economics and open new revenue streams by providing other CPG brands access to our deep customer relationships and robust distribution network.

4) Lastly, through a joint general framework for **digital initiatives**, we acknowledge the great opportunity to develop a joint digital strategy across strategic corridors.

Crucially, through our enhanced cooperation framework, we have not only renewed and reinforced our successful longstanding relationship with The Coca-Cola Company—which remains one of our key strengths—but also empowered our business's re-evolution.

This year, we successfully navigated a dynamic market environment to deliver accelerated results across all of our strategic fronts.

We furthered capitalized on an excellent opportunity to complement our portfolio by acquiring Brazilian craft beer brand **Therezópolis**.

Q) Could you brief us on the company's redesigned distribution partnership with Heineken, as well as the company's steps to further complement its beer portfolio in Brazil?

A) As part of our key strategic priorities, together with the Coca-Cola System, we successfully redesigned our distribution partnership with Heineken. This represents a win-win for the Coca-Cola System, Heineken, and most importantly, our customers and consumers in Brazil, who will benefit from a wider array of options.

In particular, this agreement allows our company to:

i) **Strengthen our beer portfolio** with solid premium, mainstream, and economy brands from Heineken's portfolio.

ii) **Align our interests and provide flexibility:** The Coca-Cola System will be able to produce and distribute other beers and alcoholic beverages, subject to certain mutually agreed upon terms.

iii) **Capture distribution synergies** within the system, allowing for stronger economics.

As part of this new agreement—which became effective mid-2021—we completed the transition of the Heineken and Amstel brands to Heineken Brazil's distribution network. We also leveraged our continuing relationship with Heineken as a key partner to complement our existing beer portfolio, including the Kaiser, Bavaria, and Sol brands, with Eisenbahn, a premium brand, and Tiger, a pure malt mainstream brand, from Heineken's portfolio. We furthered capitalized on an excellent opportunity to complement our portfolio by acquiring Brazilian craft beer brand Therezópolis, together with Coca-Cola Andina, and by entering into a distribution agreement with leading Spanish brewer Estrella Galicia, together with the Coca-Cola System in Brazil.

Moving forward, the redesign of this successful distribution partnership with Heineken and, more importantly, the realignment of incentives, combined with our capabilities to develop the market, make us confident that we will continue growing and developing the beer category as we have successfully done in the past—building a solid portfolio of premium, mainstream, and value brands.

Q) Could you also expand on the company's strategic approach to value-enhancing acquisitions, particularly in light of its two recent acquisitions in Brazil?

A) Aligned with our strategy, we are not only exploring global opportunities to shape our company's non-alcoholic ready-to-drink (NARTD) footprint of the future, but also prioritizing adjacent categories and capabilities that enhance our value proposition and foster our multi-category portfolio expansion, reaching customers and consumers across multiple channels with a wide array of products and services.

As exemplified by our two recent acquisitions, any future investment must be completely aligned with our vision and strategy, be value accretive for our shareholders, and be consistent with our extremely disciplined approach to capital allocation.

With these criteria in mind, we recently closed our acquisition of CVI, a Coca-Cola franchise bottler with operations in southern Brazil. This bolt-on acquisition bolsters our leadership position in the region—to reach 52% of the Coca-Cola System's volume in Brazil—adding to our operation one bottling facility and three distribution centers that serve more than 13 thousand points of sale and more than 2.8 million consumers in a territory that is full of synergies and market opportunities. We also acquired Brazilian craft beer brand Therezópolis, together with Coca-Cola Andina. Marking our first ever acquisition of a beer brand, this acquisition advances our long-term strategy to complement our beer portfolio in the region.

Q) Could you briefly discuss the proactive initiatives taken to strengthen the company's balance sheet and financial position in what was still a very dynamic environment?

A) Consistent with our financial discipline, we continued to take advantage of favorable capital market conditions with our issuance of the first ever sustainability-linked bonds in the Mexican market.

Through this milestone transaction, we further extended the average life of our debt from 7 to approximately 9 years, while reducing our average interest expense. We also continued to adhere to our policy of zero net debt exposure to U.S. dollars.

Today, we enjoy a comfortable and conservative debt profile, with more than 85% of our debt maturing beyond 2025.

Q) In light of its strategic significance, could you elaborate further on the company's issuance of the first ever sustainability-linked bonds in the Mexican market?

A) Certainly, consistent with our financial discipline, strong credit profile, and commitment to sustainability, we issued the first ever sustainability-linked bonds in the Mexican market for Ps. $9.4 billion. These bonds were priced in two tranches: (i) Ps. 6.9 billion at a fixed rate of 7.36% due in 7 years, and (ii) Ps. 2.4 billion at a variable rate of TIIE + 5 basis points due in five years. This transaction received broad participation from investment-grade dedicated investors, confirming Coca-Cola FEMSA's financial strength and position as a sustainable financing leader.

As part of this transaction—and aligned with our commitment to place sustainability at the heart of our organization—we are publicly committed to achieve a water use ratio of 1.36 liters of water used per liter of beverage produced by 2024, and a water use ratio of 1.26 by 2026. Today, our water use ratio is 1.47 liters, a benchmark of water efficiency for the Coca-Cola System.

Building on last year's issuance of what was the largest ever green bond for a Latin American corporation, we are very proud to continue making history in terms of our sustainable financing, and we are confident that these efforts will not only have a positive environmental impact, but also bolster the commitment to sustainability across our industry.

Q) Finally, could you briefly review Coca-Cola FEMSA's disciplined approach to capital allocation?

A) At this point, we are well positioned financially and operationally to take advantage of any compelling inorganic growth opportunities that may arise. As of December 31, 2021, our net debt-to-EBITDA ratio closed below 1.0 time, compared to 1.13 times at the end of 2020, and we finished the year with a cash position of more than Ps. 47 billion.

With that in mind, we will leverage our disciplined approach to capital allocation as we evaluate inorganic growth opportunities from both a strategic and value standpoint. Aligned with a clear framework for value-enhancing acquisitions—as exemplified by our recent Brazilian transactions—we look to pay a correct valuation, including clearly identifiable synergies; to create value for our shareholders; to diversify our operations across geographies, categories, and currencies; and to expand our multi-category portfolio, prioritizing promising adjacent categories and capabilities for expansion.

With regards to CAPEX, we will continue to take a very disciplined approach to capital allocation, using our cash control tower methodology to ensure that we maintain solid cash flow generation. Guided by a CAPEX-to-revenue ratio of from 7% to 8%, we expect that these investments will primarily focus on strengthening our infrastructure—especially our affordability capacity—and investing behind assets that increase our market presence in order to ensure our long-term growth and re-evolution.

We are very proud to continue making history in sustainable financing as exemplified by our issuance of the first ever sustainability-linked bonds in the Mexican market.

CAO'S LETTER TO STAKEHOLDERS

In Coca-Cola FEMSA, we are placing sustainability at the heart of our organization. Throughout our operating structures and geographies, it represents the strategic pillar that guides our business decisions. Working together, we are tackling sustainability challenges in a holistic way with focus on the our people, our community and our planet pillars.

María del Carmen Alanis Figueroa
Corporate Affairs Officer

Notably, on September 21st, 2021, we placed the first sustainability-linked bonds in the Mexican market for Ps. 9.4 billion (US$470 million).

We recognize the great responsibility that our company has as part of a global ecosystem, and we reinforce our commitment to positively contribute to the development of the communities where we operate. We view sustainability as an interrelated system in which every action that our company undertakes directly impacts our society and our environment.

We're committed to create social, environmental, and economic value by encouraging dialogue and continuous interaction with our interest groups in order to develop and deploy programs and initiatives that address their particular needs and ensuring the construction of responsible environments throughout our value chain.

Now, we've set our sights on new ambitions and a new recap, recognizing that we can only address the challenges we face both internally and externally through cooperative, equitable, and solid alliances, mainly focused on interest groups with an inclusion and diversity scope.

Consistent with our commitment to our social footprint, in collaboration with The Coca-Cola Company, The Coca-Cola Foundation, and FEMSA Foundation, together we carry out projects designed to improve communities' standard of living by helping them with digital training and economic empowerment, and community wellbeing, while working to provide them with safe water, improved sanitation, and hygiene education. Additionally, we work to strengthen water funds and conserve water basins through sustainable initiatives involving partnerships with several key stakeholders.

Notably, on September 2021, we placed the first sustainability-linked bonds in the Mexican market for Ps. 9.4 billion (US$470 million). For this first issuance, we're focusing on the sustainable and efficient use of water, committing to the achievement of a water use ratio of 1.26 liters of water per liter of beverage produced by 2026. This milestone transaction was made possible by the collaboration of our tremendous multidisciplinary team of executives, who represented all engaged areas of our company. This reinforces our commitment to a comprehensive water management strategy, guaranteeing efficient use, promoting conservation and replenishment, and facilitating access to safe water in the communities where we operate.

Looking ahead, our communication strategy will become an important component of our business strategy. Our goal is to reposition our corporate brand and identity to enhance our company's reputation among different external audiences, providing powerful messages.

Coca-Cola FEMSA is in the process of updating and strengthening its ESG (environmental, social, and governance) strategy. This way, we will boost our business's ability to manage operational risks and reinforce our company's ability to recognize and take advantage of potential opportunities.

OUR EXPERIENCED MANAGEMENT TEAM

Aligned with our purpose to refresh the world anytime, anywhere, our experienced management team is inspiring a business re-evolution.

Underpinned by KOF DNA, they're leveraging our strengths to guide our accelerated business growth and re-evolution, and to achieve our long-term strategic priorities. Empowered by their example, we aim to not only consolidate our leadership position in the global beverage industry, but also adapt and reshape our company to thrive in the new global business environment.

John Anthony Santa Maria Otazua
Chief Executive Officer

Mr. Santa Maria joined Coca-Cola FEMSA in 1995 and was appointed to his current position in 2014. With 39 years of experience in the beverage industry, he previously served in several senior management positions in our organization, including Chief Operating Officer of the South America Division, the Mexico Division, and other C-suite roles such as Strategic Planning, Commercial Development, and Mergers & Acquisitions. He is a member of the Boards of Compartamos Banco, Coca-Cola FEMSA, and FEMSA Foundation. Mr. Santa Maria earned a Bachelor's degree and an MBA with a major in Finance from Southern Methodist University.

Constantino Spas Montesinos
Chief Financial Officer

Mr. Spas joined Coca-Cola FEMSA in 2018 as Strategic Planning Officer and was appointed to his current position in 2019. He has over 26 years of experience in the food and beverage sector in Latin America with a demonstrated track record in companies such as Bacardi, Kraft Foods, SAB Miller, Grupo Mavesa, and Empresas Polar. Mr. Spas earned a Bachelor's degree in Business Administration from Universidad Metropolitana in Caracas, Venezuela, and an MBA from Emory University Goizueta Business School in Atlanta, Georgia.

Karina Paola Awad Pérez
Human Resources Officer

Ms. Awad joined Coca-Cola FEMSA in 2018 and was appointed to her current position in the same year. With almost 30 years of experience in the human resources field, she previously served as Senior Vice President of Human Resources for Walmart Mexico and Central America, and Vice President of Human Resources for Walmart Chile. Ms. Awad is a member of the International Women's Forum in Mexico, and she has received numerous recognitions for her female leadership role and human resources influence in Latin America. Ms. Awad earned a Bachelor's degree in Psychology from Pontifical Catholic University of Chile and an MBA from the Adolfo Ibáñez School of Management in Miami. She is also a Newfield Network Certified Executive Coach.

Bruno Juanes Gárate
Commercial Development Officer

Mr. Juanes joined Coca-Cola FEMSA in 2021 and was appointed to his current position in the same year. With over 30 years of experience in digital transformation, innovation, business model design, and management consulting, he previously served as LATAM Region CEO of the Management Consulting Division within NTTData, Chief Digital Innovation Officer, Core Business Operations Portfolio Leader, and member of the executive committee at Deloitte Consulting Mexico, and Chief Digital and Innovation Officer for Grupo Xignux. Mr. Juanes earned a Bachelor's degree in Organic Chemistry from Universidad Autónoma de Madrid, a degree in Molecular Biology from University of California, Berkeley, and completed a General Management Program at IESE in Madrid.

María del Carmen Alanis Figueroa
Corporate Affairs Officer

Ms. Alanis joined Coca-Cola FEMSA in 2021 and was appointed to her current position in the same year. With more than 30 years of experience in the public sector, she previously served as Executive Director of Electoral Training and Civic Education, Executive Secretary of the Federal Electoral Institute, and President of the Federal Electoral Court of Mexico (TEPJF). She also served as Mexico's representative before the Venice Commission of the Council of Europe, Mexico's representative before the Follow-up Mechanism of the Belém do Pará Convention, and Consultant for Latin America at the Kofi Annan Foundation. Ms. Alanis earned a Master's degree in Comparative Government from the London School of Economics and a PhD in Law from the National Autonomous University of Mexico.

Rafael Ramos Casas
Supply Chain and Engineering Officer

Mr. Ramos joined Coca-Cola FEMSA in 1999 and was appointed to his current position in 2018. With over 31 years of experience in the beverage industry, he previously served in several senior management positions, including Manufacturing Director for Southeast Mexico, Manufacturing and Logistics Director, Supply Chain Director for Mexico and Central America, and Supply Chain Director of FEMSA Comercio. Mr. Ramos earned a Bachelor's degree in Biochemical Engineering and an MBA in Agribusiness from the EGADE Business School of ITESM.

Ignacio Echevarría Mendiguren
Digital and Technology Officer

Mr. Echevarría joined Coca-Cola FEMSA in 2018 and was appointed to his current position in 2021. With over 25 years of experience in the IT industry, he previously held IT management positions within the Coca-Cola System, where he led various IT strategy and digital transformation projects developing and implementing solutions in Spain (Cobega), Africa (Equatorial Bottler Company) and Europe (Coca-Cola Europacific Partners). He also served as a member of Telynet Group's board of directors, a multi-platform and multi-category omnichannel business solutions development company with operations in the Americas, Europe, and Africa. Mr. Echevarría earned a degree in Industrial Engineering with a minor in Industrial Organization and an MBA from Instituto de Empresa in Madrid.

Washington Fabricio Ponce García
Chief Operating Officer—Mexico

Mr. Ponce joined Coca-Cola FEMSA in 1998 and was appointed to his current position in 2019. With over 23 years of experience in the beverage industry, he previously served in several senior management positions, including Chief Operating Officer of the Philippines, Managing Director of Central America, Argentina, and Colombia, and Director of Planning for Latin America Region. Before joining Coca-Cola FEMSA, he served as Managing Director for Heineken in Brazil and Senior Consultant in Bain & Company. An agricultural engineer, Mr. Ponce earned a Master's degree in Economics from INCAE Business School in Costa Rica.

Ian Marcel Craig García
Chief Operating Officer—Brazil

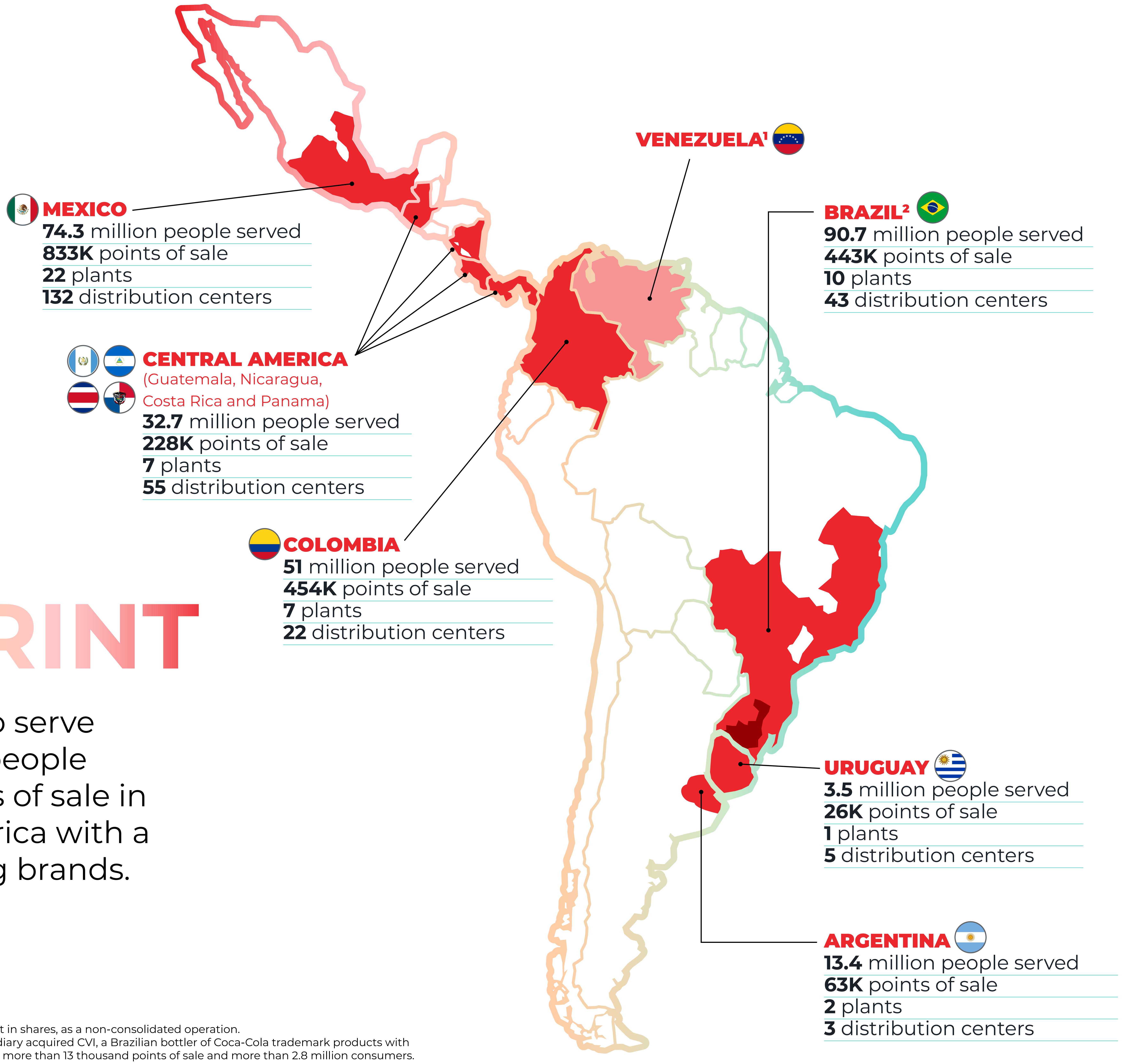
Mr. Craig joined Coca-Cola FEMSA in 2003 and was appointed to his current position in 2016. With over 27 years of experience in the beverage industry, he previously served in several senior management positions, including Chief Operating Officer of Argentina, CFO and Strategic Planning Director of South America Division, CFO, Planning and Corporate Affairs Director of Mercosur Region, and Corporate Finance and Treasury Director of Coca-Cola FEMSA. Mr. Craig earned a Bachelor's degree in Industrial Engineering from ITESM, an MBA from the University of Chicago Booth School of Business, and a Master's degree in International Commercial Law from ITESM.

Eduardo Guillermo Hernández Peña
Chief Operating Officer—Latin America

Mr. Hernández joined Coca-Cola FEMSA in 2015 and was appointed to his current position in 2018. With over 32 years of experience in the beverage industry, he previously served in several senior management positions, including Strategic Planning Director and New Business Director of Coca-Cola FEMSA. Before joining Coca-Cola FEMSA, he served as CEO of Gloria Alimentos and Beer Business Director of Empresas Polar in Venezuela. Mr. Hernandez earned a Bachelor's degree in Business Administration from Universidad Metropilitana in Caracas, Venezuela, and an MBA from the Kellogg School of Management at Northwestern University.

OUR FOOTPRINT

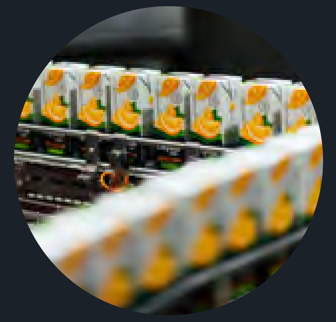
We have the privilege to serve more than 266 million people through 2 million points of sale in 9 markets of Latin America with a wide portfolio of leading brands.



266 million people served

2 million points of sale

49 plants



260 distribution centers

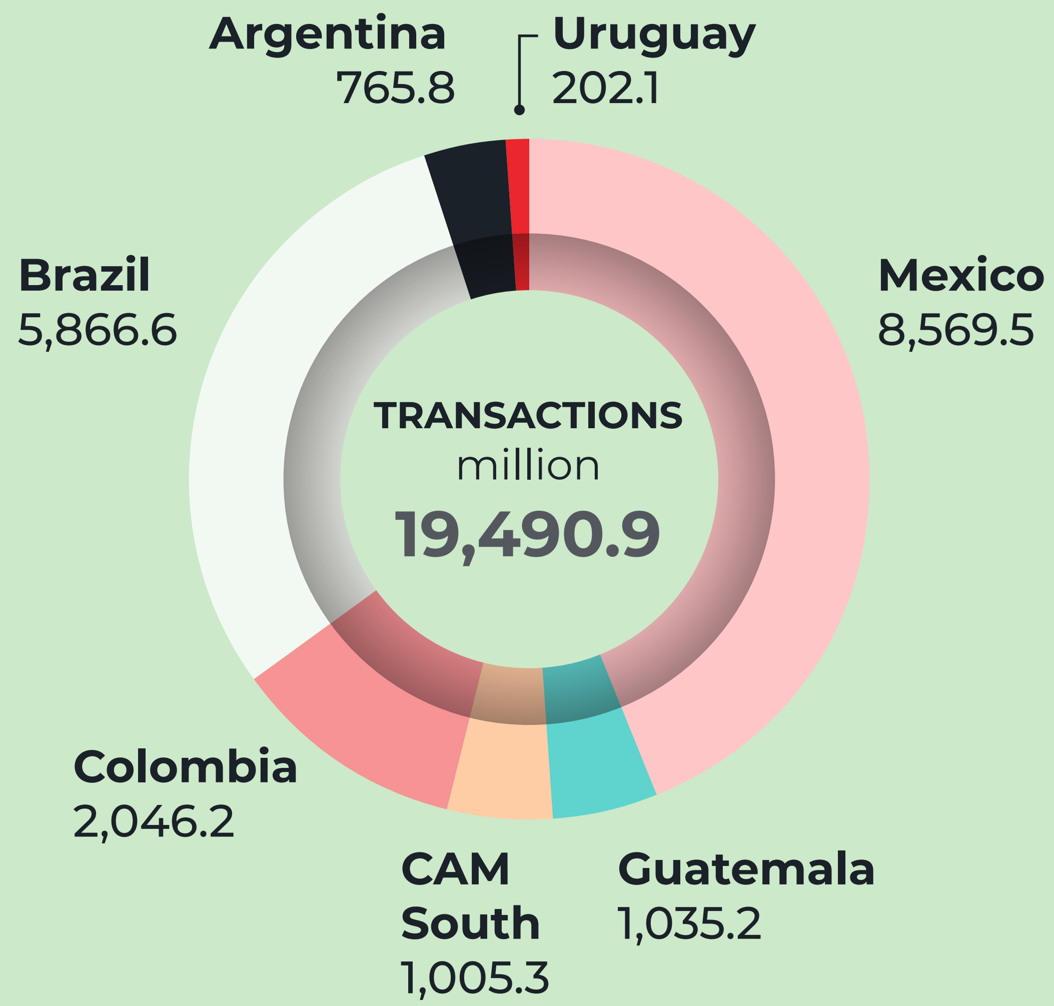
1) As of December 31, 2017, Venezuela is reported as an investment in shares, as a non-consolidated operation.
2) Figures do not include CVI. In January 2022, our Brazilian subsidiary acquired CVI, a Brazilian bottler of Coca-Cola trademark products with operations in the state of Rio Grande do Sul in Brazil. CVI serves more than 13 thousand points of sale and more than 2.8 million consumers.

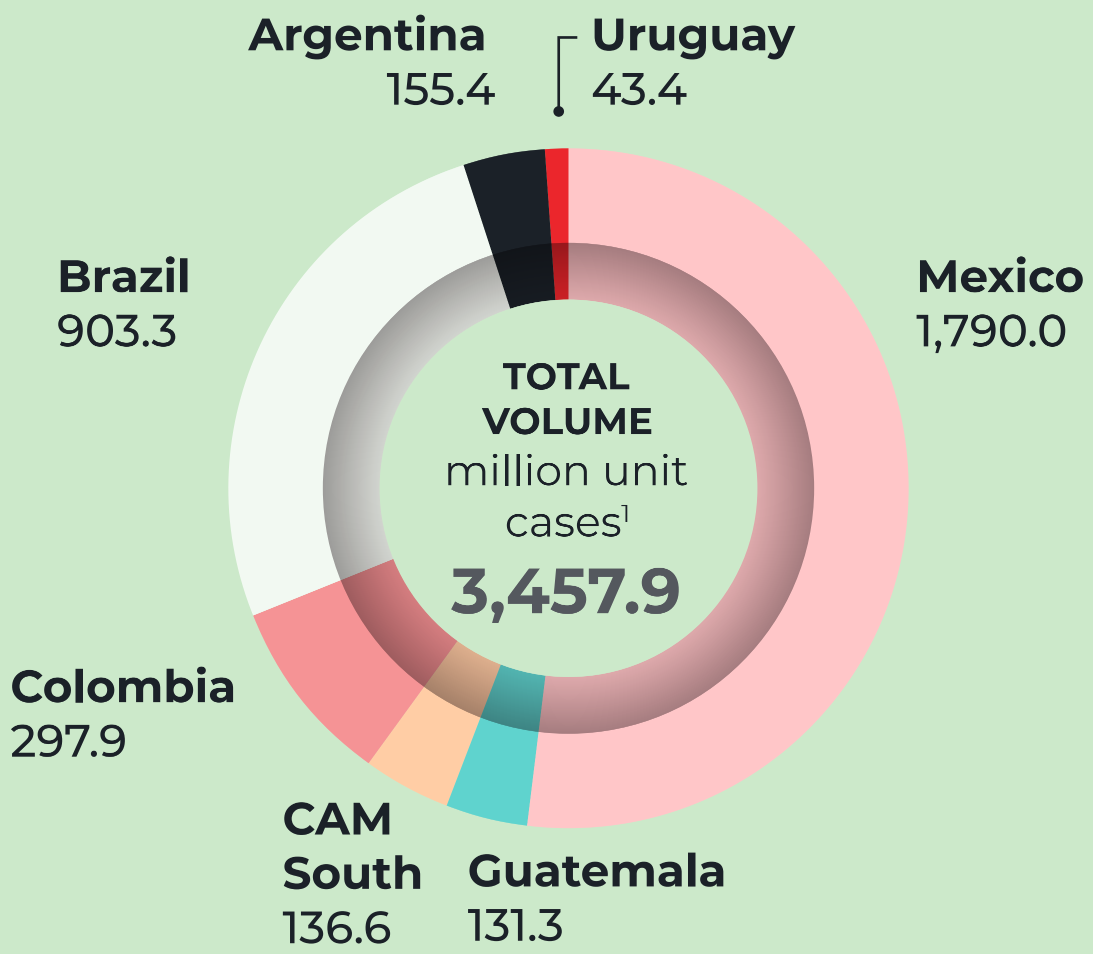
SPARKLING BEVERAGES
2,721 Volume
15,956 Transactions

WATER AND BULK WATER
495 Volume
1,485 Transactions

STILL BEVERAGES
242 Volume
2,050 Transactions

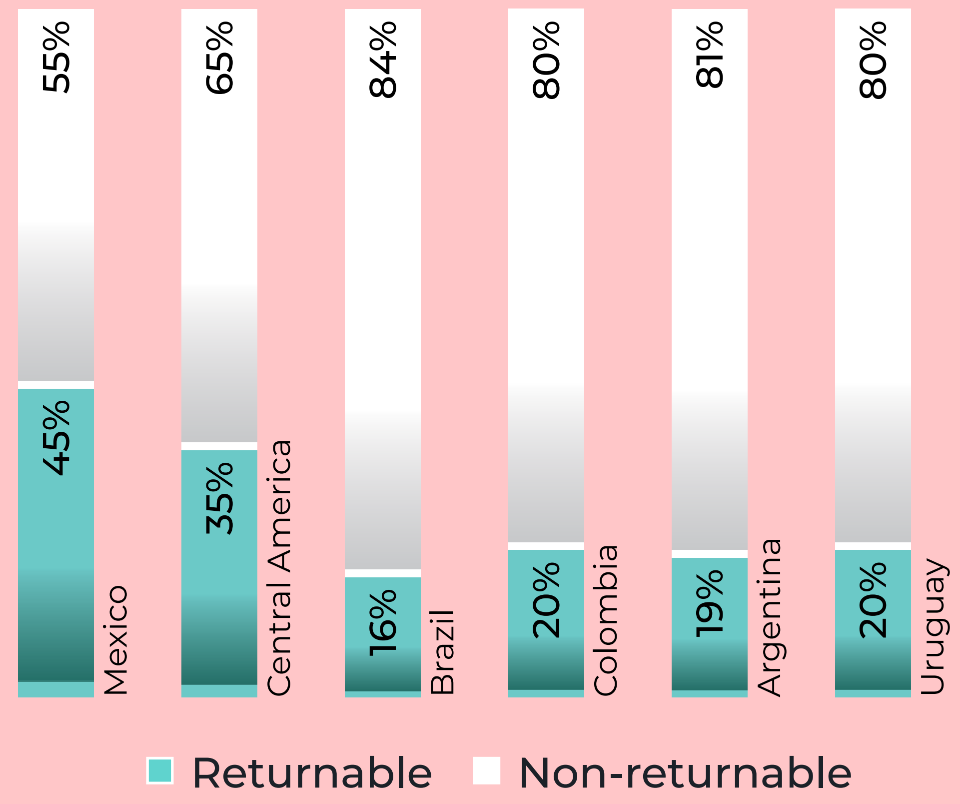
1) Volume is measured in million unit cases



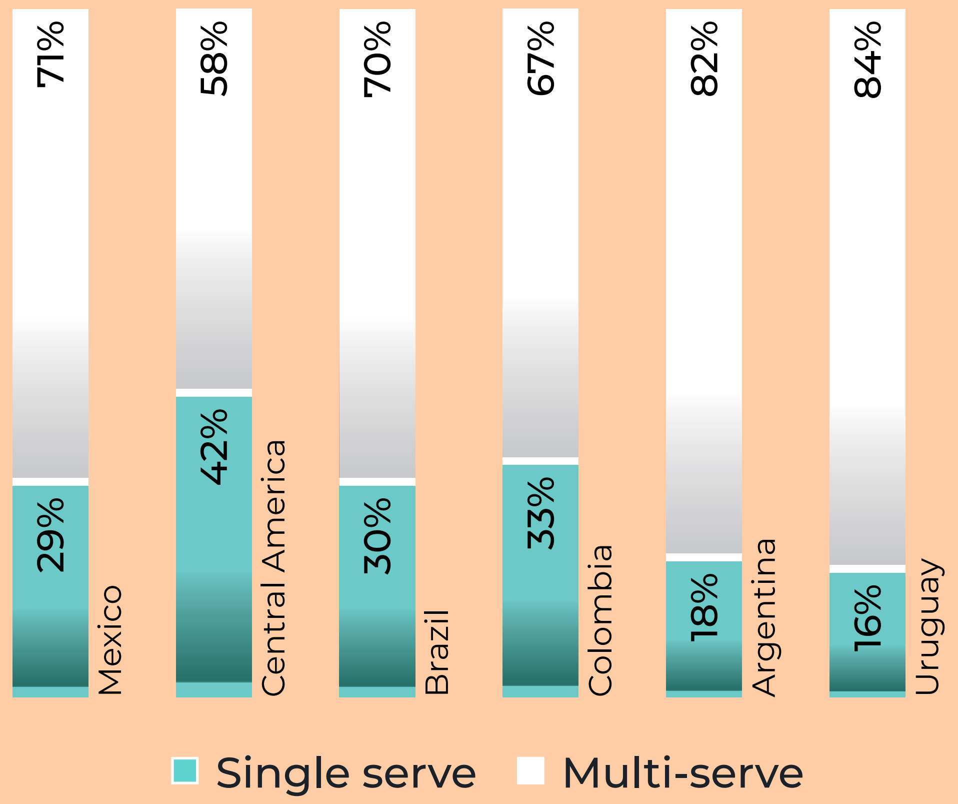


1) Unit case is a unit of measurement that equals 24 eight-ounce servings of finished beverage.

PRODUCT MIX BY PACKAGE



PRODUCT MIX BY SIZE



PRODUCT MIX BY CATEGORY

% of volume of total beverages	Sparkling	Water[1]	Bulk Water[2]	Still
Mexico	72.8%	4.6%	15.7%	6.8%
Central America	87.3%	3.8%	0.2%	8.7%
Colombia	78.7%	9.0%	5.1%	7.2%
Brazil	87.0%	5.4%	0.9%	6.7%
Argentina	80.5%	7.6%	3.5%	8.5%
Uruguay	86.9%	11.2%	—	1.9%

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.

FINANCIAL HIGHLIGHTS

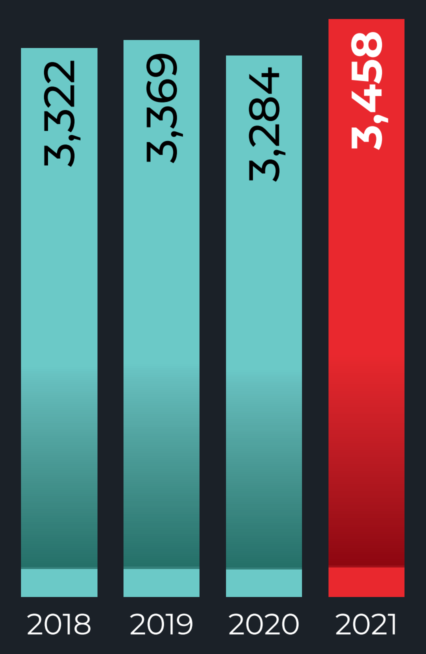
In a year of operational and strategic milestones, Coca-Cola FEMSA was able to deliver solid performance and volume recovery ahead of pre-pandemic levels. Despite supply chain disruptions and higher raw material costs, Coca-Cola FEMSA delivered another year of operating income growth.

	2021 USD[1]	**2021** MXN	2020 MXN	% Change
Sales Volume (million unit cases)	**3,457.9**	**3,457.9**	3,284.4	5.3%
Total Revenues	**9,496**	**194,804**	183,615	6.1%
Operating Income	**1,336**	**27,402**	25,243	8.6%
Controlling Interest Net Income	**766**	**15,708**	10,307	52.4%
Total Assets	**13,238**	**271,567**	263,066	3.2%
Long-Term Bank Loans and Notes Payable	**4,062**	**83,329**	82,461	1.1%
Controlling Interest	**5,925**	**121,550**	116,874	4.0%
Capital Expenditures	**676**	**13,865**	10,354	33.9%
Book value per share[2]	**0.35**	**7.23**	6.95	4.0%

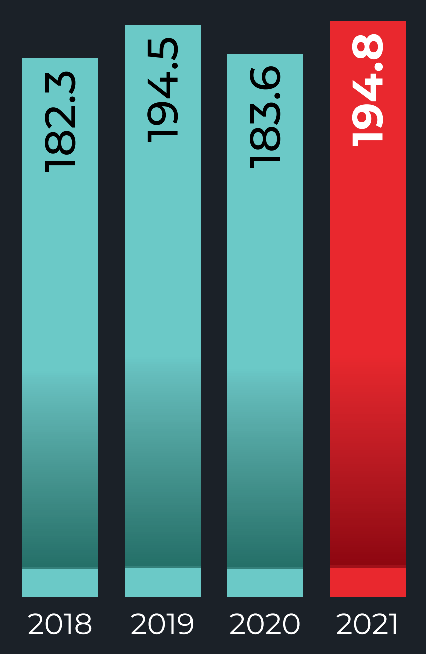
Millions of Mexican pesos and U.S. dollars as of December 31, 2021 (except volume and per share data). Results under International Financial Reporting Standards.

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, 2021, which exchange rate was Ps. 20.51 to U.S.$1.00.
2. Based on 16,806.7 million outstanding ordinary shares as of December 31, 2021 and 2020.

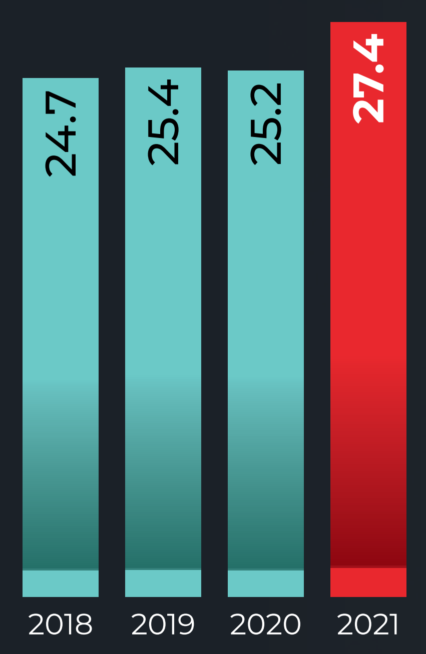
Sales Volume
million unit cases[1]



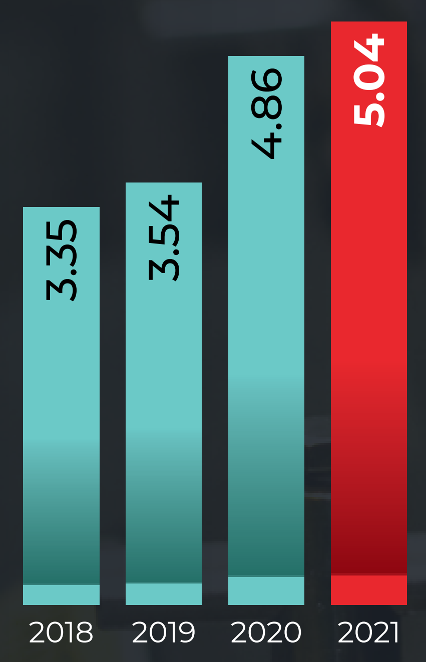
Total Revenues
billion Mexican Ps.



Operating Income
billion Mexican Ps.



Dividend Per Share
Mexican Ps.



1. Unit case is a unit of measurement that equals 24 eight-ounce servings of finished beverage.

SUSTAINABILITY HIGHLIGHTS 2021

1

1.3 million
beneficiaries of activities focused on our sustainability pillars: Our Planet, Our Community, and Our People.

At Coca-Cola FEMSA, we are tackling sustainability challenges in a holistic way—including our people, communities, and transforming operations—on issues such as climate change, water stewardship, circular economy, safety, and community development.

2

+2K activities
of volunteering, impacting more than 300 thousand people.

3

US$114.6 million
invested in projects in the Our Planet pillar, prioritizing activities in the areas of circular economy, water stewardship, and climate action.

4

~100K benefited
in neighboring communities with the funds we operate in collaboration with Fundación FEMSA.

5

+2 million
liters of beverage donated to vulnerable populations, health professionals, and front-line workers amidst the COVID-19 pandemic.

6

70K tons
of waste were collected in a holistic and transversal way through some of our countries' most important initiatives.

7

1.47 liters
of water per liter
of beverage produced.

8

31% recycled
PET used on average across our plastic bottle presentations.

9

98% of post-industrial waste
recycled or properly disposed.

10

46% of our manufacturing facilities
have Zero Waste certification.

11

85% of our electricity
requirements across our manufacturing operations come from clean sources.

12

1st Mexican Company
to secure approval of the Science Based Targets Initiative (SBTi) for our GHG emissions reduction targets.

13

28% reduction
of our absolute GHG emissions from our operations (scope 1 and 2) from 2015 to 2021.

14

US$705 million
1st Green Bond issuance within the Coca-Cola System.

15

First Sustainability-Linked Bonds issued in the Mexican market for Ps. 9.4 billion (US$470 million) with a commitment to achieve a water use ratio of 1.36 by 2024 and 1.26 by 2026.

16

Top **15%** of
companies leading the sustainability agenda, according to the S&P Global Sustainability Yearbook 2022.

17

4th Consecutive
year of inclusion in the Bloomberg Gender-Equality Index.

18

Recognized for a 3rd year
as one of the Best LGBTQ+ Places to Work by the Human Rights Campaign Foundation and HRC Equidad MX: Global Program for Labor Equity.

OUR **VALUE CHAIN**

1 Ingredients
We work with our suppliers to have the best raw materials.

2 Manufacturing
Enabled by our Digital Manufacturing Platform 2.0, we produce high-quality beverages in our facilities, with an efficient use of water and energy.

3 Primary Distribution
From our manufacturing facilities, we ship beverages to our 260 distribution centers.

4 Distribution Center
In our automated warehouses, we integrate pre-sale with secondary distribution processes.

5 Pre-Sale
Powered by KOF digital platforms, we serve our clients in the traditional and modern channels, offering a winning portfolio of leading brands.

6 Secondary Distribution
Once a pre-sale order is placed, we use our Digital Distribution Platform to define an optimal Route-To-Market operation.

7 Points of Sale
We reach more than 2.0 million points of sale with targeted commercial initiatives, and we use Market Analytics to maximize the value proposition for each client.

8 Consumption
We serve more than 266 million people, offering a portfolio with choices for every lifestyle.

9 Recycling
We encourage and help consumers to properly dispose and recycle all packages from our beverages.

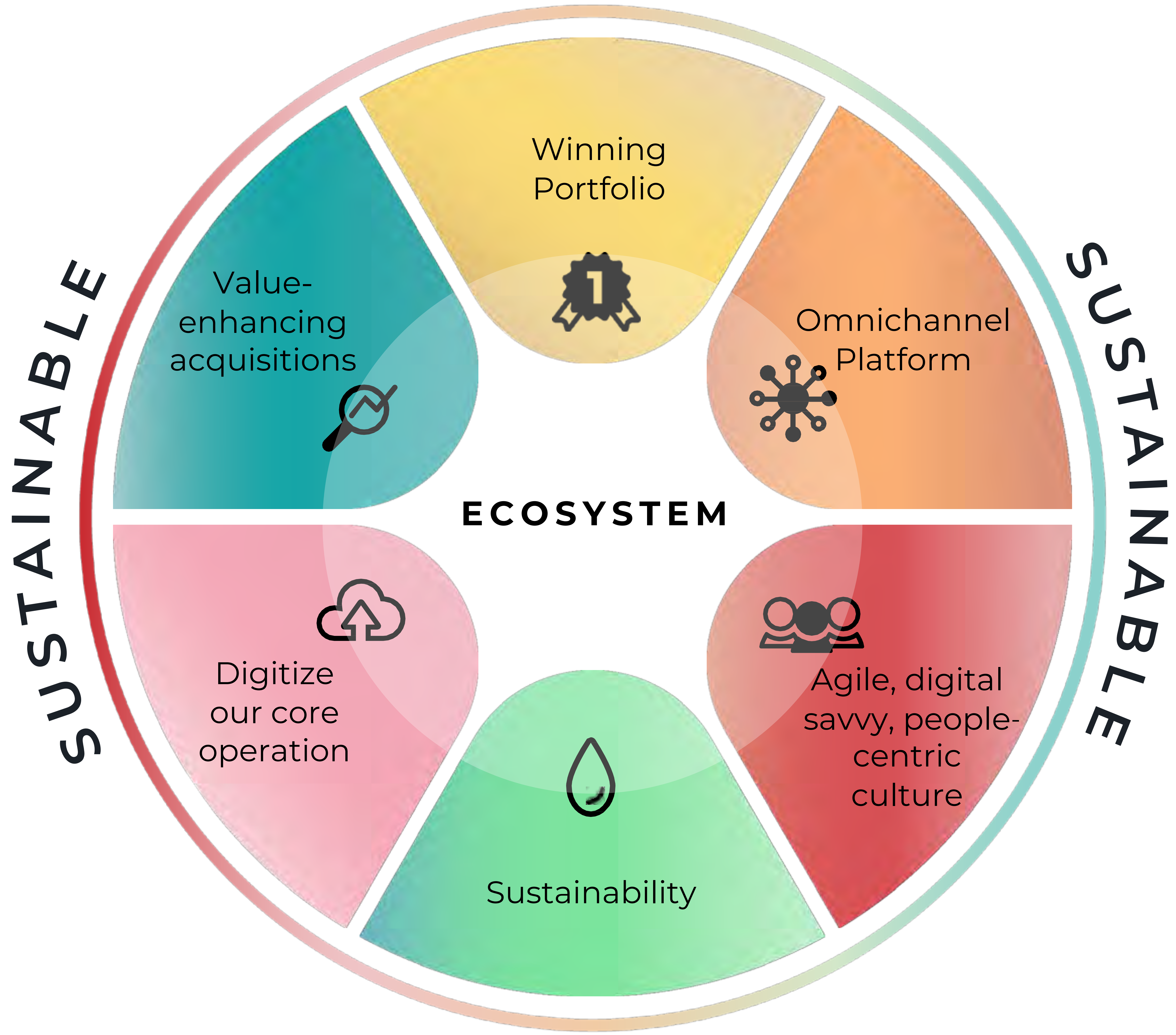
OUR FRAMEWORK

Strategy

More than an evolution, we're inspiring a business re-evolution, working seamlessly, collaboratively, and agilely across six strategic corridors:

- Build out an Open Omnichannel Platform
- Develop a Winning Consumer-Centric Portfolio
- Foster an Agile, Digital Savvy, and People-Centric Culture
- Place Sustainability at the Heart of our Organization
- Digitize the Core
- Actively pursue Value-Enhancing Acquisitions

Our strategic growth and industry leadership is driven by our purpose to refresh the world anytime, anywhere—always finding the most efficient and sustainable way to put our consumers' choice in their hands whenever and wherever they want it.



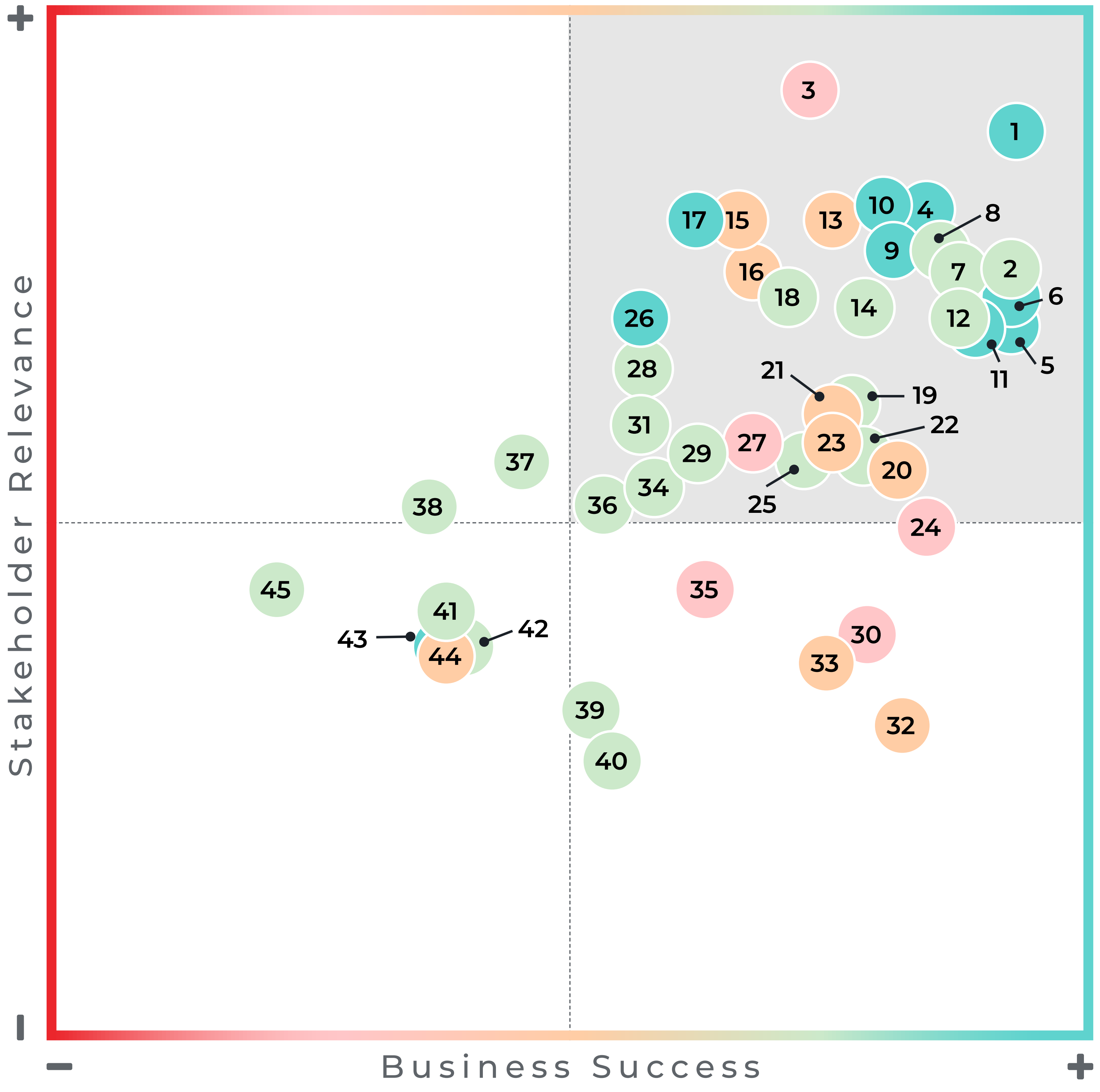
Sustainability Materiality Matrix

With our company's achievement of key 2020 sustainability targets, we conducted a comprehensive materiality study to ensure that our sustainability priorities were aligned with stakeholder expectations and what our business needs to thrive over the coming years.

Through this analysis, we developed an updated set of priorities that:

- Clarify our company's position as part of our overall value chain
- Position our company's value chain within the context of society's expectations
- Allow us to understand the role that we and our society play with respect to environmental care and respect for planetary boundaries

As a result of this study, we identified 45 material topics and 17 priorities that will drive strategic lines of action across our value chain to ensure the sustainability of our business, our business partners, and the communities in which we operate. Using the results of our study, we generated an updated materiality matrix, mapping the 17 identified priorities across the three pillars of our sustainability strategy.



Our materiality matrix maps **17 identified priorities** across the three pillars of our sustainability strategy.

Our Planet

1 Packaging Circular Economy
4 GHG Emissions Reduction
5 Sustainable Mobility
6 Climate Change Adaptation
9 Energy Management: Renewables & Efficiency
10 WASH (Water Access, Sanitation, and Hygiene)
11 Context-Based Hydrological Safety
17 Water Efficiency
26 Industrial Waste Circular Economy
43 Environmentally Responsible Dairy Farming

Our Community

13 Human and Labor Rights
15 Diversity and Inclusion
16 Safety, Health, and Wellness
20 Culture, Ethics, and Values
21 Labor Relations
23 Standards for Contractors
32 Talent Attraction
33 Compensation and Benefits
44 Training and Development

Our People

2 Nutritional Attributes of Product Portfolio
7 Product Portfolio Diversification
8 Relationship with Government
12 Consumer Engagement for Circular Economy

14 Supporting Small Businesses
18 Advertising & Commercial Practices
19 Women's Empowerment
22 Local Community Relationships
25 Information Security & Cybersecurity
28 GMOs / Traceability of Ingredients
29 Digitalization in Customers
31 Promotion of Healthy Habits
34 Customer Engagement for Circular Economy
36 Support of Local Supply Chains
37 Road Safety
38 Information & Quality of Products
39 Customer Satisfaction Measurement
40 Quality of Service for Customers
41 Supplier Relationship T&Cs Management
42 Mechanism for Consumers to Raise Concerns
45 Opportunities for Youth

Corporate Governance

3 Global Integrity & Compliance
24 Best-in-Class Board Practices
27 Partnerships for Sustainability
30 Comprehensive Risk Management
35 Code of Conduct

Consistent with our sustainability framework, we maintained the three pillars—Our People, Our Planet, and Our Community—that have guided us since the inception of our strategy, while reinvigorating these pillars with a differentiated approach to sustainability focusing on 10 strategic priorities throughout our value chain.

Our differentiated approach to sustainability focuses on **10 strategic priorities** throughout our company's value chain.

Aligned with societal expectations, stakeholder engagement, and respect for environmental boundaries, our refreshed approach to sustainability aims to simultaneously create economic and social value across our value chain in collaboration with all of our stakeholders.

<table>
<tr><th></th><th>Suppliers</th><th>KOF Operations</th><th>Customers</th><th>Consumers/ Communities</th></tr>
<tr><td rowspan="2">Circular Economy</td><td colspan="4">Packaging Circular Economy</td></tr>
<tr><td></td><td>Industrial Waste Circular Economy</td><td>Customer Engagement for Circular Economy</td><td>Consumer Engagement for Circular Economy</td></tr>
<tr><td rowspan="4">Climate Action</td><td colspan="3">GHG Emissions Reduction</td><td></td></tr>
<tr><td colspan="2">Sustainable Mobility</td><td></td><td></td></tr>
<tr><td colspan="2">Climate Change Adaptation</td><td></td><td></td></tr>
<tr><td colspan="3">Energy Management: Renewables & Efficiency</td><td></td></tr>
<tr><td rowspan="2">Water Stewardship</td><td></td><td>Context-Based Hydrological Safety</td><td></td><td>Wash (Water Access, Sanitation, And Hygiene)</td></tr>
<tr><td></td><td>Water Efficiency</td><td></td><td></td></tr>
<tr><td rowspan="2">Product Portfolio</td><td>Gmo's/ Traceability of Ingredients</td><td>Nutritional Attributes of Product Portfolio</td><td></td><td>Information & Quality of Products</td></tr>
<tr><td></td><td>Product Portfolio Diversification</td><td></td><td></td></tr>
<tr><td>Relationship with Government</td><td></td><td>Relationship with Governments</td><td></td><td></td></tr>
<tr><td>Marketing & Advertising</td><td></td><td colspan="3">Advertising & Commercial Practices</td></tr>
<tr><td>Supporting Small Businesses</td><td></td><td></td><td>Development of Capabilities</td><td></td></tr>
<tr><td rowspan="2">Fundamental Working Conditions</td><td colspan="2">Human & Labor Rights</td><td></td><td></td></tr>
<tr><td></td><td>Safety, Health & Wellness</td><td></td><td></td></tr>
<tr><td>Enhanced Cultural Elements</td><td></td><td>Diversity & Inclusion</td><td></td><td></td></tr>
<tr><td>Corporate Governance</td><td colspan="2">Global Integrity & Compliance</td><td></td><td></td></tr>
</table>

Our Planet Our Community Our People Corporate Governance

Sustainability Framework

Our sustainability framework is based on three overarching pillars: Our People, Our Community, and Our Planet. This strategic framework provides us with the direction to accomplish our mission to positively transform the communities where we operate, supported by our ethics, values, and collaboration.

Our People

Our people and the way they work together are our company's most valuable assets. We promote their integral development and quality of life through our comprehensive wellbeing model. Through this model, we positively influence their workplace environment, enabling them to work toward shared goals, achieve our expected business results, enhance and improve our leading position, and live our core beliefs and behaviors every day.

Our Community

Our communities are key enablers of business success. We reinforce positive relationships with the communities with which we continuously interact, fostering our ability to serve the market and maintain our social license to operate. Above all, these efforts enable us to create a stronger, more flexible organization, with the agility to adapt to ever-changing environments while generating sustainable growth.

Our Planet

We ensure that we fully understand the role that we play with respect to environmental care and planetary boundaries by embedding environmental consciousness throughout our day-to-day decision-making processes and business operations. Thus, we strategically, efficiently, and responsibly address environmental challenges across our value chain—from climate action to water stewardship and a circular economy.

United Nations Sustainable Development Goals

We are committed to contributing to the achievement of the United Nations Sustainable Development Goals (SDGs). While many of our actions contribute to the 17 SDGs, we are convinced that we can have a larger impact on the following fourteen goals through our strategic framework and initiatives.

2 ZERO HUNGER
We are working with FEMSA Foundation on initiatives and social programs in our communities, focused on early childhood and healthy lifestyles.

3 GOOD HEALTH AND WELL-BEING
Aligned with our comprehensive management framework, we continued to prioritize the safety and wellbeing of our employees, customers, consumers, and communities throughout the COVID-19 pandemic. By prioritizing their health and safety, we reinforce our company's commitment to delivering economic value, while generating social and environmental wellbeing. In addition, we offer a total beverage portfolio, and we carry out responsible marketing strategies for our products.

5 GENDER EQUALITY
Aligned with our commitment to improve gender diversity at all levels of the organization, our operations are developing and deploying initiatives to increase women's representation within their operations. In addition, we carry out projects to foster women's empowerment in the traditional trade.

6 CLEAN WATER AND SANITATION
We are committed to ensuring the efficient use of this natural resource in our bottling operations and returning to the environment more water than we take to produce our beverages, while safeguarding this resource not only for the benefit of our company, but also for the enjoyment of our communities and planet now and into the future. In alliance with FEMSA Foundation, we also develop water access, sanitation, and hygiene (WASH) programs.

7 AFFORDABLE AND CLEAN ENERGY
We strive for energy efficiency across our value chain. We further integrate clean and renewable sources of energy and technologies to reduce our GHG emissions—thus contributing to climate change mitigation. Our operations' energy consumption focuses on a comprehensive strategy that encompasses our value chain.

8 DECENT WORK AND ECONOMIC GROWTH
We aim to achieve sustainable economic growth through efficient resource utilization, promote a work environment that offers comprehensive professional development, create jobs in emerging markets, and apply sustainable procurement principles. In addition, we developed initiatives in our communities focused on empowerment training to generate resilience and reactivation of local economies.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
We continually work to improve our environmental performance and foster industry innovation, mainly in water stewardship, circular economy and energy efficiency, while reducing our carbon footprint across our value chain. We complement these programs with digital and innovation training to develop local suppliers.

10 REDUCED INEQUALITIES
We carry out projects designed to improve communities' quality of life and wellbeing by helping them with digital training and economic empowerment, while working to provide them with safe water, improved sanitation, and hygiene education.

11 SUSTAINABLE CITIES AND COMMUNITIES
We look to provide tools that allow for the sustainable growth and development of the communities within our social and operational footprint. At the same time, we strive to protect and promote the prosperity of all of the people in these communities and to continue to build socially responsible environments throughout our whole value chain.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
We communicate our sustainability results annually through our Integrated Report. We are confident that, with the support and co-responsibility of all of the actors across the value chain, we will fulfill our 2030 goal of collecting 100% of the PET bottles we place in the market through a concerted market-based approach to the circular economy.

13 CLIMATE ACTION
We recognize that climate change is a real, imminent threat to the way that we are accustomed to live, and we are convinced that a science-based, multi-stakeholder effort is required to address this urgent matter that concerns us all. Aligned with the goal of the Paris Agreement to limit global warming to well below 2°C above pre-industrial levels, our Climate Action Strategy is designed to drive an absolute reduction of our carbon footprint throughout the entire value chain—from suppliers to our operations, customers, and consumers.

15 LIFE ON LAND
We currently replenish to more than 100% of the water we use in the production of our beverages in Argentina, Brazil, Costa Rica, Guatemala, Panama, Colombia, and Mexico through conservation projects like "Agua para el Futuro" and protection of biodiversity.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Our corporate governance and the way we conduct our business is in full compliance with applicable regulations in all of our countries of operation, with our Code of Ethics as our compass. With our suppliers, we further apply guiding principles that focus on strategic input categories, including areas such as human rights, environmental protection, and labor rights.

17 PARTNERSHIPS FOR THE GOALS
We recognize that complex, ever-changing challenges require innovative solutions that can only be achieved and put into action together. We embrace this reality, and we partner with other companies, governments, NGOs, and institutions to maximize our impact.

Sustainable Financing

Our approach to sustainable financing enables us to maximize our positive impact by publicly aligning our finance strategy with the achievement of our environmental targets, while contributing to the United Nations Sustainable Development Goals.

Green Bond Progress Report

Aligned with this approach and our sustainability strategy, we issued our first-ever green bond in September 2020, valued at US$705 million, at the time the largest for a Latin American corporation and a first for the Coca-Cola System. Subsequently, in June 2021, we released our first **Green Bond Report**, providing an update on the allocation of the net proceeds from this bond to finance or refinance eligible green projects in three main categories—climate action, water stewardship, and circular economy—according to our **Green Bond Framework**. As published in that report, we allocated US$235.48 million in net proceeds from the issuance of our first green bond to eligible green projects from 2018 through 2020, representing 33.4% of the net proceeds.

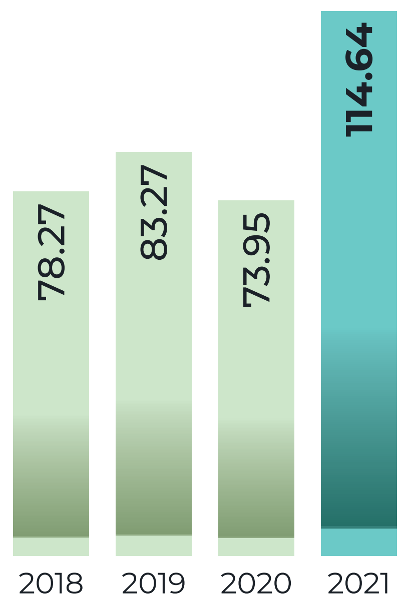
As of December 31, 2021, we had allocated US$350.12 million of green bond net proceeds to eligible green projects—including a further US$114.64 million during 2021—leaving US$354.88 million of net proceeds unallocated at the end of 2021. The total investment so far represents 49.7% of the net proceeds and includes investments in all of the three main categories of climate action, water stewardship, and circular economy.

Green Bond Allocation

As of December 31, 2021, Coca-Cola FEMSA had allocated US$350.12 million of green bond net proceeds to projects supporting climate action, water stewardship, and a circular economy.

US$705 Million
Green Bond
Issued September 2020
US$350.12 million allocated
Between 2018-2021

Spend by Year
US$ million



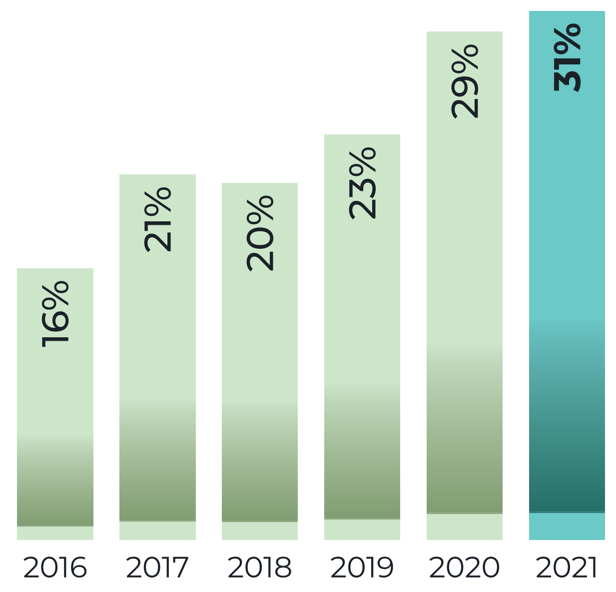
Spend by Category 2018-2021

Circular Economy	Water Stewardship	Climate Action
90.9%	3.9%	5.2%
US$318.29 million	US$13.6 million	US$18.23 million

Goal Performance

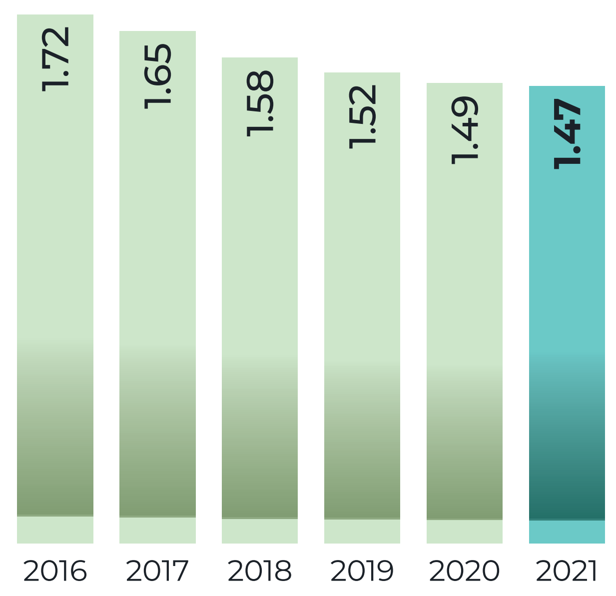
The net proceeds of our green bond help to deliver on our company's sustainability goals, including our commitments to increase recycled content in our PET packaging, improve water efficiency, and reduce CO_2 emissions. From 2018 through 2021, we made progress against these goals, as illustrated in these charts.

% Recycled content



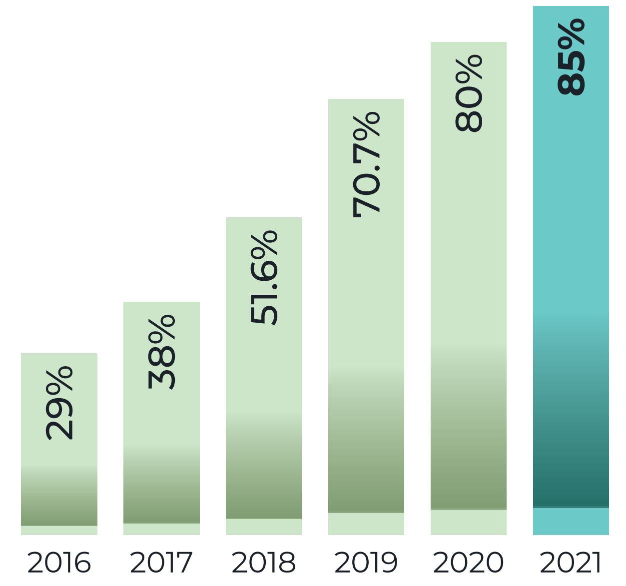
Use at least 50% recycled resin (rPET) in our PET bottles by 2030

Water efficiency
Liters of water per liter of beverage produced (less is better)



Achieve a water use ratio of 1.26 liters of water per liter of beverage produced by 2026

Clean Energy in Manufacturing



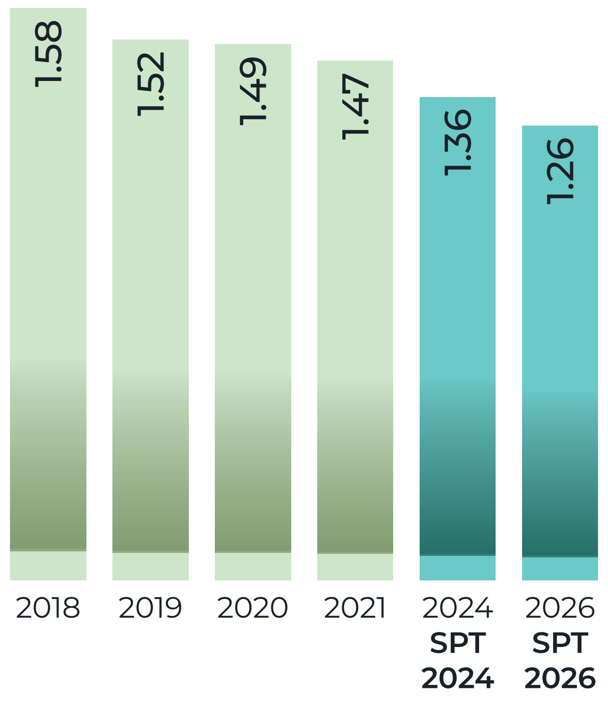
As part of our commitment to the Science Based Targets initiative (SBTi), we commit to achieve 100% renewable energy from our operations by 2030.

Sustainability-Linked Bonds

Building on our sustainability strategy, in September 2021, we issued the first-ever sustainability-linked bonds (SLB) in the Mexican market for a total of Ps. 9,400 million in accordance with our **Sustainability-Linked Bonds Framework**. Recognizing that water is not only an invaluable resource for our company and industry, but also an indispensable element of climate change resilience, we are focusing this first issuance on the sustainable and efficient use of water, aligned with our commitment to **water stewardship**. Unlike the use of green bond proceeds, our sustainability-linked bonds are committed to the achievement of a water use ratio of 1.36 by 2024 and 1.26 by 2026. Today, our water use ratio is 1.47 liters, a benchmark of water efficiency for the Coca-Cola System.

Data Reported and Forecast

KPI water use ratio (lt)



Sustainability-Linked Bonds Features

On September 21, 2021, Coca-Cola FEMSA issued the first sustainability-linked bonds in the Mexican market.

Issuer	• Coca-Cola FEMSA SAB de CV
Format	• Senior Fixed & Variable Rate Sustainability-Linked Bonds
Issue Date	• September 21, 2021
Currency	• Mexican Pesos
Total Issued Amount	• Ps. 9,400 million
Ratings	• HR AAA (HR Ratings de México) / Aaa.mx (Moody's de México)
Sustainability Performance Targets	• As part of these bonds, we commit to achieve a water use ratio of 1.36 by 2024 and 1.26 by 2026, which will be verified by an independent third party, and in the event these targets are not met, the interest rate will increase by 25 bps to remain at 7.61% and TIIE + 0.30%, respectively.
Bonds/Yields/Maturities	• Ps. 6,965 million at fixed rate of 7.36% (MBONO + 34 bps) due in 7 years • Ps. 2,435 million at variable rate of TIIE + 5 bps due in 5 years

Subject to the issuance of applicable funding instruments, we will continue to annually report on the allocation of proceeds and the associated impact in the year(s) following issuance of any future funding instruments under our current Green Bond and Sustainability-Linked Bonds Frameworks.

OUR STRATEGIC CORRIDORS

Driven by our obsessive focus on our consumers and customers, we are developing a winning, multi-category portfolio with compelling options for every consumer taste and lifestyle, while promoting healthy habits—prioritizing the safety and wellbeing of our employees, customers, consumers, and communities throughout the course of the COVID-19 pandemic.

DEVELOP A WINNING **CONSUMER-CENTRIC PORTFOLIO**

WINNING CONSUMER-CENTRIC PORTFOLIO

Our strategy aims to build a winning consumer-centric, multi-category portfolio for every occasion by leveraging affordability to drive sustainable beverage growth; capturing new consumption occasions and preferences through portfolio innovation; and consolidating our market leadership in emerging beverage categories, while exploring multi-category opportunities across our markets.

Our customers and consumers are at the center of everything we do. By deeply understanding their changing tastes and buying habits, we proactively adapt our portfolio strategies and digital initiatives to satisfy their evolving preferences; develop complementary distribution models to increase their service levels; accelerate our first-mover advantage across digital sales channels to indulge their online purchasing patterns; and fulfill their growing needs through exemplary market execution.

SUCCESS STORIES

MEXICO

MEXICO: CAPITALIZING ON CONVENIENT HOME DELIVERY

As at-home consumption occasions and preferences change, we continued to expand our home delivery routes, while broadening our portfolio strategies and digital initiatives, to serve the evolving needs of nearly 600 thousand households across Mexico. During the year, we not only added over 400 new routes for a total of more than 1,200 routes, but also started the digital transformation of those routes to our Coca-Cola en tu Hogar (Coca-Cola at Home) omnichannel solution, connecting directly with our consumers via chatbot and website order-taking platforms. Thanks to increased routes, digital enablers, and portfolio initiatives, our home delivery routes are rapidly improving their productivity, average ticket, and sales. For the year, we increased the average ticket by driving the mix of non-jug-water products to close to half.

MEXICO: DEVELOPING COMPLEMENTARY INDIRECT DISTRIBUTION MODELS

We are developing and customizing complementary indirect distribution models to increase customer service levels to our small mom-and-pop clients. This is reflected in double-digit growth in emerging indirect channels such as wholesalers and distributors. Through a clear segmentation and category management strategy, the wholesalers channel gained double-digit volume growth year over year. We also moved forward with our distributors' transformation process, covering nearly 30% of this channel's total volume during 2021.

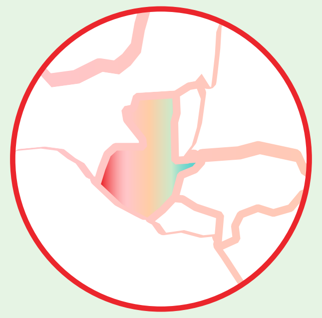
SUCCESS STORIES

BRAZIL

ACCELERATING FIRST-MOVER ADVANTAGE ACROSS DIGITAL SALES CHANNEL

As consumers reshape their online purchasing patterns and preferences, we're accelerating our growth and first-mover advantage across the digital sales channel, from pure players to grocery and food aggregators to e-retailers. In Brazil, we have scaled our digital consumer experience to achieve an incidence rate of 17% in food aggregators—a benchmark for the Coca-Cola system globally—and a more than 70% share of the country's e-retailers. Consequently, our sales volume across the increasingly important digital sales channel grew by almost 50% year over year.

GUATEMALA



AWARD-WINNING EXCELLENCE

By focusing on our fundamentals—delivering operational excellence, developing a winning consumer-centric portfolio, driving affordability to better serve consumers' demands, and facilitating route-to-market transformation—Guatemala has increased its score on The Coca-Cola Company's execution index, expanded our share of sales, and generated a compound annual volume growth rate of more than 11% over the last four years. Consequently, Guatemala now represents our fourth largest market in terms of revenues.

Leverage Affordability To Drive Sustainable Beverage Growth
Affordability remained an important driver of our sustainable beverage growth. Accordingly, we leveraged our unmatched execution and ability to provide affordability to consumers to drive our markets' recovery throughout the year. To this end, we continued investing behind this core capability, including more than US$500 million in production lines and returnable bottles and cases over the past two years.

SUCCESS STORIES

MEXICO

EXPANDING AFFORDABILITY STRATEGY
In Mexico, our affordability strategy focuses not only on our expanding portfolio of refillable multi-serve presentations, but also on boosting our portfolio of affordable one-way presentations through our magic price points. In the traditional trade channel, we bolstered our magic price points with the launch of our new affordable 1.35-liter one-way PET presentation of Coca-Cola Original and our core flavored sparkling brands, along with the launch of our new affordable 2.75-liter one-way PET presentation of Coca-Cola Original. Thanks to this strategy, we gained market share in the multi-serve cola segment, and we supplemented our affordability with refillables in convenience stores.

SUCCESS STORIES

BRAZIL

LEVERAGING THE POPULARTIY OF MULTIPACKS

This year, we continued to leverage the popularity and household penetration of our convenient, affordable multipacks of Coke and our core flavored sparkling beverage brands in our single- and multi-serve non-returnable presentations. By harnessing the power of brand Coca-Cola to introduce consumers to our flavored sparkling beverage brands, our multipack strategy largely enabled us to grow our volume of Fanta Guaraná by more than 9% year over year, while capturing increased share of sales in the sparkling beverage category.

MEXICO & COLOMBIA

INCREASING UNIVERSAL BOTTLE COVERAGE

The launch of our Universal Bottle or Botella Unica—which enables us to use the same refillable bottle for Coca-Cola, flavored sparkling beverages, and juices—is delivering better than expected results. Now covering 75% of our territories across Mexico, we increased our Universal Bottle production capacity, while expanding our labeling production capacity by more than 40% during 2021. To scale the Universal Bottle's impact, we continued the rollout of our 2.5-liter returnable PET Universal Bottle beyond the traditional trade channel, while beginning the rollout of our 500-ml returnable glass Universal Bottle in certain cities. Indeed, our focus on increasing the coverage of our Universal Bottle continues to provide share gains. Notably, our 2.5-liter refillable PET Universal Bottle contributed to a share of sales gain in the cities where it was launched. Similarly, our Universal Bottle is proving successful in Colombia, with volumes and share of sales increases in the cities where it was launched. By expanding our returnable reach beyond Coca-Cola, this transformational bottling technology enables us to launch affordable returnable PET presentations of our flavored sparkling and still beverage brands to compete more effectively in the market.

ARGENTINA

IMPROVING HOUSEHOLD PENETRATION

Under our affordability strategy, we continued to regain share and expand our consumer base in the face of Argentina's dynamic competitive and economic environment. Thanks to our market segmentation strategy, we were able to offer the right product at the right price across diverse socioeconomic segments of our franchise territory, enabling us to improve our household penetration while preserving our profitability. We further increased our volume versus our baseline year of 2019.

SUCCESS STORIES

Capture New Consumption Occasions Through Portfolio Innovation

Through ongoing portfolio innovation, we continue to focus on improving our competitive position and capturing the most value from our beverage brands by closely aligning our portfolio with consumers' tastes and preferences. Among our initiatives, we continue to drive the growth of our no- and low-sugar portfolio of sparkling beverages to satisfy and stimulate demand for our products, while adapting our portfolio to evolving consumer behavior.

MEXICO

SUCCESSFULLY LAUNCHING NEW FORMULA OF COCA-COLA SIN AZÚCAR (ZERO SUGAR)

This year, we successfully launched the new formula and visual identity of Coca-Cola Sin Azúcar (Zero Sugar) with a great reception from our consumers. Notably, our focus on increasing consumer contact and transactions enabled us to achieve double-digit volume growth year over year, mainly focused on the single-serve format.

GROWING PREMIUM TOPO CHICO SPARKLING MINERAL WATER

The power of portfolio innovation and expansion is exemplified by the successful launch and popularity of our Topo Chico brand of sparkling mineral water. With volume growth of over 60%, this naturally sourced mineral water complements our portfolio, offering consumers a superb premium offering. After its launch last year, we expanded Topo Chico's mineral water coverage across the country's modern and traditional trade channels, achieving consistent share growth in the sparkling water category. Also, our dual Topo Chico and Ciel mineral water strategy drove us to reach a leading share of the mineral water category in the modern trade channel. Furthermore, we continued to innovate in the flavored sparkling water segment with new flavors of both Topo Chico and Ciel mineral water.

SUCCESS STORIES

BRAZIL

INNOVATIVE MULTIPACKS SPUR SINGLE-SERVE RECOVERY

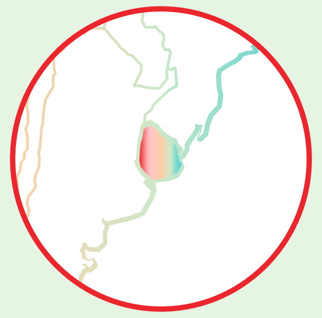
This year, our single-serve multipacks, including our convenient 24-pack of 200-ml bottles and six-pack of 350-ml cans, contributed to a more than 13 pp recovery in our single-serve sparkling beverage mix. Moreover, the volume of these popular mixed multipacks of our Coke and core Fanta brands grew more than 30% year over year.

INCREASING COVERAGE, VOLUME, AND SHARE OF COCA-COLA SEM AÇÚCAR (ZERO SUGAR)

This year, we continued to increase the coverage of Coca-Cola Sem Açúcar (Zero Sugar) across our franchise territories, gaining significant share of sales growth while generating double-digit volume growth year over year. Consequently, we managed to build on the popularity of Coca-Cola Sem Açúcar (Zero Sugar) to not only drive volume growth of over 14% and 10% versus 2020 and 2019, respectively, but also contribute to our record share of sales across the sparkling beverage category.

ARGENTINA

& URUGUAY



EXPANDING ZERO-SUGAR CATEGORY GROWTH

Harnessing the successful new formula of Coca-Cola Sin Azúcar (Zero Sugar), we successfully expanded the no-sugar beverage category across our Argentina and Uruguay franchise territories. Thanks to the popularity of this refreshing sugar-free alternative, coupled with our superior market execution, we achieved double-digit growth in per capita consumption across our no-sugar sparkling beverage category in Argentina, while we expanded our market leadership in Uruguay's no-sugar beverage category—spurred by Coca-Cola Sin Azúcar (Zero Sugar) reaching more than 32% volume growth year over year.

Capitalize On Emerging Categories & New Multi-Category Opportunities
This year, we continued to capture market share across emerging still beverage categories—from hydration to nutrition, energy, tea, and sport drinks—while identifying, defining, and exploring multi-category opportunities across our markets.

SUCCESS STORIES

MEXICO

DELIVERING DOUBLE-DIGIT DAIRY AND DAIRY-ALTERNATIVE GROWTH

Under our joint venture with The Coca-Cola Company, we satisfied growing consumer demand for our portfolio of wholesome Santa Clara brand UHT whole milk, specialized milk, and flavored milk products. Thanks to our unmatched market execution, we expanded our share of sales and achieved more than 20% volume growth year over year across the traditional trade channel. Simultaneously, we captured consumers' taste for dairy-alternative beverages through our AdeS brand, significantly increasing our volume in the plant-based beverage category.

COLOMBIA

LAUNCHING REFRESHING BRISA SPARKLING FLAVORED WATER

In Colombia, we took portfolio innovation to a new level with the launch of refreshing Brisa sparkling water in enticing Colombian Apple and Lemon-Lime flavors. By year-end, we essentially doubled our volume and achieved higher share of sales in the country's competitive flavored sparkling water segment.

MEXICO & BRAZIL

ACCELERATING ENERGY GROWTH

In Mexico, thanks to our point-of-sale execution, we achieved high double-digit volume growth year over year in the energy category, which drives us to be the leader within the premium energy brands segment. Also, we're continually innovating with new product launches such as Monster Pacific Punch, Lo Carb, and Hamilton. Additionally, we continued to build on our successful launch of Predator, a more affordable value brand from the Monster family. Predator complements our energy portfolio across the modern and traditional sales channels, while enabling us to gain market share in this attractive, growing beverage segment. By leveraging the traditional trade and wholesalers' channels, we've achieved amazing volume growth of more than 50% year over year. In Brazil, we launched new flavors of our Monster and Reign brand energy drink, including Monster Pacific Punch and Dragon Tea Pessego, significantly expanding our share of sales, while increasing our sales volume by more than 80% year over year in this segment. Notably, Monster not only achieved record share of sales, but also share of sales leadership in Brazil's fast-growing energy drink segment.

SUCCESS STORIES

BRAZIL

BUILDING A WINNING CONSUMER-CENTRIC BEER PORTFOLIO

This year, together with Heineken, The Coca-Cola Company, and the rest of the Coca-Cola System in Brazil, we successfully redesigned our beer distribution partnership in the country. As a result, during the year, we completed the transition of the Heineken and Amstel brands to Heineken's distribution network, and we proactively evaluated and rolled out promising new brands to complement our beer portfolio. Leveraging our continued relationship with Heineken, we incorporated and launched two brands from Heineken's portfolio: Eisenbahn, a premium brand, and Tiger, a pure malt mainstream brand. We furthered capitalized on market opportunities to acquire Brazilian craft beer brand Therezópolis, together with Coca-Cola Andina, and announced a new agreement to distribute leading Spanish brewer Estrella Galicia's portfolio, together with the Coca-Cola System in Brazil.

BRAZIL & COSTA RICA


TANTALIZING TEA AND SPORT DRINKS GROWTH

We continued to capitalize on our reformulated portfolio to cater to our Brazilian consumers' growing demand for refreshing teas. Strategically, the combination of our new cold-fill formula together with the rollout of our Leão brand teas enabled us to increase our sales volume by almost 20% for the year, while expanding our sales to a record share of this fast-growing beverage category. We further achieved significant share of sales and almost 50% volume growth in the profitable sport drinks category year over year. Moreover, in Costa Rica, we successfully launched a fusion of Hi-C and Fuze Tea in the mainstream tea segment, expanding our share of sales year over year.

MEXICO & BRAZIL


EMERGING OPPORTUNITIES IN FLAVORED ALCOHOLIC READY-TO-DRINK BEVERAGES

Consistent with our journey to complement our portfolio with options for all consumption occasions, we are identifying and defining a broader multi-category portfolio beyond our traditional non-alcoholic ready-to-drink beverages. Our experience with Topo Chico Hard Seltzer shows consumers are excited to see recognizable beverage brands that they already enjoy enter the flavored alcoholic ready-to-drink alcohol space. With the combination of a familiar, beloved brand and a strong distribution and market position, we are confident that consumers will enjoy our emerging portfolio of flavored alcoholic ready-to-drink beverages, including Topo Chico Hard Seltzer. Additionally, we further continue to rollout pilot programs to test the distribution of complementary categories such as leading spirit brands, other alcoholic beverages, and leading consumer products in certain markets.

RESPONSIBLE MARKETING

At Coca-Cola FEMSA, our consumers are at the center of everything we do. Therefore, transparency, fact-based information, an analytical culture, and a high sense of responsibility are the guiding principles for our marketing practices.

1 Informed nutritional decisions

To enable our consumers to make healthy informed choices across every one of our operations, our upfront product labels include clear, easy-to-find nutritional content information, including the nutrients, fats, sugar, and sodium in each of our products. Our nutritional labeling strategy is based on providing consumers with clear and complete information in full compliance with applicable regulations in each of the countries we serve. Our aim is to ensure that our consumers are provided with high-quality information.

2 Responsible marketing

As part of our commitment to the wellbeing of our consumers and customers, our advertising adheres to The Coca-Cola Company's Responsible Marketing Policy and Global School Beverage Guidelines. For instance, as part of the Coca-Cola system, we diligently follow and enforce The Coca-Cola Company's Responsible Marketing Policy, and we do not market products in channels with an audience predominantly of children under 13. In this and other ways, we underscore our devotion to the healthy habits of our consumers.

3 Highest quality

Our production processes fulfill the highest quality standards; our ingredients comply with each of our operations' local regulations and international standards of other regulatory agencies, including CODEX, FDA, JEFCA, and EFSA. Our processes are performed in state-of-the-art bottling facilities within the global beverage industry—all FSSC 22000 certified—thus guaranteeing only the best quality products for our consumers.

DELIVERING HIGH-QUALITY PRODUCTS AND SERVICES

As a customer-focused company, we are in constant communication with our customers, giving them an open channel where they can voice their concerns and complaints. With that in mind, one of the ways we measure customer satisfaction is by reducing the number of complaints through our ongoing process optimization and food safety and quality assurance systems.

This year, we are pleased to report that we enjoyed our best quality control performance in the past eight years across key performance indicators. Notably, we managed to reduce complaints by 35%, while lowering minor product non-conformities by 63%. We also managed to reduce internal incidents by 25%, surpassing our 15% reduction goal. We further achieved a 7% reduction in non-quality event costs, a significant result taking into consideration that we invest more than US$1 million per year to address those types of occurrences. Overall, in terms of our key performance indicators for quality control, we had our best performance in the past 8 years.

BUILD OUT AN OPEN **OMNICHANNEL PLATFORM**

To enable the digital re-evolution of our business, we're expanding an omnichannel multi-category commercial platform that will seamlessly interact with other interconnected platforms and encompass our business-to-business (B2B), direct-to-consumer (D2C), indirect, and digital trade channels.

During the year, we markedly accelerated the evolution of our customer-centric B2B omnichannel multi-category commercial platform.

B2B TRADITIONAL OMNICHANNEL COMMERCIAL PLATFORM

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Our goal is to build a profitable, customer-centric omnichannel B2B platform across our multi-category product offerings, with a differentiated end-to-end customer experience.

During the year, we markedly accelerated the evolution of our customer-centric B2B omnichannel multi-category commercial platform. Through our multicategory omnichannel platform, we're connecting every point of contact in real time for our large base of traditional trade clients—strengthening our successful pre-sale model and contact centers with digital touch points to amplify our customer service, including direct messaging, web portals, mobile apps, and electronic data interchange (EDI)—so they can interact with us whenever, wherever, and whichever way they want.

1 — 10:00 AM

Juan has been our client for some years. Today, as every Monday, Juan is visited by Mario, his usual pre-seller.

While Juan is busy taking care of his business, he asks Mario to place his weekly order.

2 — 03:30 PM

Hours later, Juan realizes that he forgot to order a specific product, but it is too late. Mario will visit him again in a few days.

Juan then uses KOF's chatbot to place an additional order, including the specific product he had forgotten.

3 — 03:35 PM

Mario instantly receives a notification in his handheld: "Juan has placed an additional order."

4 — 04:02 PM

Mario decides to call Juan to confirm his new request.

5 — 08:00 PM

Overnight, Juan's cooler malfunctioned.

Using his cellphone, Juan accesses KOF's mobile app and creates a service order to evaluate and repair his cooler.

Juan receives a call from the Contact Center: "A technician will visit you in the next few hours."

6 — 10:30 AM NEXT DAY

Next, he confirms that his most recent orders will be delivered in the afternoon, using the order tracking functionality.

7 — 12:55 PM NEXT DAY

As the delivery truck approaches Juan's business, he receives a notification: "Your order is about to be delivered. You will be the next customer in our route to be served."

8 — 01:50 PM NEXT DAY

The delivery truck arrives, and Juan receives both of his orders. He uses the built-in e-payment system in KOF's mobile app to create a QR Code.

Juan validates his payment was successful and verifies his total balance. Juan is a satisfied customer.

Our platform puts the customer front and center. With that in mind, we're building out our omnichannel platform around them, offering a growing array of customer-centric options and features to serve them better across multiple points of contact. For example, to build upon the personal customer experience our clients enjoy, we're offering them pre-seller visits, plus a mobile app—which we're scaling up company-wide. The app's latest version provides clients with a wider selection of features, including digital order tracking, promotions, and a developing loyalty program.

This year, we reached an inflection point—with **digital purchases** accounting for **over 6%** of our total orders or almost **US$360 million**.

Our large base of traditional trade customers is rapidly embracing the digital options available on our B2B omnichannel platform. Notably, we are serving over 500 thousand registered clients, including almost 300 thousand active purcharsers monthly, on our B2B platform—which enables seamless order taking with an enhanced customer experience and lower cost to serve—in Argentina, Brazil, Central America, Colombia, and Mexico. Indeed, customers' preference for our robust omnichannel platform is clearly reflected in their growing acceptance and rising orders, while amplifying the performance of new categories across our product portfolio.

Overall, we processed more than 5.5 million orders on digital channels, generating close to US$360 million in sales, representing roughly 6% of our company's total orders and a triple digit increase in orders and revenues as compared to 2020.

We processed more than **5.5 million** orders on digital channels in 2021.

1

We are serving over **500 thousand** registered clients, including almost **300 thousand** active purchasers monthly, on our B2B platform.

2

Digital channels represent approximately **6% of our company's total orders.**

3

BRAZIL: ALMOST 270,000 ACTIVE CUSTOMERS EMBRACE OUR B2B OMNICHANNEL PLATFORM

During 2021, our Brazilian operation reached approximately 270,000 active users —including over 130,000 monthly buyers— on our B2B omnichannel multi-category commercial platform. Appealing to customer demand for a one-stop solution, our platform enables our large base of traditional trade clients to not only place an order for their favorite brands/categories whenever, wherever, and whichever way they choose, but also take advantage of a constantly evolving array of features—from digital order tracking to product promotions, and a customer loyalty program.

For the year, our Brazilian traditional trade customers generated over US$280 million on our B2B omnichannel platform. Notably, digital purchases represented over 30% of our Brazilian clients' total orders or approximately 9% of total revenues by year-end 2021.

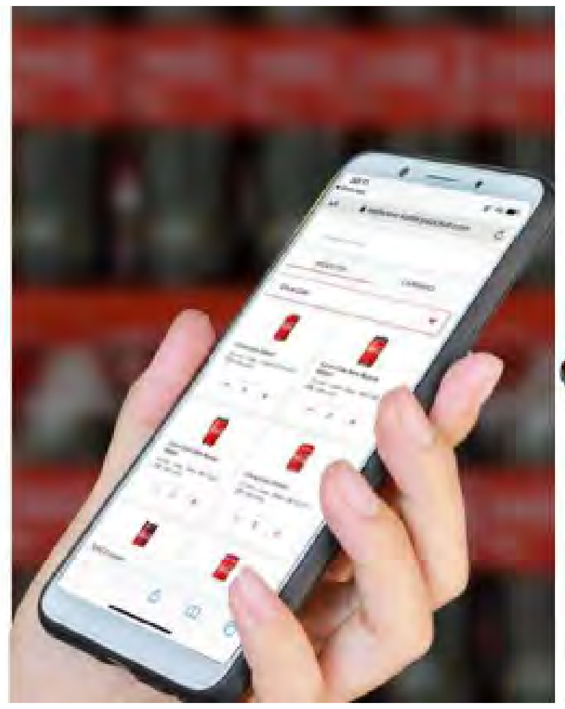
Pre Seller

All clients

Chatbot

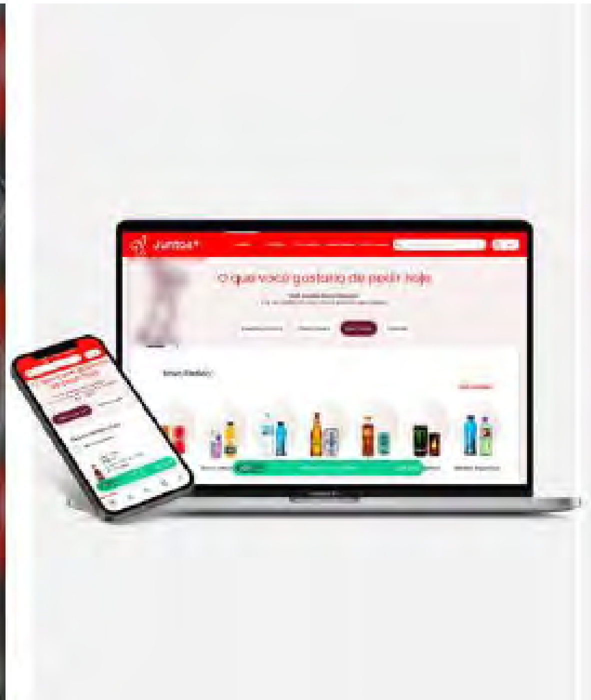
Medium and small-sized clients

App



Medium and small-sized clients

Website



Large and medium-sized clients

DIRECT **TO CONSUMER**

Our goal is to develop a profitable and scalable D2C business model to market our company's products and services directly to our consumers' homes, acting as a benchmark in the market. Aligned with this goal, our mission is to become households' favorite D2C platform throughout our operations, offering top-class service.

Vision

Develop a profitable and scalable standardized model to sell products directly to the consumer at home, being a reference in the market

Mission

Be the favorite B2C platform for consumers in KOF's operations offering top class service

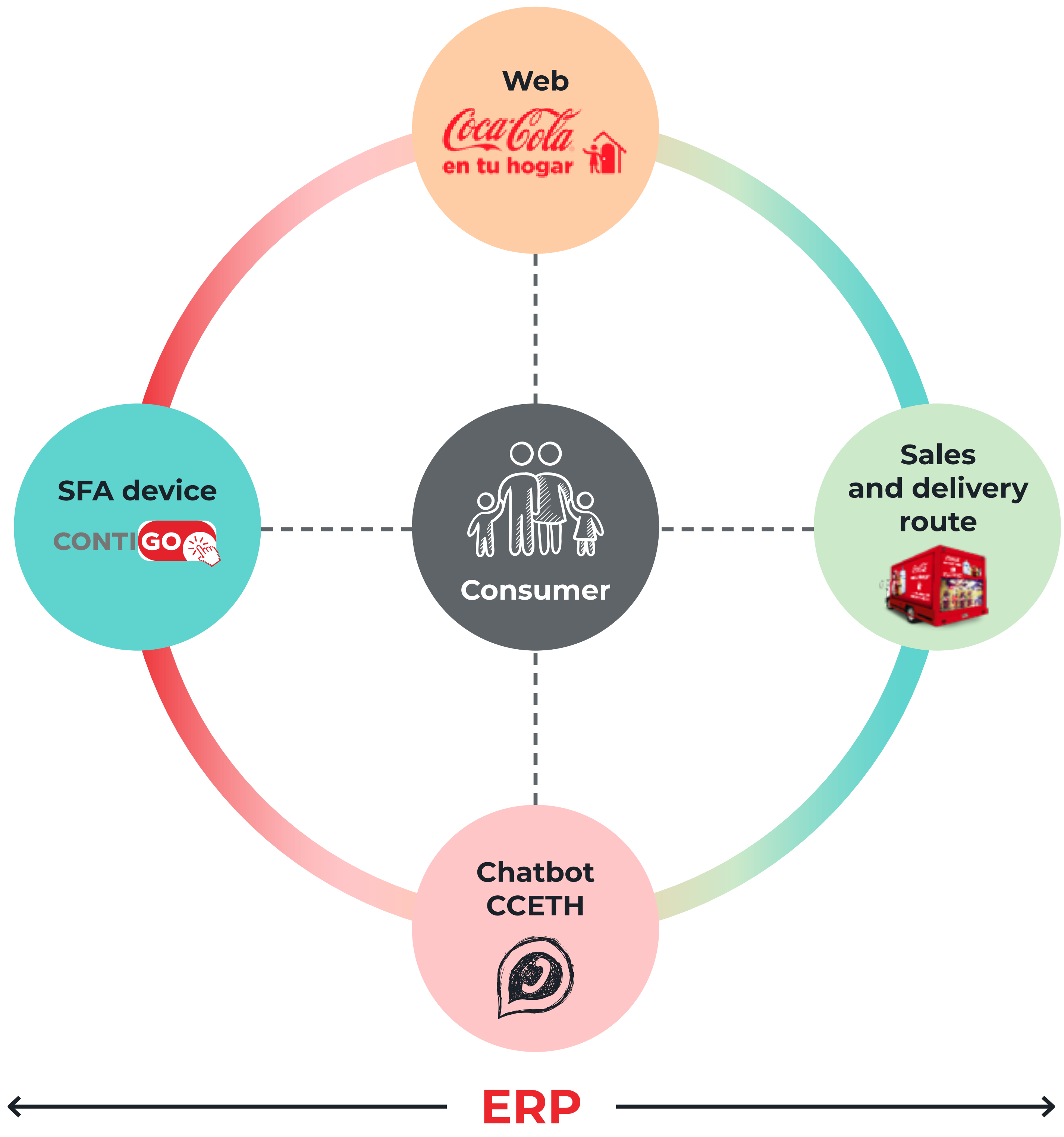
CONTIGO

- Personalized attention
- Direct support to consumer
- Living the experience

- Penetration
- Immediacy
- Practicality

Coca-Cola en tu hogar

- Shopping experience
- Loyalty plans
- Different payments means
- Multi-functionality



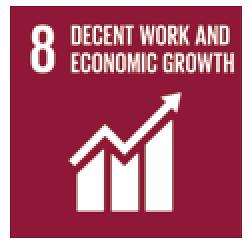
Building on the year's historical expansion of our D2C home delivery routes—from almost 800 routes to more than 1,200 routes serving almost 600 thousand households in Mexico—we recently began the deployment of our consumer-centric D2C omnichannel platform in those routes, including the home order-entry platform and Coca-Cola en tu Hogar website, supported by our digital (ERP) order fulfillment system. At the end of 2021, our D2C omnichannel platform was integrated and tested to serve home delivery routes in major Mexican cities.

As a fundamental component of our omnichannel multi-category platform, we look to expand and consolidate our integrated D2C omnichannel platform in Mexico during 2022. Also, we will carry on the development of new functionalities to increase our household penetration while continuing to evolve with a focus on the consumer.

HISTORICAL D2C HOME DELIVERY EXPANSION

This year, we achieved the historical expansion of our D2C home delivery routes—from almost 800 routes to over 1,200 routes serving more than 600 thousand households in Mexico. We also started the implementation of our D2C omnichannel platform, including the order-entry platform and Coca-Cola en tu Hogar website, supported by our digital (ERP) order fulfillment system. For the year, we generated double-digit revenue growth in the home delivery channel; moreover, in those routes in which we deployed our D2C omnichannel platform, we increased the average ticket by enlarging the mix of our non-jug water portfolio.

DIGITAL & ANALYTICS HUB:
DRIVE AGILE, DIGITAL RE-EVOLUTION



Our digital and analytics hub is enabling us to re-evolve the way we work across the company. To win in both the market and our industry, we're driving an agile methodology, mindset, and culture that will accelerate the deployment of our omnichannel commercial platforms and solutions holistically via an end-to-end process that connects strategic planning with quick delivery of the best value proposition for our customers, consumers, and business through agile cells—ranging from distribution and planning optimization to our B2B, D2C, and indirect omnichannel platforms.

Through our digital and analytics hub, we're re-evolving our advanced analytics and data management capabilities to produce valuable insights, tools, and solutions for any area of the company through agile cells of data scientists, data engineers, and initiative leads. Among our aggressive pipeline of analytic solutions, an agile team of data engineers, scientists, and business translators is working to design and install the suggested order process for our B2B platform, based on a machine-learned algorithm that enables us to predict the number of products our clients' need to prevent out of stocks. In this way, we're improving the customer experience by tackling two key pain points for our traditional trade clients: increase the sales and reduce the risk of out of stocks of their preferred products.

Moreover, our price and promotion optimization cell is addressing one of the most important gain points for customers—product promotion—while enabling us to improve our promotional return on investment in our Argentina, Central America, Colombia, and Uruguay operations. With this and other solutions, we're capturing the voice of our customers, working closely with them to quickly develop and deploy their favorite features and to enhance their overall customer experience.

CONTINUOUSLY EVOLVING MARKETING CAPABILITIES: ENABLE HOLISTIC, OMNICHANNEL CUSTOMER EXPERIENCE

We're re-evolving and leveraging our marketing capabilities—from revenue growth management (RGM) to dynamic initiative management (DIM) and digital marketing—to develop not only a winning multi-category portfolio, but also a holistic omnichannel experience for our customers and consumers.

To fully capitalize on our advanced analytics capabilities, our DIM process aligns the marketing and commercial strategy across our day-to-day operations to select, prioritize, and schedule granular initiatives that the sales force team executes for specific customers within the traditional and modern trade channels. During 2021, we implemented over a million targeted initiatives through our DIM process every month across our operations, improving our point-of-sale execution scores and customer engagement.

Additionally, we're improving our RGM capability with our advanced commercial analytics platform, enabling our Brazil, Colombia, and Mexico operations to create greater customer value by maximizing our price, portfolio, and promotion optimization. We're also centralizing our price and promotion optimization capability and tools within our operations.

SUPPLY CHAIN ENABLERS: FACILITATE COMMERCIAL RE-EVOLUTION

Our omnichannel multi-category strategy leverages our leading-edge supply chain enablers to enhance our customers' experience when they interact with us, while re-evolving our capabilities to win in the market and the industry.

Digital Distribution

Through our evolving Commercial Control Tower, we monitor and manage our entire commercial and distribution operation, enabling both real-time and dynamic routing. With the deployment of dynamic routing across our secondary distribution fleet in Brazil, Mexico, Colombia, Guatemala, Panama, Costa Rica, Argentina, and Uruguay, we're able to offer 24/7 order entry. Thanks to this enabler, we enjoy the flexibility to plan vehicles' routes on a daily, weekly, and monthly basis, thereby optimizing available delivery resources and distances traveled to serve our customers.

Moreover, with the continuing evolution of our Digital Distribution 2.0 platform, we completed the rollout of real-time routing across 100% of our Brazilian operation's secondary distribution routes, serving 35,000 clients per day. With real-time routing, we adapt our delivery process—from pre-sellers' visits to digital apps—to unplanned daily events, constantly integrating and analyzing traffic, road, climate, and other conditions to define the most efficient delivery sequence and route, thereby fulfilling our sales promise while improving customer service and engagement.

Aligned with our omnichannel multi-category strategy, we further deployed our order-tracking platform to enable customers to track their orders—created on any commercial channel—from the moment of shipment to delivery. Already deployed in Argentina, Brazil, and Mexico, we plan to develop this digital tool for our other operations while accelerating our digital distribution journey.

Warehouse Optimization & Digitalization

During the year, we optimized our warehouses to manage our growing multi-category product portfolio, while continuing the systematic deployment of advanced picking solutions, including both real and optimal picking.

Utilizing voice and digital images, these advanced picking solutions improve our warehouses' level of service through the assertive assembly of mixed pallets according to each client's specific needs, maximizing load and route optimization while increasing productivity. Building on the integration of real picking across 100% of our Brazilian operating units last year, we rolled out this solution to 42 operating units across 6 different operations, while we finalized the implementation of 28 additional operating units with optimal picking, completing the rollout plan in all our Brazilian operating units.

KEY FINANCIAL ENABLER: DESIGN AND DEPLOY DIGITAL PAYMENT SYSTEM ACROSS ALL CHANNELS

As part of our digital re-evolution, an agile cell is working to design and deploy a safe, frictionless, end-to-end digital payment solution to customers and consumers across all channels. Thus far, we've rolled out the digital credit card payment feature to almost 600 thousand households throughout our over 1,200 D2C home delivery routes in Mexico. We've also enabled 1,200 customers to make digital QR code payments, along with over 6,600 customers who pay digitally through our B2B web portal in our Argentine franchise territories.

Consistent with our strategic corridors, we are placing sustainability at the heart of our organization.

PLACE SUSTAINABILITY **AT THE HEART OF OUR ORGANIZATION**

Starting from within by setting an example and involving our whole organization—across all of the different areas—we integrate sustainability as a strategic pillar that guides our business decisions to continuously create economic, social, and environmental value for our stakeholders.

Working together, we are tackling sustainability challenges in a holistic way—including our people, communities, and transforming operations—on issues such as climate change, water stewardship, circular economy, safety, and community development.

Today, Coca-Cola FEMSA is the largest bottler in terms of sales volume in the entire Coca-Cola System. Without a doubt, this is reflected in the great operational, economic, social, and environmental footprint that we have created from operating throughout nine countries across Latin America.

At Coca-Cola FEMSA, we recognize the great responsibility that comes from the role we play within this ecosystem. That is why we view sustainability as an interrelated system in which every action directly impacts the environment and our society.

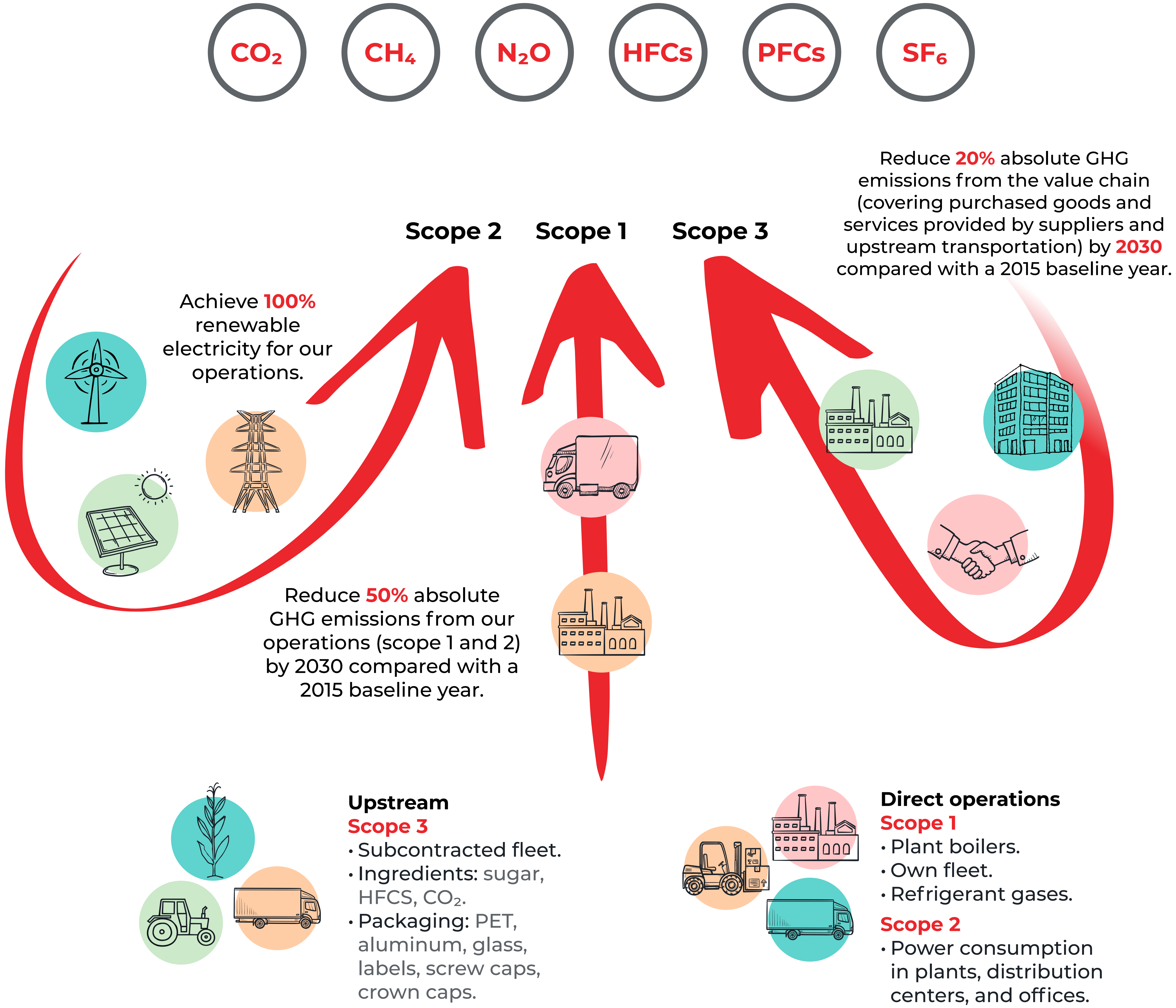
We recognize that we can only deal with the internal and external challenges we face through cooperative, equitable, and solid local and international alliances, like UN Women, Inter-American Development Bank and The Global Compact, among others. In this way, our extensive footprint gives us the power to improve socioeconomic and environmental conditions for current and future generations.

Aligned with our company's strategy, our senior leadership team recently defined six strategic corridors. One of these strategic corridors is to place sustainability at the heart of our organization. Across this strategic corridor, our renewed focus on sustainability seeks to tackle issues that the company depends on in a holistic way, starting from within by setting an example and involving our entire value chain.

CLIMATE ACTION

At Coca-Cola FEMSA, we recognize that climate change is a real, and imminent threat, and we are convinced that a science-based, multi-stakeholder effort is required to address this urgent matter that concerns us all.

Consequently, in 2020, we became the first Mexican company and the third in Latin America to achieve the official approval of our emissions reduction targets by the Science Based Target initiative (SBTi), aligned with the goal of the 2015 Paris Agreement to limit global warming to well below 2°C above pre-industrial levels. Accordingly, our new 2030 commitments (compared with the 2015 baseline) are:

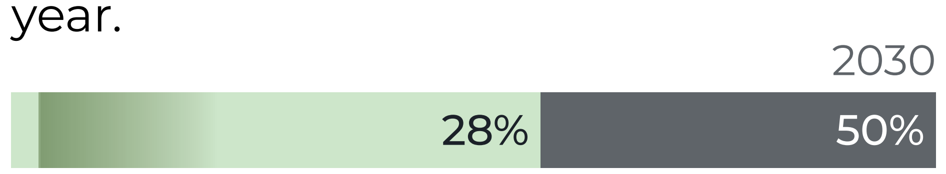


SCIENCE BASED TARGETS INITIATIVE (SBTi)

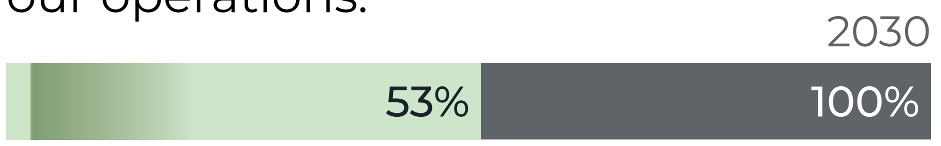
In June 2020, Coca-Cola FEMSA became the first Mexican company and the third in Latin America to obtain approval from the Science Based Targets initiative (SBTi) for its emissions reduction goals.

Performance on SBTi[1]

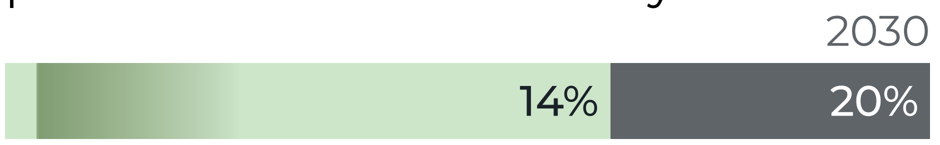
- Reduce 50% absolute GHG emissions from our operations (scope 1 and 2) by 2030 compared with a 2015 baseline year.



- Achieve 100% renewable electricity for our operations.

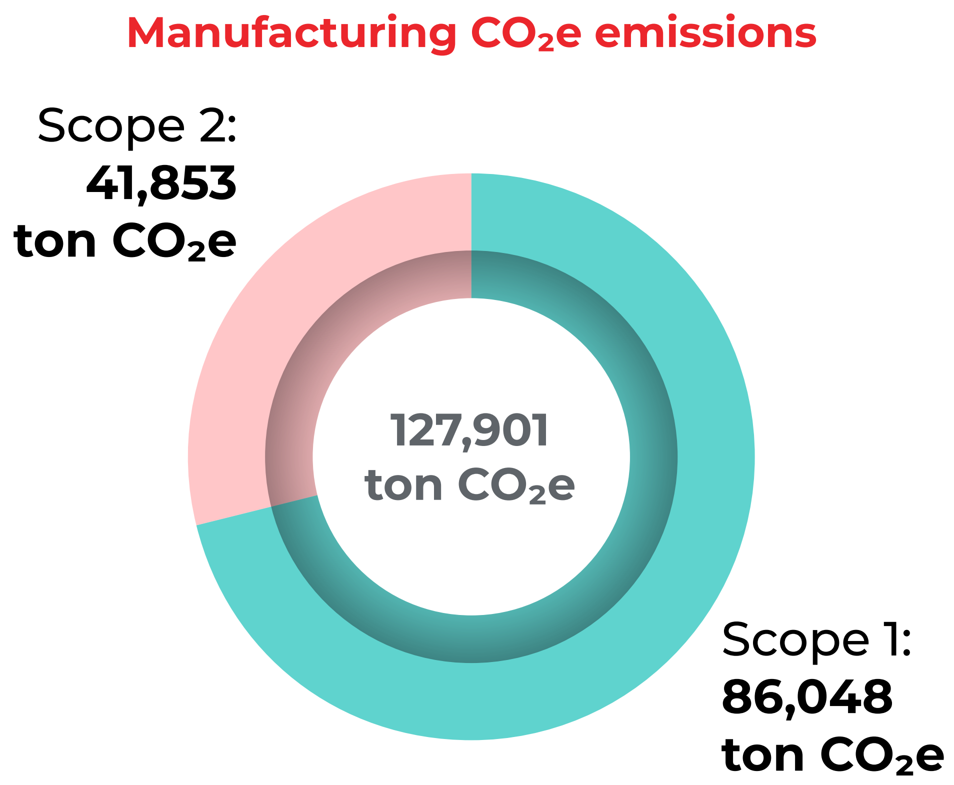


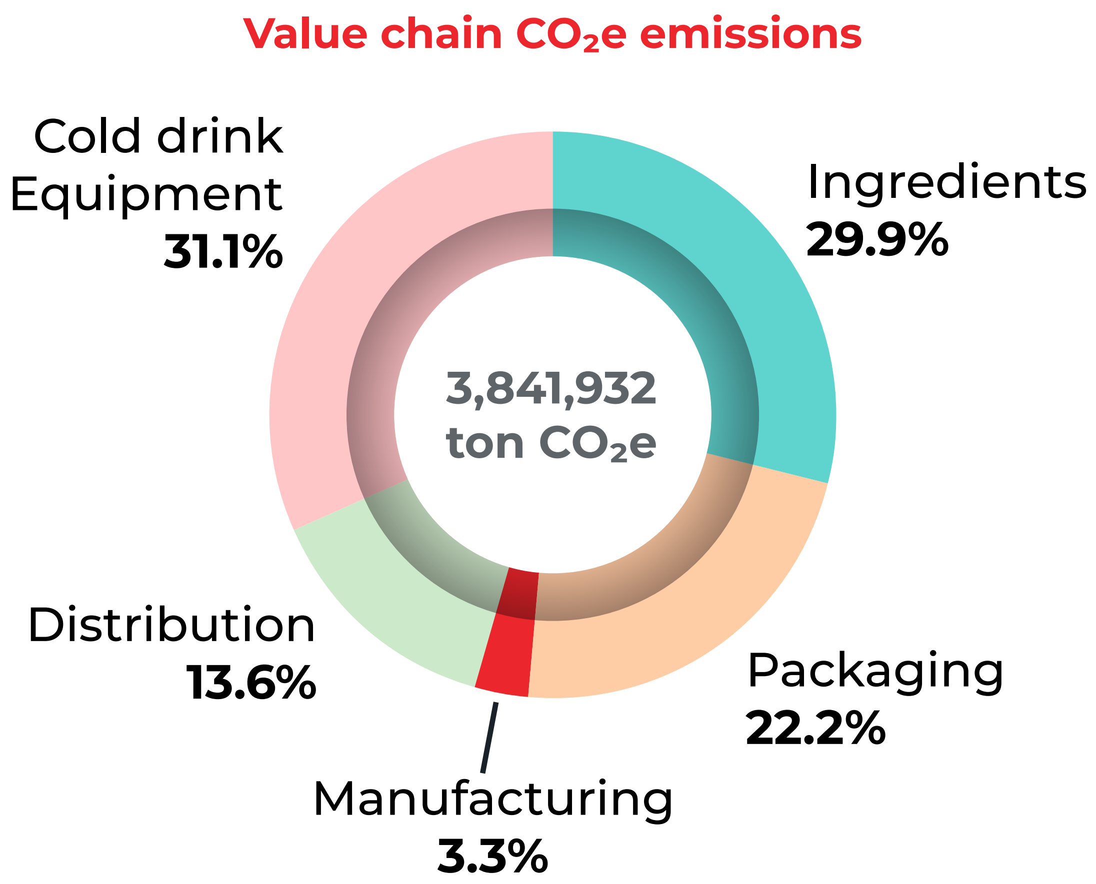
- Reduce 20% absolute GHG emissions from the value chain by 2030 compared with a 2015 baseline year.



Our absolute emissions targets decouple business growth from GHG emissions. We thereby ensure that, no matter the overall size of our business in 2030, we will make our operations, along with the entire value chain, less carbon intensive than our 2015 baseline.

1. Performance reflects all of our operations and is calculated based on SBTi.

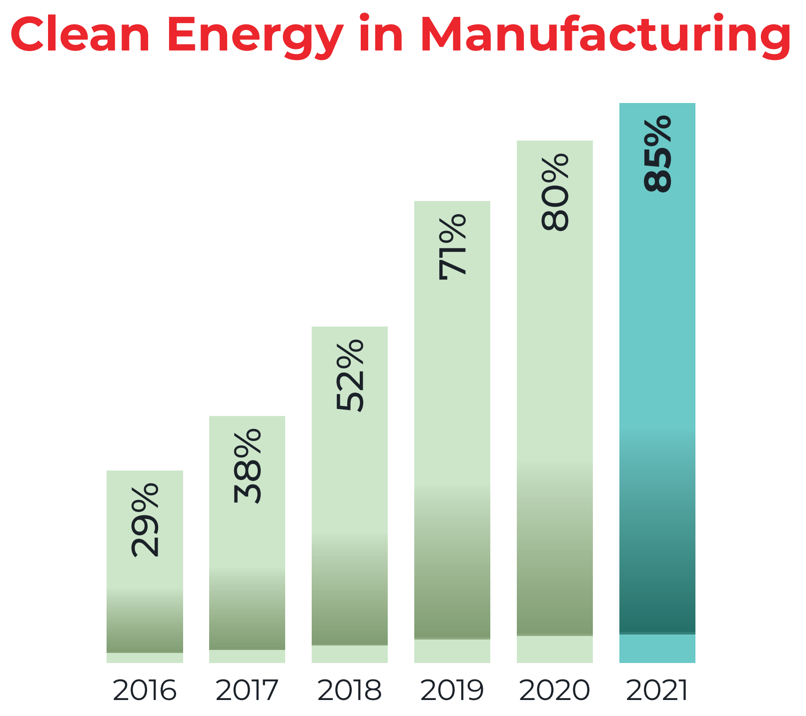




Consistent with our Climate Action Strategy, we have defined several initiatives to meet our emissions reduction goals. Among the most important initiatives, we worked along with our primary goods and packaging suppliers to reduce their emissions. We will also continue to lighten the weight of our packages and utilize a greater percentage of recycled resin (rPET); increase the energy efficiency of our plants and distribution centers; move our operations to renewable energy sources; focus on sustainable mobility, replacing our secondary trucks and utility vehicles with electric vehicles; and improve the management of refrigerant gases in our sales equipment.

Energy Efficiency, Clean Energy & Emissions Reduction

We strive for energy efficiency across our value chain. We further integrate clean sources of energy and technologies to reduce our GHG emissions—thus contributing to climate change mitigation. Our operations' energy consumption focuses on a comprehensive strategy that encompasses our value chain.

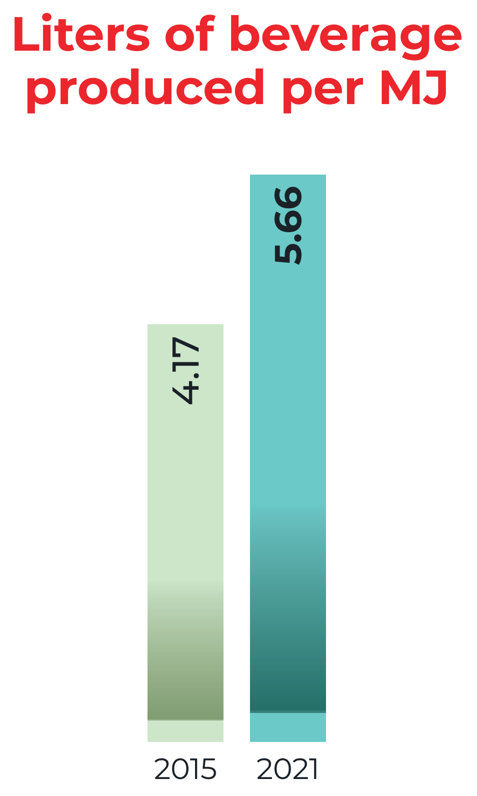


At the end of 2021, we supplied 85% of the electricity used in our bottling plants with energy from clean sources. We used clean sources of energy for our manufacturing operations in Argentina, Brazil, Colombia, Costa Rica, Guatemala, Mexico, and Panama.

We further aim to improve the energy efficiency of our manufacturing operations, while simultaneously reducing our GHG emissions. To improve our plants' energy efficiency, we have implemented multiple strategic initiatives:

- **Energy Training** – We provide annual training to all of our energy managers in every division, as well as all of the operators of each of our work centers.
- **Energy Assessments** – We conduct annual energy assessments to support our operations in Argentina, Brazil, Central America, Colombia, and Mexico.
- **Steam Standard** – We focus on the utilization of steam produced in our plants to reduce consumption, ensure safe use, recover steam condensate, and increase the life of our assets.
- **Top 20 Energy Efficiency Strategies** – We implement key energy efficiency strategies to minimize each of our plants' energy consumption.

From 2015 to 2021, we increased our energy efficiency by 1.35 times. We also reduced our energy consumption by 44 million MJ year over year, and we have invested US$16.8 million in energy efficiency.



SUSTAINABLE MOBILITY

Through our Sustainable Mobility Strategy, we aim to reduce the impact of our fleet on the CO_2 emissions of our supply chain (including primary and secondary distribution trucks), and to position ourselves as an industry leader in Latin America in terms of vehicle efficiency, environmental stewardship, and safety.

Aligned with this strategy, our 2030 projects are to:

- Integrate 45% commercial electric vehicles in our fleet
- Achieve a 25% increase in efficiency in fuel consumption (MJ)/kilometers of distance covered (Km)

During the year, we continued to execute route optimization strategies to maximize overall vehicle efficiency. With the deployment of KOF Digital Distribution 1.0 platform in Argentina, Brazil, Colombia, Central America, Mexico, and Uruguay, we installed vehicle telemetry systems on 80% of our primary and secondary distribution fleet. Thanks to each truck's telemetry data—together with the functionality of our mobile delivery devices—we enjoy the ability to identify and correct deviations in distribution route execution versus our route plan. This equipment also enables us to analyze route execution patterns in order to identify an optimal combination of variables to improve our route planning process. As a result, we optimize our fleet's usage and improve key road safety indicators, while reducing fuel consumption and CO_2 emissions. Indeed, we've developed a standardized KPI for fuel use efficiency that will enable us to perform internal benchmarks to improve this indicator moving forward.

Moreover, with the deployment of dynamic routing across our secondary distribution fleet in Brazil, Colombia, and Mexico, we enjoy the flexibility to plan vehicles' routes on a daily, weekly, and monthly basis, thereby optimizing available fleet resources and distances traveled to serve our customers.

EXPANDING ELECTRIC VEHICLE FLEET

This year, we expanded our fleet of electric vehicles by over 30% to 421 vehicles. We also significantly expanded our supplier base for electric vehicles in the Latin America region to eight leading global suppliers, working with them to develop electric units that meet the bottling industry's specifications.

Through our sustainable mobility community, we're working to align the electric vehicle strategy followed across our operations. Within this community, we developed and deployed a total cost of ownership (TCO) and scenarios analysis tool. Moreover, to further align our operations, we developed a standardized protocol to test new electric vehicle technologies—with a standard fuel efficiency KPI to measure fuel consumption by country—to reinforce and improve our migration to electric vehicles. Thanks to these and other initiatives, we're confident that we will transition our fleet to 45% of electric vehicles by 2030.

Additionally, we leveraged our secondary fleet substitution program in Mexico, Brazil, and Colombia, where we maintain the largest volume of delivery trucks. This year, we invested in 100 new electric vehicles to reach a total of 421 vehicles. Additionally, through our sustainable mobility community, we have been working to align the strategy followed across the different countries. Within this community, we developed an economic-operational feasibility analysis, as well as an analysis of the market conditions and availability of electric vehicles in Latin America.

Over the past five years, we've substituted our fleet with new vehicles that meet higher emissions reduction standards. Currently, we've 2,934 trucks throughout these operations' secondary and primary fleet with EPA and Euro V Certification. Thanks to this program, we reduced our fuel consumption, emissions, and maintenance costs, and we reinforced our commitment to eco-efficiency with local environmental authorities.

Through our self-regulation program in the Valley of Mexico, we commit to minimize the local delivery fleet's emissions through key initiatives, including an efficient maintenance process and ongoing fleet substitution program, fostering our social license to operate.

80%

of our Brazilian operation's utility vehicles use cleaner, lower emission ethanol biofuel.

WATER STEWARDSHIP

Water is an essential ingredient in the production of our beverages. Therefore, we are committed to ensuring the efficient use of this natural resource in our bottling operations and returning to the environment more water than we take to produce our beverages, while safeguarding this resource not only for the benefit of our company, but also for the access and the enjoyment of our communities and planet now and into the future.

COCA-COLA FEMSA PLACES FIRST SUSTAINABILITY-LINKED BONDS IN MEXICO

In September, 2021, we placed the first sustainability-linked bonds in the Mexican market for a total of Ps. 9,400 million (US$470 million). Recognizing that water is not only an invaluable resource for our company and industry, but also an indispensable element of resilience to climate change, we are focusing this first issuance on the sustainable and efficient use of water. Specifically, as part of these bonds, we are committed to the achievement of a water use ratio of 1.36 by 2024 and 1.26 by 2026.

Consistent with this commitment, we have established a comprehensive water strategy, founded on three pillars:

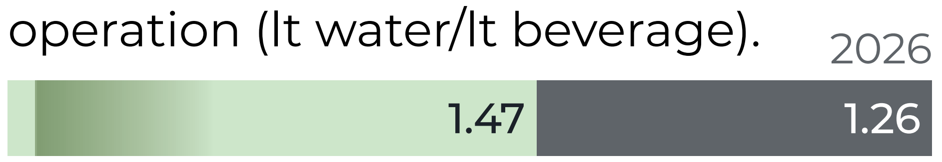
1. Efficiency in water use at our plants
2. Facilitating access to water and sanitation in our communities
3. Replenishment and water funds.

Aligned with this strategy, our goals and key performance indicators are to:

- Achieve a water use ratio of 1.26 liters of water per liter of beverage produced by 2026 (total Coca-Cola FEMSA)
- Replenish more than 100% of the water utilized to produce beverages across our bottling operations, focusing on those determined to have high hydrological stress
- Conduct a yearly water risk analysis in each plant, including identifying the social risks associated with water
- Create mitigation and adaption plans in each operation, community or watershed in which we identify some risk

Efficiency

- Reduce, reuse, and track the water used in the operation (lt water/lt beverage).



Hydrological safety

- Replenish all of the water used in our beverages in the watershed with a focus on high stress areas.

Water risk assestment

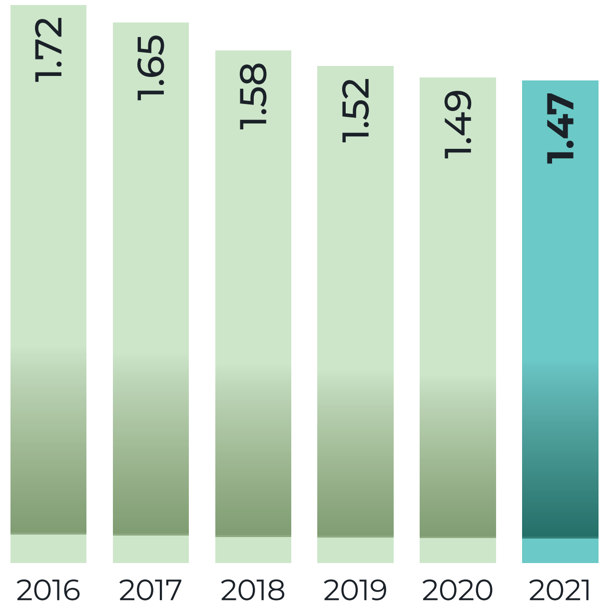
- Annual water risk assessment.

Water Efficiency

At the end of 2021, we averaged 1.47 liters of water per liter of beverage produced and used 28 million liters of water. To this end, we have invested US$4.5 million in 2021.

Aligned with our goal to achieve a water use ratio of 1.26 liters by 2026, we are making all of our operations more efficient. Through our continuously improving Top 20 Water Saving Initiatives program, we foster efficient water consumption across all of our plants. To this end, we registered significant progress across our operations, focusing on 20 key measures—from our detection and elimination of leaks to optimal water use in our plants to our water recovery systems.

Water efficiency
Liters of water per liter of beverage produced (less is better)



15% improvement in water use ratio over the last five years

	Liters of municipal water	Liters of rainwater	Liters of well water	Liters of river water	Total water consumption (L)
Total General	8,434,437,506.30	5,424,000.00	18,071,077,948.96	1,487,958,647.00	27,998,898,102.26

	Liters of water discharged to sewers	Liters of water discharged into rivers	Total water discharged (L)
Total General	2,761,699,828.84	3,051,539,229.71	5,813,239,058.55

100% of the water we discharge from our manufacturing operations is sent to water treatment plants, which ensure sufficient water quality to foster aquatic life.

WATER RISK & ADAPTATION

This year, we analyzed water risks and established mitigation plans across 100% of our operations.

All of our strategies are aligned with the United Nations' Sustainable Development Goals. Through different alliances, we join efforts to foster adaptability and resiliency in the communities we serve, prioritizing those most vulnerable to climate change and water shortage. In this way, we support the communities where we operate with water treatment and water access projects.

Our aspiration is to return to the environment and our communities more water than we use to produce our beverages where it matters the most. Aligned with this goal, we currently give back to the environment more than 100% of the water we use in the production of our beverages in Argentina, Brazil, Central America, Colombia, and Mexico through the conservation and protection of biodiversity. We also replenished 100% of the water that we use in Colombia, Costa Rica, Guatemala, and Panama through our “Agua para el Futuro” (Water for the Future) conservation projects.

FACILITATING COMMUNITIES ACCESS TO SAFE AND SECURE WATER

By 2030, our Water Access Program aims to support 1 million people across our communities in Mexico, so they can secure access to safe and sustainable water through the promotion of collective action and inclusion. Moreover, “Ven por Agua” (Come for Water) is a mobile vehicle through which we provide access to safe, secure water for those communities that need it the most or those declared disaster zones in Colombia and Mexico. In addition, we launched a pilot in Chiapas, where we’re distributing drums to collect water that impacted 5,000 families in small rural communities.

Furthermore, in collaboration with FEMSA Foundation, we carry out projects designed to improve communities’ quality of life by helping to provide them with safe water, improved sanitation, and hygiene education. While the Foundation intervenes significantly at the outset of each project, all of these initiatives utilize the necessary elements to enable communities to adopt them in a sustainable way—enduring over the long term.

For more information about FEMSA Foundation, visit **https://www.femsa.com/en/femsa-foundation/**

Given the substantial scope, importance, and complexity of water conservation and replenishment, we further work to strengthen water funds and conserve water basins through sustainable initiatives involving partnerships with multiple stakeholders. Through the Latin American Water Funds Partnership—comprised of The Nature Conservancy (TNC), FEMSA Foundation, the Inter-American Development Bank (IDB), and the Global Environment Facility (GEF)—we jointly seek to achieve and sustain water security in the region, ensuring sustainable access to a sufficient quantity and quality of water to sustain human life and socioeconomic development.

To date, the Partnership has developed 26 water funds. Of these funds, eight are in countries where we operate—Brazil, Colombia, Costa Rica, Guatemala, and Mexico. As a result, through 2021, the Partnership has worked to directly benefit approximately 100 thousand people in neighboring communities around the water basins, creating jobs and capabilities training since the projects began.

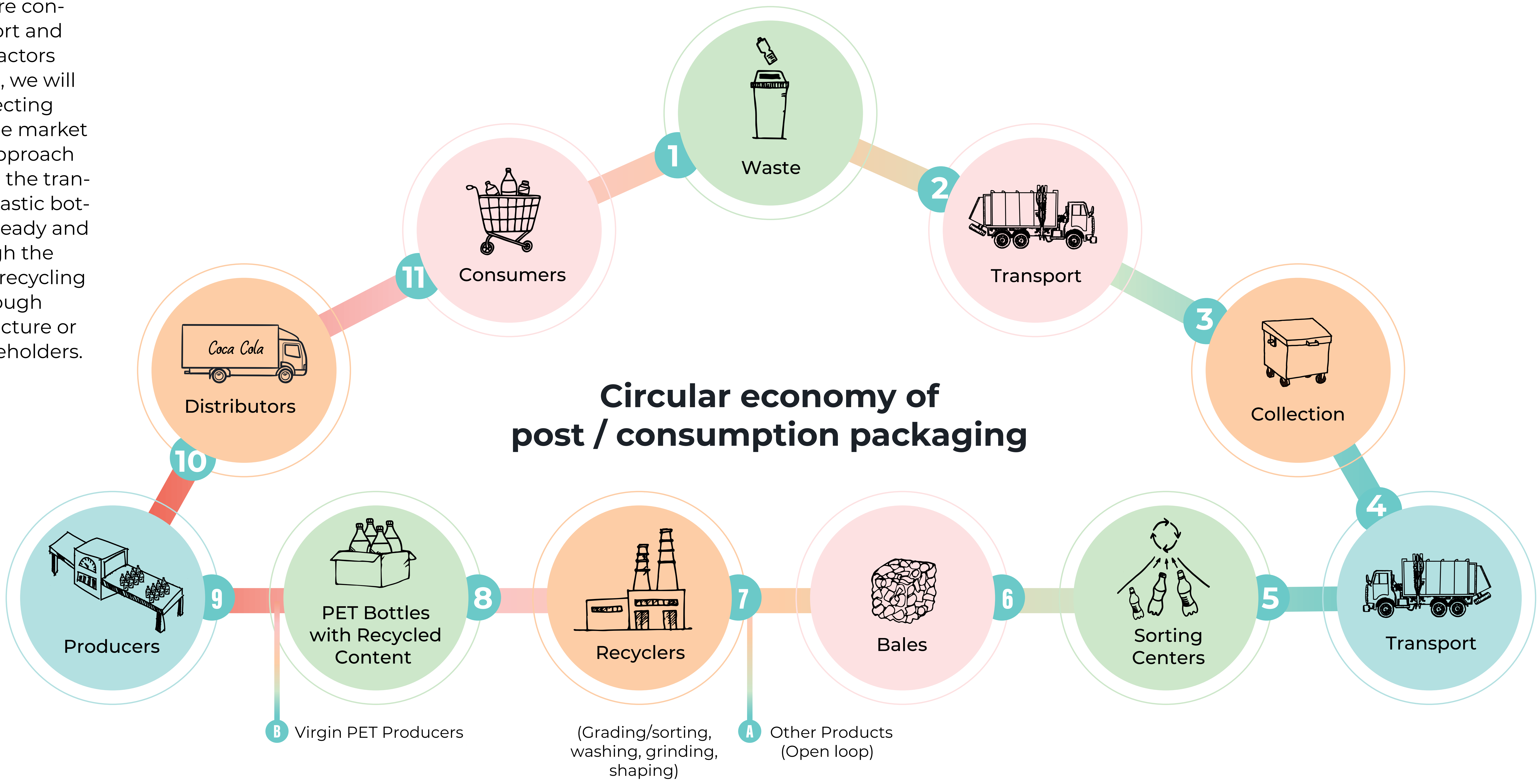
We replenished

109%

of the water we used and had an average water use ratio of **1.41** liters for our 17 Brazilian, Mexican, and Guatemalan plants located in high water stress areas.

CIRCULAR ECONOMY

At Coca-Cola FEMSA, we are confident that, with the support and co-responsibility of all the actors involved in the value chain, we will fulfill our 2030 goal of collecting 100% of the PET bottles we place in the market through a concerted market-based approach to the circular economy. To accelerate the transition to a circular economy for PET plastic bottles, our focus is on ensuring both a steady and secure supply of recycled resin through the joint development of bottle-to-bottle recycling facilities and closed-loop systems through the development of our own infrastructure or through partnerships with other stakeholders.



Consistent with our long-term commitment to waste management and aligned with The Coca-Cola Company's commitment to a "World Without Waste," our goals are to:

- Make all consumer packaging 100% recyclable by 2025
- Certify 100% of our bottling plants as zero waste to landfill by 2025
- Collect the equivalent of 100% of the PET bottles we place in the market by 2030
- Use at least 50% recycled resin (rPET) in our PET bottles by 2030
- Reach 25% reusable packaging by 2030

Industrial waste

- Zero Waste Certification in all of our operations.

2025
46% 100%

- % of solid waste recycled.

2025
98%

Packaging

- Increase the use of recycled resin in our PET bottles.

2030
31% 50%

- Recyclable materials in our packaging.

2025
97%

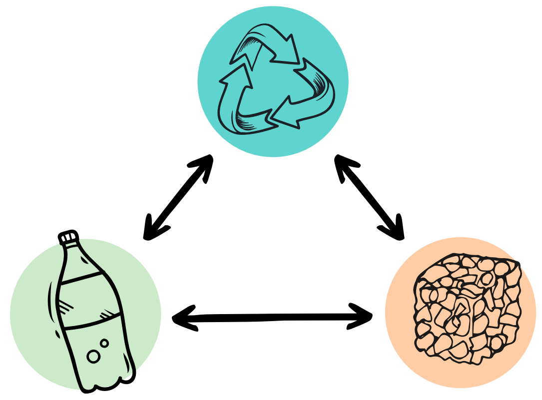
- Reusable packaging.

2030
34%
25%

To achieve these goals, we strive to mitigate the environmental impact of our operations' processes, leading the way in the promotion of a culture of waste management throughout all of our operations and value chain.

KOF Waste Management Strategy

Post-consumption collection and recycling



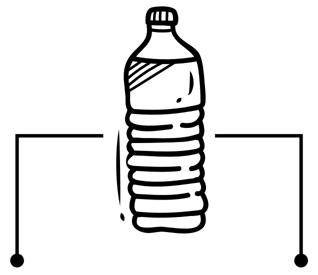
Efficient design and integration of recycled materials in our packaging

Comprehensive and responsible post-industrial waste management

Packaging

Within the beverage industry, our product packaging is mainly comprised of polyethylene terephthalate (PET) plastic, glass, and aluminum. PET, our highest-volume packaging material, is versatile, lightweight, and the most widely recycled of all plastic types[2] —which can also be made into new and refillable bottles. We are committed to efficiently using our packaging materials; redesigning our packaging's components to achieve recyclability; and integrating a growing share of recycled content.

In 2021, we used an average of 31% recycled PET resin (rPET) in our plastic bottles, an increase of more than five times in rPET volume over the past eight years. Recycled PET is part of a closed loop recycling solution for plastic bottles, offering a 60% greenhouse gas reduction and a 75% lower total energy demand over virgin PET.[3]



Mix

69%

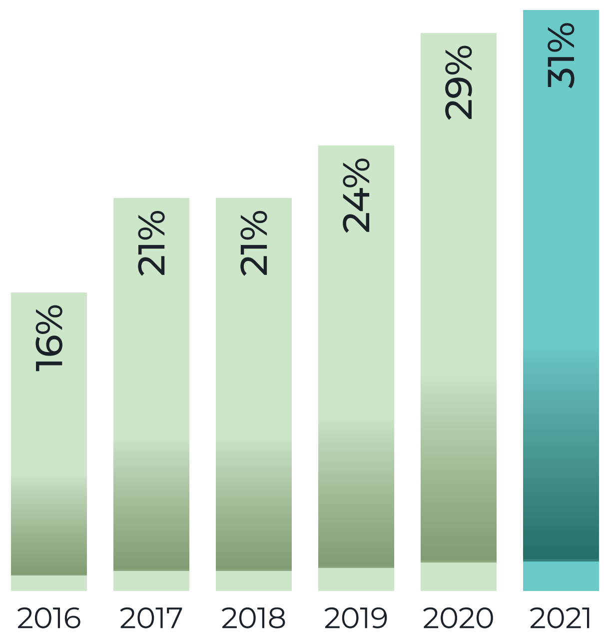
Recycled content

31% rPET

2. The Coca-Cola Company, *2020 World Without Waste Report* (June 2021), p. 5.
3. According to an updated Cradle-To-Resin Life Cycle Analysis of Polyethylene Resin by the National Association for PET Container Resources (NAPCOR), a 60% reduction in greenhouse gas emissions and a 75% lower total energy demand may be achieved by replacing a unit of virgin PET with recycled PET.

Moving forward, our goal is to use at least 50% rPET in our plastic bottles by 2030. Notably, we now offer beverages packaged in 100% rPET across our markets, including all one-way presentations of Crystal brand water in Brazil, Brisa brand water in Colombia, Ciel brand water in Mexico, KIN brand water in Argentina, Vitale brand water in Uruguay, and Alpina and Dasani brand water in Central America. We are also transitioning Sprite's packaging from green to clear in order to make it easier to recycle; in the meantime, all of our Sprite bottles in Mexico are made of 100% rPET. We further built on the successful launch of our Universal returnable bottle in Argentina, Colombia, Mexico, and Uruguay, significantly expanding coverage and increasing production capacity throughout key franchise territories.

% Recycled content



Consistent with our efficient resource management and optimization of packaging materials, we continued to deploy a wide-ranging light-weighting strategy for our operations' PET presentations and caps. Thanks to our efficient resource management and packaging optimization, we generated savings of approximately US$6.4 million in 2021.

UPSTREAM INNOVATION: RETURNABLE/REFILLABLE PACKAGING MODEL

Through upstream innovation, we not only avoid the production of billions of new PET plastic bottles every year through our expanding portfolio of refillable PET presentations, but also make our packaging more sustainable while minimizing our use of virgin PET plastic, as exemplified by the growth of our reusable Universal bottle that can be used across multiple beverage categories and brands.

Universal Bottle – Circular System

In this circular system, consumers pay an indirect deposit when purchasing our beverages in a refillable Universal bottle by receiving a discount on their next purchase when they return the empty bottle to the store—a reward feature that ensures a return rate of above 90%. Our retail customers store them and then give them back upon delivery of a new order. We take the multi-branded mix of Universal bottles back to our bottling facility where we wash off the paper labels and clean, refill, and rebrand the bottles with a fresh label before redistributing them.

Universal Bottle - Environmental Benefits

Carbon Emissions Reduction: Greenhouse gas emissions can be reduced by up to 47% compared to single-use PET bottles, taking into account bottle production, increased transport, and water use during washing.[4]

Water Use Reduction: Even factoring in washing, the reuse model reduces water use by 45% compared to single-use PET bottles.[3]

3. According to an updated Cradle-To-Resin Life Cycle Analysis of Polyethylene Resin by the National Association for PET Container Resources (NAPCOR), a 60% reduction in greenhouse gas emissions and a 75% lower total energy demand may be achieved by replacing a unit of virgin PET with recycled PET.
4. Ellen MacArthur Foundation, *Upstream Innovation, A guide to packaging solutions* (November 2020), p. 106.

Collection & Recycling

We strive to make our beverage packaging part of the circular economy. To this end, we are creating circular solutions for collection throughout our markets, working with key partners across different collection and recycling infrastructures. Through locally appropriate collection and recycling solutions, we can effectively turn old packages into new ones, reduce our carbon footprint, and keep plastic out of the environment.

WORKING WITH KEY PARTNERS TO MULTIPLY OUR SUSTAINABLE COLLECTION CAPABILITIES

By joining efforts, we multiply the effects of our actions. Accordingly, we partner with communities, authorities, industry allies, and NGOs on different initiatives to raise awareness of post-consumer waste management, carry out collection and recycling programs within our communities, and inform consumers about the proper disposal and handling of the waste generated from our products.

Across Latin America, we continued to strengthen our sustainable collection capabilities, including the following collaborative initiatives in our countries of operation:

Argentina – We are focused on reinforcing our recycling capabilities in municipalities through programs such as Ruta Verde, Latitud R, Iguazú, and Red de Innovación Local (RIL).

Brazil – Through SustentaPET, a joint venture created in partnership with The Coca-Cola Company, we have opened four PET collection centers in Belo Horizonte, Cosmópolis, Porto Alegre, and São Paulo, Brazil.

Colombia – We expanded our MovimientoRE program, an industry/business alliance to increase the collection of PET in the cities of Barranquilla, Cartagena, Santa Marta, and Cali (through “Cali Circular”), as well as Reciclave Bogotá with the empowerment of recyclers.

Costa Rica – We use green trucks along our home delivery routes to collect PET from the households to whom we deliver our products. Also, through our Geocycle, Misión Planeta, and industry alliances.

Guatemala – Through our alliances with other developers, we can start the separation and collection process from homes. We also formed an alliance with INGRUP, a local recycled resin provider.

Mexico – We opened five new collection centers, so we can increase recycling in the southeast region of the country. We also aligned with small customers, as well as with larger chains, to collect waste at their stores through “mi tienda sin residuos” (“my zero waste stop”) program.

Nicaragua – Starting in 2021, we established a strategic alliance with Gravita, which operates through a network of base recyclers in several municipalities, guaranteeing the recovery and treatment of PET, so that it can be reused as a raw material again.

Panama – We formed an alliance with Recicladora Nacional to increase the collection and treatment of PET plastic bottles and create a circular economy for the use of these materials.

Uruguay – We have an industry agreement with Crystal PET to close the PET recycling loop through the use of rPET.

Continuing our long-term commitment to collectively address the challenge of waste management and aligned with The Coca-Cola Company's commitment to a "World Without Waste," in the main markets where we operate or have strong alliances with packaging collection and recycling mechanisms, we have collected more than 122 thousand tons of PET, putting us well on track to our 2030 goal of collecting 100% of the PET bottles we place in the market.

Since 2002, we have collaborated with other food and beverage companies through ECOCE, a Mexican civil association that promotes collection of waste, creation of a national market for recycling, and development of recycling programs. With an impressive national collection rate of 59% in Mexico under the ECOCE model, we are at the top of collection and recycling practices in Latin America through this collaboration, with levels equivalent to the European Union.

To close the PET plastic recycling loop, we are leaders in PET bottle-to-bottle recycling in Latin America. In 2005, we joined forces to operate the first food-grade PET recycling plant in Latin America, called IMER (Industria Mexicana de Reciclaje or Mexican Recycling Industry), which recycled 19,252 tons of PET during 2021. Overall, we now have a total of nine recycled food-grade resin suppliers across our operations network.

In 2021, we utilized a total of 83,085 tons of recycled materials in our operations in Argentina, Brazil, Central America, Colombia, Mexico, and Uruguay. As a result of these efforts, we avoided the use of more than 460 thousand tons of virgin PET resin since 2010.

BREAKING GROUND ON A NEW FOOD-GRADE PET RECYCLING FACILITY IN MEXICO

Through a joint venture with ALPLA, we recently broke ground on a new food-grade PET recycling facility in Cunduacán, Tabasco, México known as PLANETA (Planta Nueva Ecologia de Tabasco), which is projected to begin operation during the third quarter of 2023. This facility will have the capacity to process approximately 50,000 tons of post-consumer PET bottles annually—resulting in 35,000 tons of rPET pellets—which we plan to supply from 18 collection centers in the southeast region. This new plant, together with the accompanying collect centers, will help us to achieve our goal of using at least 50% rPET in our plastic bottles by 2030, gain greater control of the PET collection and rPET production cycle, expand collection and recycling to states with low activity, and generate approximately 20 thousand direct and indirect jobs.

Industrial Waste Management

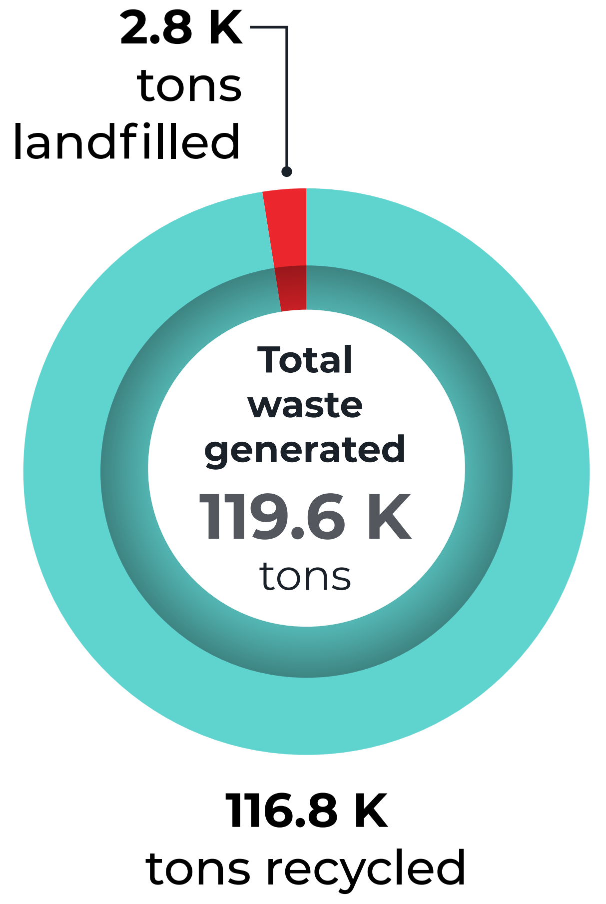
In 2021, 22 of our bottling plants earned Zero Waste to landfill certification. Originally designed for our Mexico operations, this initiative establishes specific measures to improve waste management, disposal, and repurposing—resulting in improved waste efficiency per liter of beverage produced. We also extended this program to our distribution centers, with 78% of our Brazilian distribution centers became zero waste to landfill during the year. At the end of 2021, our bottling plants recycled 98% or approximately 116.8 thousand tons of manufacturing waste generated.

To this end, we diligently work to ensure our processes comply with the highest national and international standards and with all applicable laws, avoiding sanctions and fines pertaining to environmental issues, while reaffirming our commitment to efficient operational processes, environmental performance, and competitiveness.

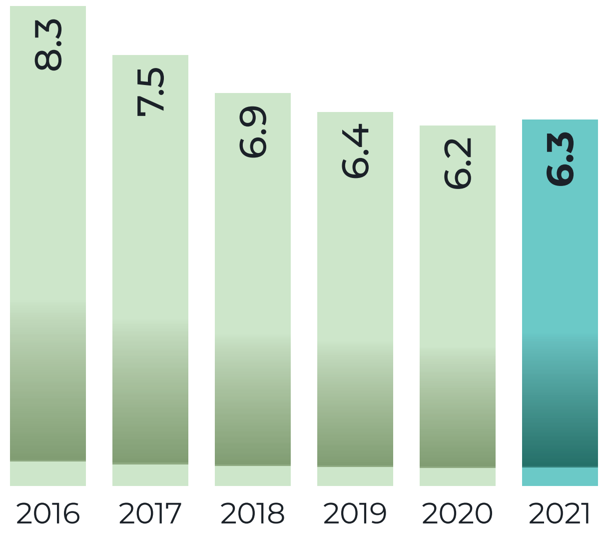
Colombia earned gold certification for

100%

of our seven bottling plants as zero waste facilities this year.



Waste efficiency
grams of waste per liter of beverage produced (less is better)



SAFETY

Safety is a key priority, a basic principle of action, and a fundamental value for our company. It is of utmost importance to fulfill our purpose as an organization. That is why we are committed to continuously improve our operations by doing everything necessary to prevent workplace injuries and illnesses to safeguard the safety of our employees, strategic partners, and communities.

OUR 2020-2025 SAFETY GOALS

Aligned with our safety strategy, our 2020-2025 goals are to reach:

- Zero fatalities (avoidable or within the company's control)
- Lost Time Incident Rate (LTIR) of **0.4**
- Total Incident Rate (TIR) of 0.8
- Crash Rate of 6.5
- Major Crash Rate of 0.5

Safety Performance

This year, we achieved an accelerated reduction of both industrial and road incidents. Like the past five years, we again registered our safest year at the company level.

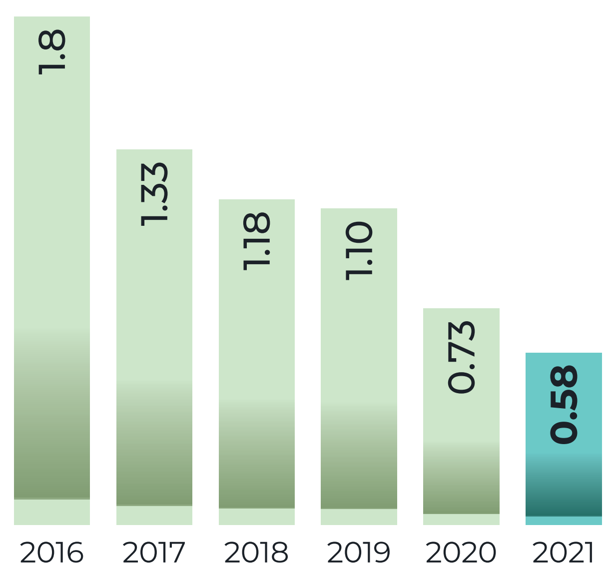
During 2021, we reported a Lost Time Incident Rate (LTIR) of 0.58, a 20% year-over-year reduction that puts us closer to our 2025 goal of 0.4.

Notably, our manufacturing operations achieved an LTIR of 0.32, below the 2025 goal that we set as an organization. We also reduced our Total Incident Rate (TIR) by 22% year over year to 1.04, remaining on track to achieve our 2025 goal of 0.8. We also formally integrated KPIs for our own employees and third parties:

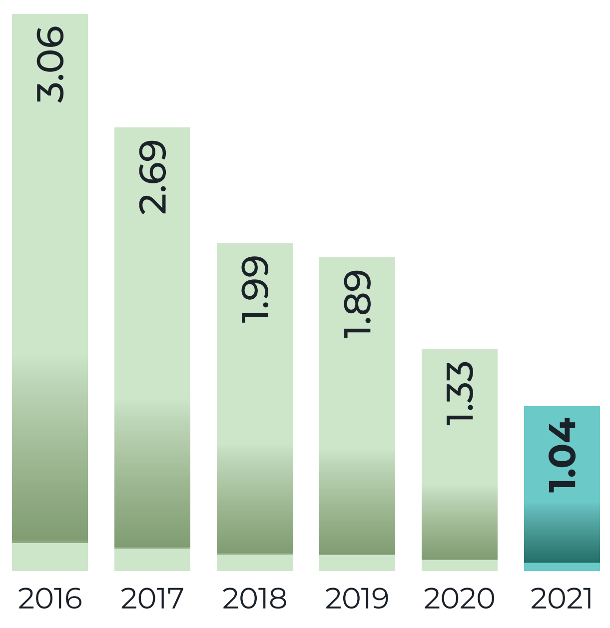
- **Lost Time Incident Rate** (LTIR) of **0.66** for employees and third parties
- **Total Incident Rate** (TIR) of **1.06** for employees and third parties

We further achieved 12% and 55% year-over-year reductions in Crash Rate and Major Crash Rate to 9.76 and 0.83, respectively. During 2021, we integrated a new metric tracking the frequency of serious incidents and fatalities (SIF Exposure Rate), effective 2022.

Lost time incident rate-LTIR
(less is better)



Total incident rate-TIR
(less is better)



Indicator	KOF Results[1]					
	2016	2017	2018	2019	2020	2021
LTIR	1.8	1.33	1.18	1.10	0.73	0.58
TIR	3.06	2.69	1.99	1.89	1.33	1.04

1 For comparability purposes, this data excludes Venezuela, since Venezuela is a deconsolidated operation.

The numbers in this table reflect rates only for KOF employees and not third parties, which is a number we started integrating this year.

Safety Vision & Strategy

This year, we began implementing our 2021 - 2025 safety strategy, a multi-year effort to update our focus and vision for the whole company. Consequently, we updated our vision, objectives, and strategic initiatives to correspond to our “zero is possible” aspiration.

Additionally, we started implementing five key safety initiatives focused on our main risks and organizational culture. With the success of these programs, we are confident that we will reach our goals and accelerate our safety results, with active employee participation and leadership key to the success of our safety strategy.

SAFETY VISION

Safety is a key priority, a basic principle of action, and a fundamental value for our company. It is of utmost importance to fulfilling our purpose of always finding the most efficient and sustainable way to put the drink of choice in our consumers’ hands anytime, anywhere.

Goals	• Zero Fatalities & Serious Incidents • Best In Class KPIs • ZERO External Audit Findings				
Strategic Corridors	Key Risks and Systems Management	Talent and Capability Development	Infrastructure, Technology, Digitalization of Processes and Basics	Performance Management, Improvement, and Innovation	QSE Culture
Key Safety Initiatives	Serious Incidents and Fatalities Prevention Model (SIF)	Life Saving Rules and Critical Safety Standards	Road Safety Program	Safety Model for Third Parties	Safety Culture & Accountability Program

Key Risks & Systems Management

We aim to provide solid management based on world-class standards, systems integration, operating models, and programs that ensure the control, mitigation, and containment of major risks and their impacts on our people, communities, and company. Among our achievements for the year, we put in place diagnostics and plans for our 14 Life Saving Rules throughout 100% of our manufacturing plants and 60% of our distribution centers.

As part of our Road Safety Program, we updated the road safety strategy and standards, and executed a series of road safety diagnostics and evaluations across all of our operations—which will serve as the base for their strategic, tactical, and operational plans. We carried out strategies and communications plans designed to create awareness among different road actors of the risks present on public roads while educating them on their different roles and responsibilities when driving on a public road. We standardized precursors, risks, and distribution activity controls to manage risks and implement key controls, establishing high-impact activities such as reverse maneuvers, vehicle parking, and offloading on public roads. We also carried out a series of incentive/recognition programs for drivers to reinforce expected behavior, compliance, and road risk management.

Moreover, we began to implement our Safety Incidents Prevention Model, so we can replicate this model throughout our operations during 2022. We updated nine global standards that respond to critical safety risks at the organizational level—from working at height to road safety—with each country executing these standards in accordance with their own risk analysis. We also employed a safety management model where we defined 30 safety processes and requirements that are managed within the organization, with each country complementing this model with applicable local government requirements.

With our strategic partner Solistica, we implemented a safety and environmental management model aligned with our five strategic safety corridors. Begun in 2020, this model led to a 52% reduction in minor crashes, a 72% reduction in major crashes, and zero serious incidents and fatalities (SIF).

Talent & Capability Development

Our aim is to enable a capable and trained team and talent, committed to safety at all levels of the organization. Among our achievements for the year, we worked with our strategic partner Solistica to design a shifting skill development model, with latest generation road simulators, in Brazil and Mexico. Thanks to these simulators and new training methods, we are developing a highly professional team of safe drivers. Moreover, in Brazil, we carried out a training program specifically designed to achieve our company's defined educational objectives, along with the technical and behavioral capabilities to achieve safe and efficient driving standards.

QSE ACADEMY & COMMUNITIES COLLABORATIVELY ADVANCE KEY SAFETY INITIATIVES

As part of our company's skills development, we designed phase one of our QSE Academy. The Academy offers more than 70 subjects—29 of them safety related—to be implemented throughout our operations in the coming years. Additionally, during 2021, we developed safety technical skills, focusing on key risks, involving an annual investment of over 350 thousand hours of virtual and in-person training.

We further strengthened and managed our safety knowledge communities, including those focused on RTM Safety, Third Party Safety, and Serious Injuries and Fatalities (SIF) Management Model. Through these communities, we systematically connect best practices, experiences, and a network of experts from across our operations to collaboratively advance these key safety initiatives.

During 2021, we conducted a companywide study to evaluate our organizational structure, considering operations management and the impact of COVID-19. We also achieved 95% implementation of our new safety organizational structure, which was re-designed in 2020.

Infrastructure, Technology & Digitalization of Processes

We are leveraging technological development, process digitalization, and predictive analysis to enable our safety culture and strategy, transforming behavior while fulfilling machinery and vehicular safety standards. To this end, we chronicled the following achievements for the year:

Costa Rica, Guatemala, and Panama – We installed telemetry equipment across 100% of the secondary delivery fleet. We also implemented a behavioral management platform that enables driving traceability through a telemetry system, while identifying and grading operator's driving habits on a scale from 0 to 100%.

Costa Rica, Guatemala, Nicaragua, and Panama – We implemented an integral system for forklift management that utilizes telemetry equipment for behavior management, team performance optimization, and excellent service. This system increases visibility and real-time alerts, reduces risky behavior, improves impact detection, and lowers corrective maintenance cost, among other benefits.

Mexico – We installed advanced driver assistance and monitoring systems (ADAS) across 100% of our primary distribution fleet. We also deployed an onboard management technology model through the ADAS Mobileye + Eyesight technology that was installed throughout our primary distribution fleet. The ADAS technology consists of auxiliary electronic devices to support drivers in specific driving situations—from fatigue and collision alerts to speed limits—generate a plan, and follow up with each operator to foster safe driving habits. Added to the behavior management model, these technologies have enabled us to drastically reduce the number of road incidents, while following up on key findings.

Brazil – We managed to eliminate 100% of motorcycle crashes as an integral part of our safety risk strategy. Through the development of a motorcycle management model, we were also able to reduce crashes by over 35% in Colombia and Guatemala.

Performance Management, Improvement & Innovation

We aim to provide the required processes and tools for safety performance management, while promoting improvement and innovation that leverages our safety strategy.

Among our achievements for the year, our manufacturing plants received ISO 45001 occupational health and safety certification. We developed a digital preventive observations registry to control and identify behavior across our Central American operations. We digitized the motorcycle documentation process in Colombia, including traffic violation controls, skill and dexterity texts, and personal protective equipment verifications. We conducted the first self-diagnostic evaluation of our company's safety maturity model. Moreover, we developed phase two of our Control Tower, where all of the safety indicators were standardized and automated, generating reports and business intelligence data analyses.

QSE Culture

We aim to position our QSE culture as a fundamental business strategy, ensuring the ownership, commitment, credibility, consistency, and leadership to support our QSE cultural evolution.

Among our achievements for the year, we carried out communication plans and conducted training of our leadership teams based on psychological safety principles, elements, and behaviors. We conducted a diagnosis of cultural interferences that limit our QSE cultural transformation progress, defining nine key priorities aligned with The Coca-Cola Company's global human and organizational methodology. We carried out a diagnosis and QSE culture workshops in Colombia, Costa Rica, Guatemala, and Mexico. We further conducted communication plans and recognition programs that leverage expected beliefs and behaviors by acknowledging people and operational units with extraordinary results.

Our "Zero Is Possible" Aspiration

Since 2016, we have consolidated and improved our culture and performance on safety issues, while we have not been able to eliminate fatal and serious incidents involving employees and third parties.

With this in mind, we are now implementing throughout the organization a deeper and more consistent focus on the interaction between people, culture, leadership, teams, work systems, and processes because most of our fatal and serious incidents result from the interaction of these elements. We are also evolving our approach to focus on risks and precursors management, so we can help people make better decisions and prevent damages when things do not go as planned.

Furthermore, we will continue the deployment of our security plan throughout the company, creating an organizational culture where we are convinced that "zero is possible." This implies a significant change in mentality throughout our global leadership and in our commitment to security, while we reinforce and ensure our fundamental security practices and principles. In this way, we strive to make ZERO a reality, so if there is an incident, our people come out unscathed

Fatalities

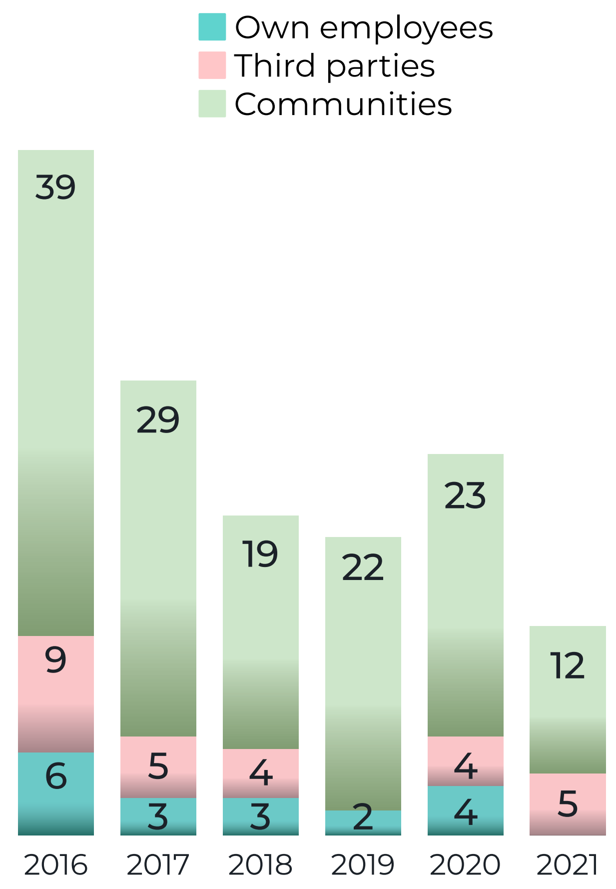
Unfortunately, over the past year, 17 people died either through their work for Coca-Cola FEMSA or community members involved in an incident with one of our vehicles. Any fatality is unacceptable, so we will not be satisfied until we fulfill our promise of ZERO incidents. We extend our condolences to all of the families and everyone affected by our operations, and we are committed to implement best practices to prevent any losses in the future.

This report documents the total number of fatalities (with or without legal responsibility where we were somehow involved during 2021). Importantly, we include any fatalities involving our own personnel, third parties, and communities, integrating all of our operations—manufacturing, distribution, and commercial locations operated by our own personnel, contractors, and third parties.

Roughly 95% of these fatal events were related to road accidents (16 events), and 5% were connected to violence on public roads. Of the 17 fatalities, five (29%) were third-party employees/contractors, and 12 (71%) were community members connected to our operations. Five events (29%) were related to logistics/primary fleet; eight (47%) were connected to secondary distribution; and in 5 events (29%), the authorities determined that we were legally responsible, while in the rest of the incidents the community was deemed to be responsible.

Notably, we have reduced the total fatalities involving our own vehicles or personnel by 93% from 2016, and over the same period, we have managed to reduce the total fatalities involving our contractors and third parties by 43%.

Total fatalities
Own employees + third parties + communities



SHARED OPPORTUNITY WITH **OUR COMMUNITIES**

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

We work to strengthen and consolidate positive relationships with the communities with which we interact. We identify and develop shared opportunities for our company and communities' sustainable development, enhancing our ability to serve the marketplace while maintaining our social license to operate.

Sustainable Procurement

At Coca-Cola FEMSA, we work with our suppliers to reduce the environmental and social impacts generated by our commercial interactions and thus improve the conditions of our supply chain. In this way, we not only minimize negative impacts, but also raise standards in key business areas, increase labor efficiency, preserve environmental capital, and reduce risks and costs for all of those involved throughout the value chain.

As part of our company's sustainable procurement mandate, in conjunction with our defined strategic initiatives, each supplier cooperates to minimize their social and environmental risks over which we have no direct control and which cause the greatest number of impacts throughout our supply chain on a daily basis. The general guidelines that we use to make this happen are:

1. **The Coca-Cola Company's (TCCC) Supplier Guiding Principles** focus on strategic input categories and include areas such as Human Rights Policies, Environmental Protection, and Labor Rights. Through audits that ensure compliance with these standards, TCCC authorizes its bottlers to work with approved suppliers.
2. **Sustainable Agriculture Guiding Principles.** Established by TCCC, they include the same areas as the previous principles, but are adapted to suppliers of agricultural raw materials.
3. **Coca-Cola FEMSA's Supplier Guiding Principles.** We apply these principles to mitigate social risks of suppliers for categories that are different from those of the strategic inputs and are relevant to the value chain.

COCA-COLA FEMSA SUPPLIER GUIDING PRINCIPLES

Human Rights
1. Respect for human dignity
2. No to discrimination

Fundamental Principles and Rights at Work
3. No to forced or child labor
4. Freedom of association and trade-union freedom
5. Labor relations
6. Safety and health at work
7. Human capital development and well-being
8. Whistleblowing systems

Environment
9. Environmental impact and compliance

Commitment to the Community
10. Community development

Information Management and Security
11. Privileged and confidential information
12. Intellectual property
13. Personal data
14. Information security

Third-Party Relationship
15. Competition
16. Government and authorities

Culture of Lawfulness
17. Regulatory Compliance
18. Tax Compliance
19. Anticorruption
20. Anti-money laundering
21. Conflict of interest
22. Gifts, hospitalities, and/or Entertainment
23. Information update
24. Corrective measures

For further information you may access one of the following links:

Spanish
English
Portuguese

These principles reflect the standards that guide our daily activities to ensure we provide responsible workplaces that protect human rights and comply with environmental laws. Founded on these principles, we follow a comprehensive five-step Sustainable Procurement Strategy:

Prioritization of categories

At Coca-Cola FEMSA, we use a proprietary tool to identify which suppliers are candidates for a development process. Suppliers are prioritized considering factors such as expenditure, environmental, social, and ethical impacts for each product category, dependability, brand association, and operational criticality.

Sustainable purchases

Through this step, we include Coca-Cola FEMSA's Supplier Guiding Principles in our supplier contracts and requests for information, provide general guidelines for assessment procedures, and conduct training for sourcing and purchasing employees.

Assessment

At Coca-Cola FEMSA, we assess our suppliers continuously through our Sustainable Procurement System, ensuring that they are aligned with our company's operating principles and values. Carried out online, this assessment focuses on four main areas: Social/Labor Rights; Environment; Ethics and Values; and Community. To ensure the process's transparency, a third party reviews and verifies the information, and we then provide feedback and create action plans to encourage supplier development, ethics, and sustainability. All suppliers with low scores are subject to improvement plans at their facilities and are evaluated periodically to encourage their continuous improvement. This year, we conducted 699 supplier evaluations based on Coca-Cola FEMSA's Supplier Guiding Principles. Since 2015, we have carried out 3,215 evaluations under these principles.

Consistent with this strategy, The Coca-Cola Company (TCCC) assesses and ensures compliance with its guiding principles and sustainability standards for specific categories of strategic suppliers; at Coca-Cola FEMSA, we only work with suppliers approved by TCCC in those categories. In 2021, TCCC carried out 253 evaluations of suppliers aligned with their Supplier Guiding Principles and Sustainable Agricultural Guiding Principles.

The Coca-Cola Company

Country	2016	2017	2018	2019	2020	2021
Mexico	52	40	59	37	27	130
Costa Rica	3	7	0	1	7	0
Guatemala	5	8	7	8	7	7
Nicaragua	1	0	0	1	1	0
Panama	0	3	3	2	1	1
Argentina	11	19	10	10	10	25
Brazil	47	102	51	42	57	65
Colombia	7	18	11	4	10	25
Total	**126**	**197**	**141**	**105**	**120**	**253**

Coca-Cola FEMSA

Country	2015	2016	2017	2018	2019	2020	2021
Mexico	100	198	245	172	165	164	143
Costa Rica	30	120	106	34	41	35	47
Guatemala			49	34	36	35	57
Nicaragua		84	94	27	21	15	24
Brazil			45	66	63	245	266
Panama				36	24	30	36
Argentina				31	31	17	42
Colombia					30	51	56
Uruguay					15	27	28
Total	**130**	**402**	**539**	**400**	**426**	**619**	**699**

In addition to these assessments, Coca-Cola FEMSA is one of the few companies that promoted the application of these assessments to Tier 2 suppliers or the suppliers of our suppliers. Currently, our strategic suppliers are applying the same risk assessment and mitigation mechanisms within their own value chain. This ensures that the knowledge and the drive for greater sustainability not only remains within our direct circle of influence, but also extends to all of those who participate in supplying raw materials, inputs, and services. In 2021, we evaluated 61 indirect Tier 2 suppliers based on Coca-Cola FEMSA's Supplier Guiding Principles. Since 2018, we have conducted 143 evaluations under these principles.

Year	Tier 2 Suppliers Evaluated
2018	26
2019	36
2020	20
2021	**61**

Capabilities development

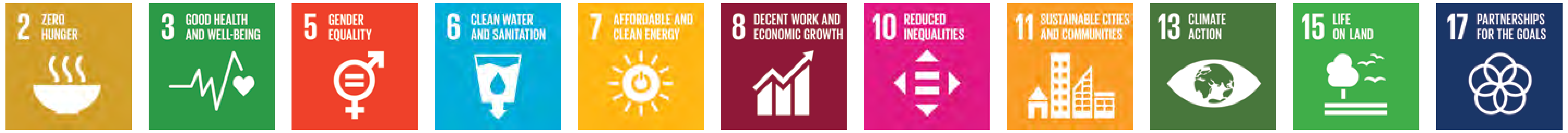
To strengthen our suppliers' business capabilities, we provide them with access to training and growth initiatives on topics such as finance, marketing, and human resources, among others. We also support their growth and build their business skills, improve their companies, and develop high quality products aligned with our principles and values.

In collaboration with GDS Resources, we carry out a Comprehensive Supplier Development Program for strategically selected small- and medium-sized enterprises (SMEs) to improve their business capabilities. Through this program, we collaborate with suppliers to not only improve their sustainable competitiveness, but also forge stronger relationships with our company and other large companies. In 2021, eight suppliers participated in the program, training a total of 263 suppliers from Mexico.

Recognition

The good performance of our suppliers on sustainability issues is very important. Accordingly, we recognize all those suppliers that incorporate sustainability into their own business's DNA not only as a requirement for doing business with Coca-Cola FEMSA, but also as a competitive advantage and a means to become socially responsible. During 2021, we conducted virtual recognition forums for suppliers to our Brazil, Costa Rica, Guatemala, Mexico, and Panama operations, where we recognized 64 suppliers from over 374 participating companies for their remarkable practices.

SUSTAINABLE COMMUNITY DEVELOPMENT



At Coca-Cola FEMSA, we look to provide tools that allow for the sustainable growth and development of the communities within our social and operational footprint. At the same time, we work to develop standardized activities through all of our countries with high social impact to protect and promote the prosperity of all of the people in these communities and to continue to build socially responsible environments throughout our value chain.

Throughout the year, we developed strategies with our communities, prioritizing activities focused on our sustainability pillars—Our Planet, Our Community, and Our People—that benefitted approximately 1.3 million people during 2021. Thanks to our alliances with The Coca-Cola Company, The Coca-Cola Foundation, and FEMSA Foundation, we implemented more than 120 initiatives that contributed to the achievement of the UN Sustainable Development Goals.

Through actions focused on Our Community and Our People pillars, we benefitted more than 400 thousand people throughout our operations, and we worked on more than 2 thousand volunteering activities that impacted over 300 thousand people. Specifically, we prioritized our community integral wellbeing, early childhood development, economic growth, sustainable procurement, and inclusion and diversity initiatives.

1.3 million benefited in neighboring communities that contributed to the achievement of the UN Sustainable Development Goals.

Together with FEMSA Foundation, we carried out actions and achieved long-term benefits focused on early childhood development. Among the highlights, in Brazil, we undertook the Vamos a Brincar and Guia Pela Primeira Infância programs to promote active and healthy lifestyles for children between the ages of three and five with the support of their families and teachers. In Colombia, we helped to reduce gaps in early childhood education for children from vulnerable families through La Mojana. In Nicaragua, in alliance with Glasswing, we delivered family and emotional welfare kits, as well as baskets of food and hygiene products, under the Desarrollo Infantil Temprano program. Additionally, in Costa Rica, our Lazos de Amor initiative trained parents and caregivers to stimulate the development of skills for 100 children from birth through age 5.

To promote healthy lifestyles and a positive family environment, we continued activities that promote exercise—like Vive Bailando - Somos Sabor and Me Gozo la Vida in Colombia—where we use dance and movement to artistically express emotions, thereby achieving a healthier physical and mental state. Moreover, through the Fiesta Navidad Calle Blancos and Natal Sem Fome initiatives in Costa Rica and Brazil, respectively, we deployed luminous caravans to distribute and donate more than 4,000 baskets of basic goods. Furthermore, in Venezuela, we continued the Red de Entrenadores program, which has trained 800 coaches, positively impacting more than 60 thousand young people in vulnerable communities across the country since its creation in 2016.

Economic development and empowerment

At Coca-Cola FEMSA, we strive to positively impact society by investing and supporting small business owners because they can transform their communities.

Consistent with our commitment to support communities and achieve a more sustainable environment focused on inclusion and diversity, we developed activities to create resilience and reactivate local economies. To this end, we deployed economic development projects to support the rentability and sustainability of more than 17 thousand people's businesses, mainly in the traditional channel, through entrepreneurship and economic empowerment training with innovation and digitalization components.

Consistent with our commitment to support communities and achieve a more sustainable environment focused on inclusion and diversity, we developed activities to create resilience and reactivate local economies.

Furthermore, we are promoting women's resilience to emerge from the pandemic and reinvent their business to adapt to the new normal.

In Mexico, we joined forces with The Coca-Cola Company, FUNDES, and Pro Mujer to implement the Programa Mujeres en el Canal Tradicional, through which we carried out individual training in areas such as client development and sales, business management, digital abilities, and financial health. This program's goal is to bolster the development of women and small businesses, so they can recover from the recent economic crisis and adapt to the new digital business reality. With the State of Chiapas' Secretary of Gender Equality, we also developed the Juntas Crecemos tu Negocio initiative, which looks to empower vulnerable women with the strengths and skills to get their businesses to take off.

Similarly, in South America, we worked on programs focused on gender equality, inclusion, and diversity. In Brazil, together with The Coca-Cola Company, we developed the Coca-Cola dá um gás no seu negócio initiative, in which we trained Afro-descendent women entrepreneurs in small stores and economic kitchens through the Camellia Institute. In Colombia, we strengthened small businesses long term, while promoting responsible financial models under the Finsotienda y Ruta Tenderos program. Moreover, in Venezuela, we provided training for the development of women's collective leadership, with a psychosocial component, through the Red de Empoderamiento program.

Furthermore, we are promoting women's resilience to emerge from the pandemic and reinvent their business to adapt to the new normal.

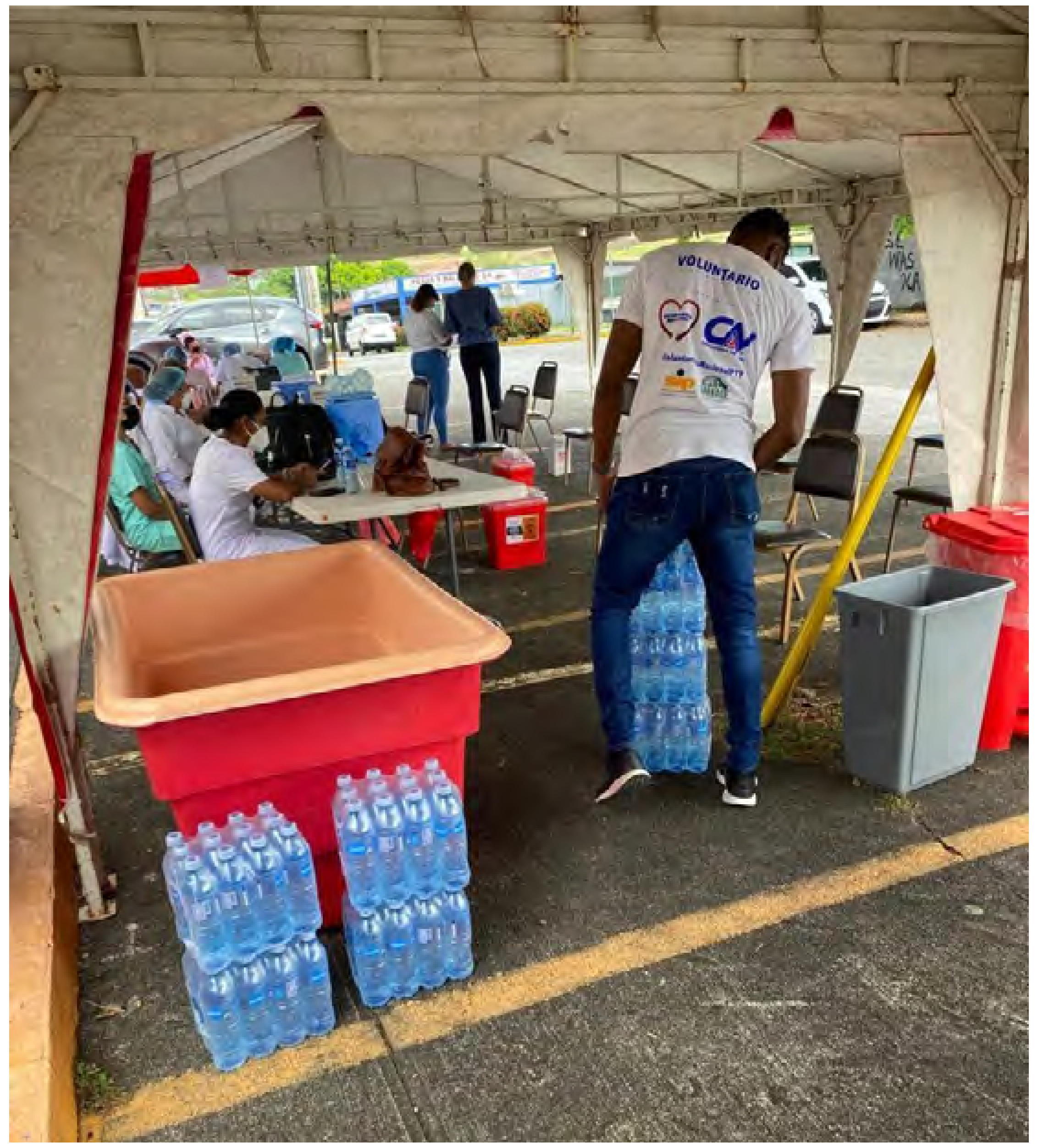
With an investment of over US$9 million, projects focused on the Our Planet pillar prioritized activities in the areas of circular economy, water stewardship, climate action, and environmental education. In collaboration with The Coca-Cola Company, we have also been working with non-governmental organizations (NGOs), local governments, and consumers to define a roadmap that will reduce our environmental impact.

This year, we collected over 70 thousand tons of waste in a holistic, transversal way. Some of our most important initiatives include: Movimiento Re and Reciclar Tiene Valor in Colombia, a collaboration of several environmentally committed companies to strengthen recycling organizations and thereby increase their collection capabilities; Limpieza de Playas in Guatemala, a volunteer initiative to create a reduce, reuse, recycle culture; Mi Tienda sin Residuos in Mexico, a program to place PET plastic recycling bins in Oaxaca; and Misión Planeta in Costa Rica, a 25-year recycling program focused on PET plastic and Tetra Pak recycling.

We have further established important alliances with West Coast Waste, Geocycle, GRAVITA, ECOCE, Recicladora Nacional, FEMSA Foundation, and The Coca-Cola Company Mexico's Reciclatón.

Finally, in conjunction with the water funds we operate in collaboration with FEMSA Foundation, through 2021, we benefitted approximately 100 thousand people in neighboring communities around the water basins through job creation and capabilities training since the projects began.

COVID-19 ACTIONS



Aligned with our comprehensive management framework, we continued to prioritize the safety and wellbeing of our employees, customers, consumers, and communities throughout the COVID-19 pandemic. By prioritizing their health and safety, we reinforce our company's commitment to delivering economic value, while generating social and environmental wellbeing.

As a leading beverage company, we have made our resources available to build on the actions of the communities where we operate. In solidarity with our communities in 2021, we have offered our company's support through our donation of more than 2 million liters of beverages to medical personnel and vulnerable families across our markets.

We have further collaborated with government authorities to leverage our marketing spaces and delivery trucks in the communication of prevention measures, including fliers to spread messages of prevention and care. We have also played an important role in vaccine rollouts across some of the countries in which we operate.

MOVING FORWARD TO A **NEW ESG STRATEGY**

We are committed to place sustainability at the heart of the organization, fostering an ESG-centered culture. In pursuit of this goal, we will update our ESG strategy, looking to rise to leadership status in our industry, as reflected in our performance in evaluations, indexes, and rankings. In addition, this strategy will be aligned with both The Coca-Cola Company's and FEMSA's efforts.

The following objectives for sustainability/ESG were defined:

i) Strategy and priorities: define the company's sustainability strategies and priorities.
ii) Public pledges: optimize the revision and approval of public commitments and policy related to sustainability topics.
iii) Management and assignment of resources: develop a mechanism to revise and approve budgets, resources, and investments to carry out our sustainability strategies and fulfill public commitments.
iv) Monitoring and supervision: ensure that our public commitments are fulfilled, financed, executed, and communicated appropriately in the manner that was approved by senior leadership.
v) Risk mitigation: analyze external social and environmental dynamics, trends and emerging risks, and possible strategic alternatives. Oversee sustainability efforts to mitigate risks that may have a significant impact on the business.
vi) Redefine and prioritize Social/Community programs at country and operation level.
vii) Inclusion and Diversity.

To ensure we are able to reach these objectives in an efficient manner, during 2021 we agreed to establish an ESG Committee, starting on 2022, which will be composed of members of our senior leadership team—to ensure that all of the relevant areas of our business and all of the countries in which we operate are fully involved in the creation of ESG initiatives and decisions. Aligned with our strategy, our aim is to continually reinforce our commitment to create value in the areas of social, environmental, and corporate governance, while generating economic value across all of the communities we serve.

Coca-Cola FEMSA | ESG Environmental, Social & Governance Comitee

Consistent with our commitment to foster an agile, digital savvy, and people-centric culture, we defined our Human Resources (HR) function's long-term strategy.

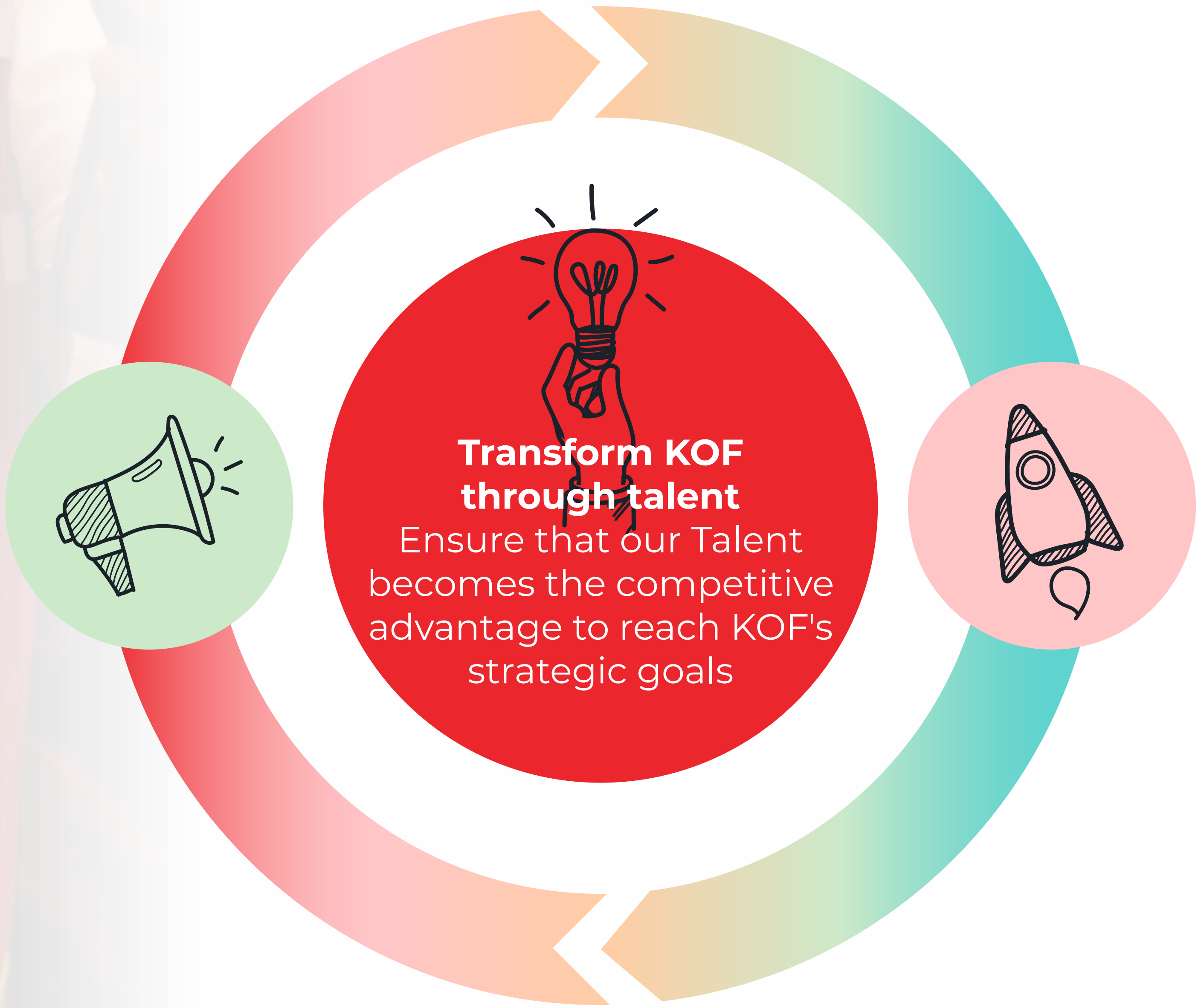
To facilitate this strategy, HR acts as agents of change—leading our cultural transformation journey, reshaping our company through talent, enabling key organizational capabilities, and improving HR data and processes to deliver faster and better services to our organization.

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

FOSTER AN AGILE, DIGITAL SAVVY, AND PEOPLE-CENTRIC CULTURE

HR Strategy 2020-2025



CULTURAL & ORGANIZATIONAL TRANSFORMATION

Our cultural transformation journey, coupled with the complex business outlook brought on by the COVID-19 pandemic, required the continuity of relevant cultural changes throughout the organization. Our HR function became an active strategic business partner, efficiently facing the company's business needs and adding value to the overall strategy.

Deployment of DNA KOF
In 2018, we began our cultural transformation with the launch of **KOF DNA**. One of the elements of our DNA is to be **agile decision-makers**, which is why we promote action oriented decisions.

COVID-19
"The 2020/21 global pandemic has elevated the role of the CHRO and the HR function."

—Gartner

The **pandemic** brought a series of **HR challenges**, enabling it to become a strategic partner for the business. This required HR to **reconfigure** its **model** and **ways of working** to support all of the company's needs.

Functionalization
In 2019, we began a **functionalization** process to achieve **greater alignment** of our corporate areas and countries where we operate, ensuring **more agile** and **better services**.

In 2018, we launched our DNA to ensure that our customers and consumers were prioritized to our activities. This year, we reinforced our DNA—establishing that our people are at the center of everything we do. To this end, we continued to create mechanisms and practices to live and refresh our DNA throughout our organization. For example, we developed and implemented a recognition program known as "Estrella KOF" or "KOF Star" in all of our operations, where our employes nominate and recognize their colleagues for showing extraordinary commitment to our DNA.

We further focused on our digital and agile transformation, enabling our organizational capabilities, transforming KOF through talent, and improving our data processes and services. Among our strategic initiatives, we developed our Agile & Digital Academy, which offered digital capabilities training to more than 5,500 leaders throughout the organization. We also adopted agile ways of working like digital communities and cells. Moreover, we are analyzing the world's trends and defining new ways of working in the post-pandemic environment, taking into account radical flexibility and making hybrid work a reality.

+5,500

leaders trained through our Agile & Digital Academy.

To support our transformation, we made organizational changes based on our refreshed corporate strategy, including the creation of commercial platforms to ensure our business transformation, the reorganization of the HR and Finance functions to offer greater strategic contributions to our business from these central areas, and the integration of the RTM Center of Excellence to unify our processes and practices to better serve our customers.

To this end, we designed robust HR, Finance, IT, Compliance, and Corporate Affairs models from our corporate areas to our countries of operation. These upgraded operating models focus on supporting our refreshed corporate strategy: on the one hand, they exploit our current capabilities through their focus on the transactional aspects of our business; on the other hand, they explore future opportunities through their focus on the strategic elements of our business.

Upgraded HR Operating Model

HR Talent Leaders	HR Transformation	Centers of Excellence (CoEs)	HR Operations
· Lead HR at country level · Make local decisions and execution · Respond in an agile manner · Build internal client relationships · Build labor relationships · Reduce focus on operational management · Harmonize new business and categories	· Focus on the future (innovation, benchmarks, best practices) · Drive cultural transformation · Lead inclusion and diversity agenda · Manage internal communications · Guard change management · Govern lean and agile methodologies	· Subject matter experts in each of HR's main functions: -Talent Management -Training and Development -Total Rewards -Labor Development -Health and Social Development -Security	· Execute transactional operations · Identify and develop shared services opportunities · Drive automation and digitalization · Generate insights based on HR information and analytics · Deliver employee experience
People partners	People of the future	People products	People services

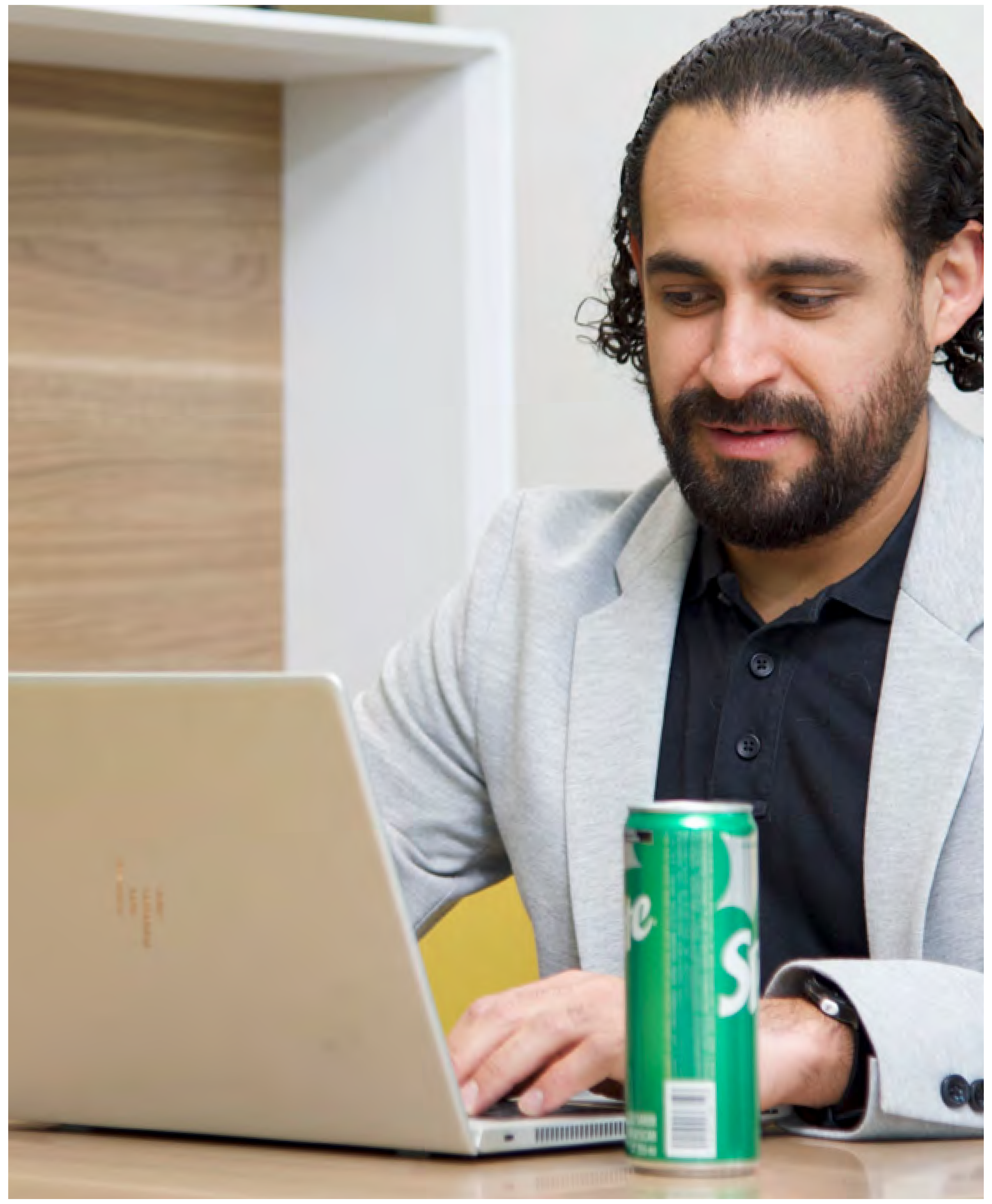
We conducted our biannual employee engagement survey throughout our operations. This year's survey showed significantly improved employee engagement and communication with leaders through various cultural and communication efforts such as KOFFEE Talks, which are spaces where leaders enjoy the opportunity to interact with our people to discuss topics of interest.

We further implemented our labor risk methodology assessment remotely across nine of our countries of operation to identify gaps in our operational basics, people needs, and feelings. This assessment enables us to gather relevant information regarding our operations, prevent possible labor impacts, and develop plans to address identified needs.

Finally, we are integrating the core capabilities of our business, developing different functional academies focusing on areas such as logistics, commercial, warehouses, and manufacturing, among others.

Functional Academies

This year, we completed eight functional academies to further develop the core capabilities of our business. Comprised of 80% virtual and 20% face-to-face instruction, these academies currently cover over 49,000 employees.



Distribution 1.0

Courses: **34**

Warehouses

Courses: **15**

Logistics

Courses: **45**

Asset Management

Courses: **36**

Commercial Basics

Courses: **55**

Manufacturing

Courses: **63**

Property Protection

Courses: **14**

Leadership & Culture

Courses: **22**

TALENT MANAGEMENT AND DEVELOPMENT

Our people and the way they work together are our company's most valuable assets. Accordingly, we comprehensively manage, attract, develop, and motivate our people effectively, preparing the next generation of leaders today.

This year, we designed and implemented programs to ensure we have the right talent for the right position. Recognizing that we have many talented people across the company, we constantly reinvent ourselves and mobilize the entire organization to get the best out of our talent, unleash its full potential, and inject new capabilities. This year we won the LinkedIn Talent Award, recognizing us as a company that excelled at engaging with talent, creating inclusive workplaces, building strong employer brands, encouraging learning and development, and focusing on employee retention. Among our initiatives, we created our employer brand to attract the best talent, and we developed programs like internships with top U.S. universities and other key organizations to increase talent injection. We also continued implementing the lab leadership program for the Supply Chain function, giving us greater talent visibility, and enabling us to enjoy a better succession pipeline for key positions.

Lab Leadership Program

Our Lab Leadership program aims to facilitate accelerated development of talent at the Supply Chain & Engineering talent to develop, expose, and generate international mobility

Program Features

- Duration of the program: 4 semesters - 2 for local experiences and 2 for international experiences.
- A biannual mentoring meeting with Rafael Ramos.
- A monthly follow-up meeting with the Talent area.
- Check point scheme with the Local Supply Chain Director.

During the year, we continued to build our Performance Management System, giving depth to leader-collaborator conversations while focusing on accountability and contribution to the business. To this end, we evolved our technological enabler Success Factors Talent Platform to accompany these dialogues and to close the virtuous circle between user experience and execution.

We further kept on improving our talent management processes, proactively ensuring that we offer the best user experience. Moreover, we deployed our annual 9-Box Talent Assessment and 360° evaluations for leaders, enhancing our talent quality, succession, mobility, and execution metrics, while focusing on our high potential talent.

Training hours

Average hours per contribution level

52.75%
Strategic Leaders

67.37%
Tactical Leaders

72.81%
People Leaders

37.76%
Individual Contributors

22.37%
Operations Contributors

31.23%
Interns

Average hours per gender

27.20%
Male

28.34%
All

36.05%
Female

INCLUSION & DIVERSITY

At Coca-Cola FEMSA, we are on our way to creating an environment in which each person feels included and valued for their own knowledge, behavior, skills, and results, with opportunities for development and recognition based on their talent. To this end, our strategic pillars are:

Inclusive Leadership *Recognition as a company with inclusive leaders and work teams*	**Flexible Environment** *Foster a flexible and agile environment that adapts to the needs of our surroundings*	**Diverse Talent** *Ensure a diverse, inclusive, and respectful workplace for all our employees*
Inclusive Leadership Training • Unconscious bias training and awareness • Ignite leader's role as inclusion and diversity advocates **Engaging and Connecting** • Raise awareness and create a call to action on social issues that impact our communities	**Certifications and Recognitions** • Inclusion on various indexes and obtain recognitions such as: Bloomberg Gender-Equality Index, Human Rights Campaign, UN Women, Women Matter – McKinsey, Linkedin Talent Awards **New Normal** • Efforts deployed alongside new normal practices and new ways of working	**Female Talent Pipeline** • Representation of women in leadership roles • Efforts to foster female employability **Discussion Forums** • Provide safe places for our employees to dialogue **"Our Label Is Talent" Campaign**

Aligned with the pillars of our Inclusion & Diversity Strategy, we carried out several initiatives throughout the year to reinforce our company's commitment to inclusion and diversity. From our "We-talks" discussion forums to our Inclusion and Diversity Forum, we raised awareness of important societal issues that will enable our employees to play a role in creating a more equal, diverse, and inclusive organization.

Inclusion & Diversity Board

To accelerate the development of a truly inclusive and diverse organizational culture, our companywide Inclusion and Diversity Board is focused on five main purposes:

1. Engage and hold leaders accountable throughout the organization
2. Define both long- and short-term objectives and strategies aligned with our company's inclusion and diversity vision
3. Ensure functionality of work teams at a country and regional level
4. Ensure deployment of an internal and external communication plan
5. Measure, monitor, and evaluate initiatives.

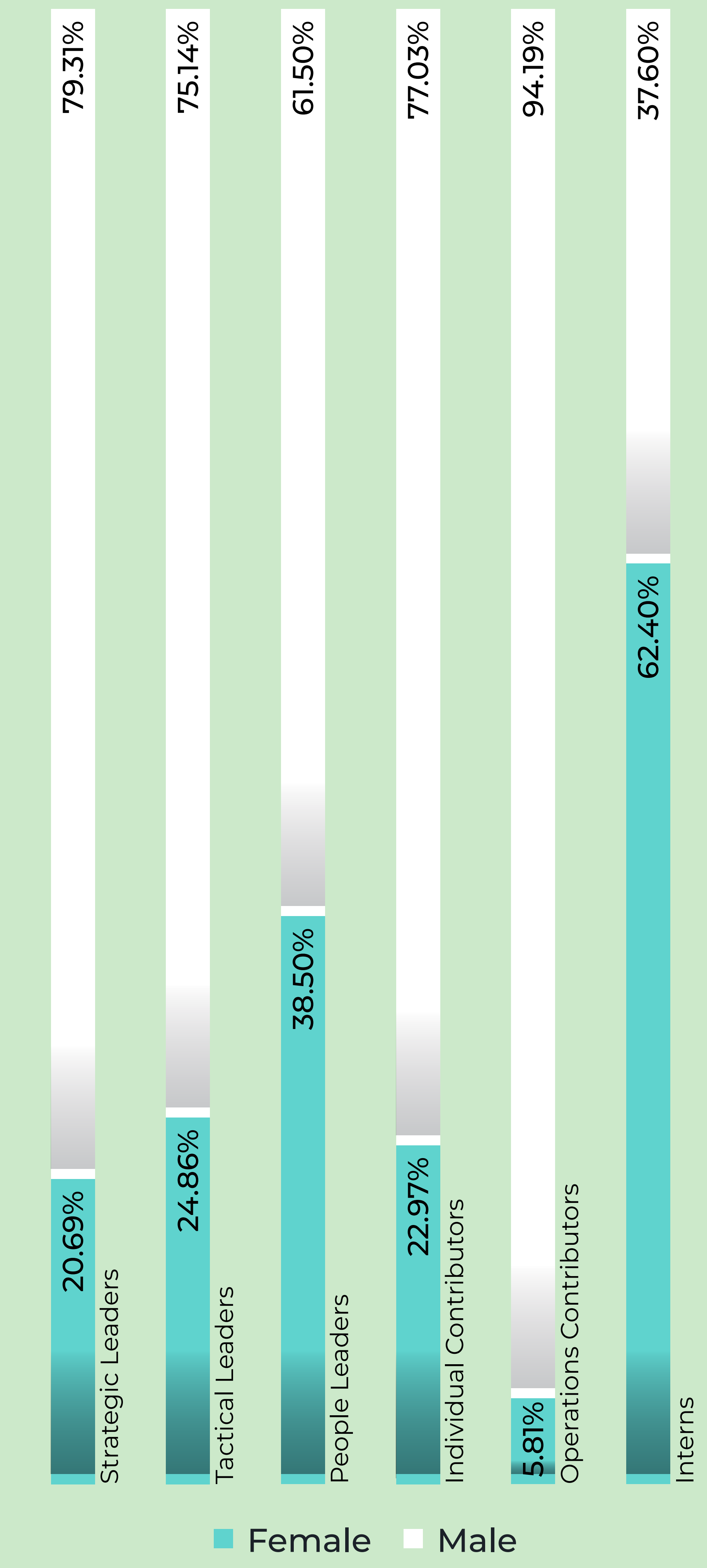
Leveraging our Inclusion and Diversity Board, as well as company leaders, we have prioritized and accelerated the diversity of talent that makes up our company, placing great emphasis on increasing the mix of female talent at all levels of the organization with a primary focus on leadership and operative positions. With that in mind, we became a signatory to the UN Women's Empowerment Principles, as we continue creating an inclusive and diverse organization.

Our operations are developing and deploying initiatives to increase women's representation.

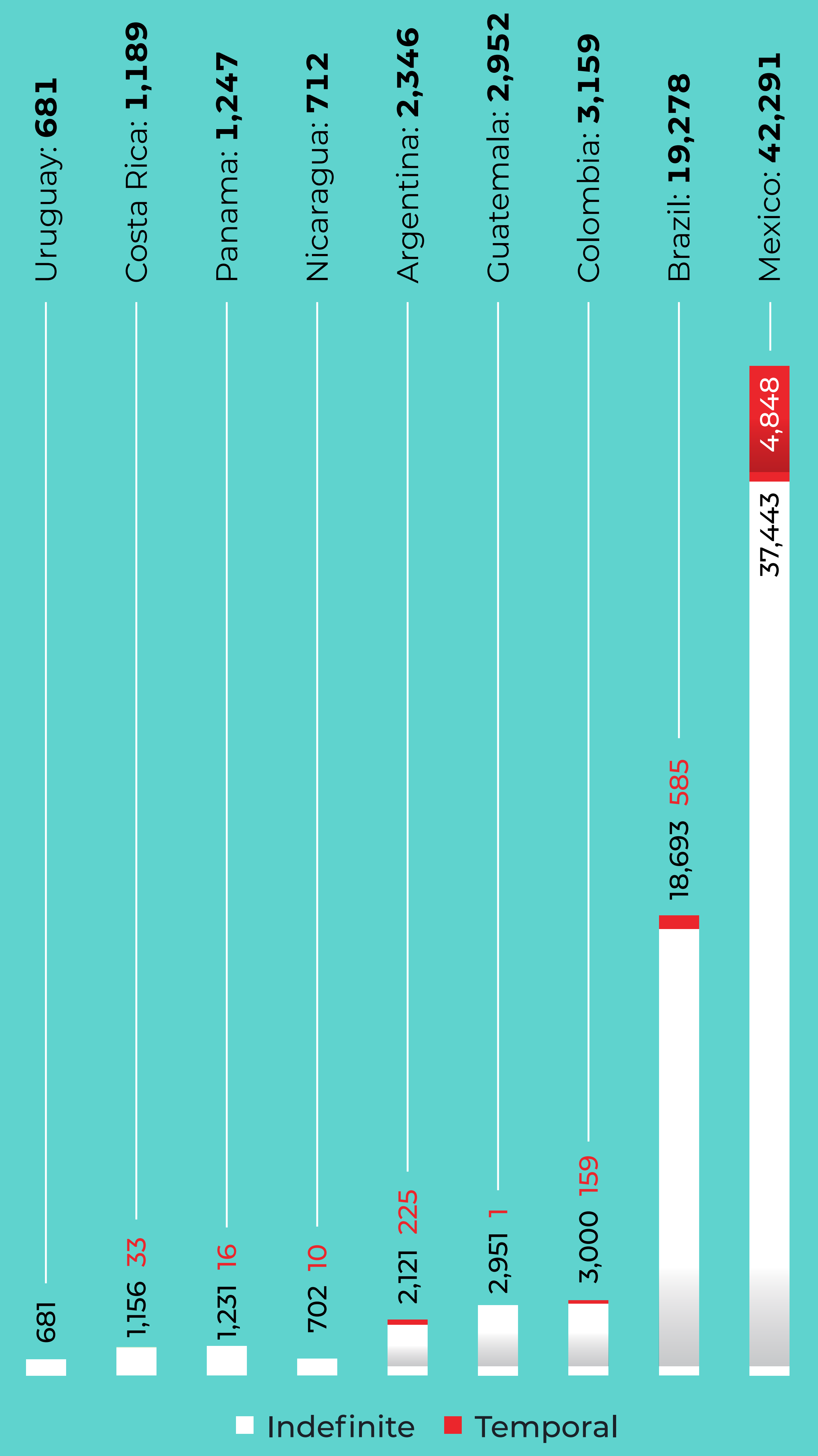
Improving gender diversity

Aligned with our commitment to improve gender diversity at all levels of the organization, our operations are developing and deploying initiatives to increase women's representation. Among their initiatives, Mexico implemented a systematic plan to recruit, develop, and retain female talent, incorporating 108 new women in their operation. Brazil developed a program to train women to operate forklifts. Moreover, Guatemala not only developed a program focused on women, but also a program to attract native people through a strategic alliance with the Labor Ministry and Native People Associations.

EMPLOYEES
Per age group in each contribution level



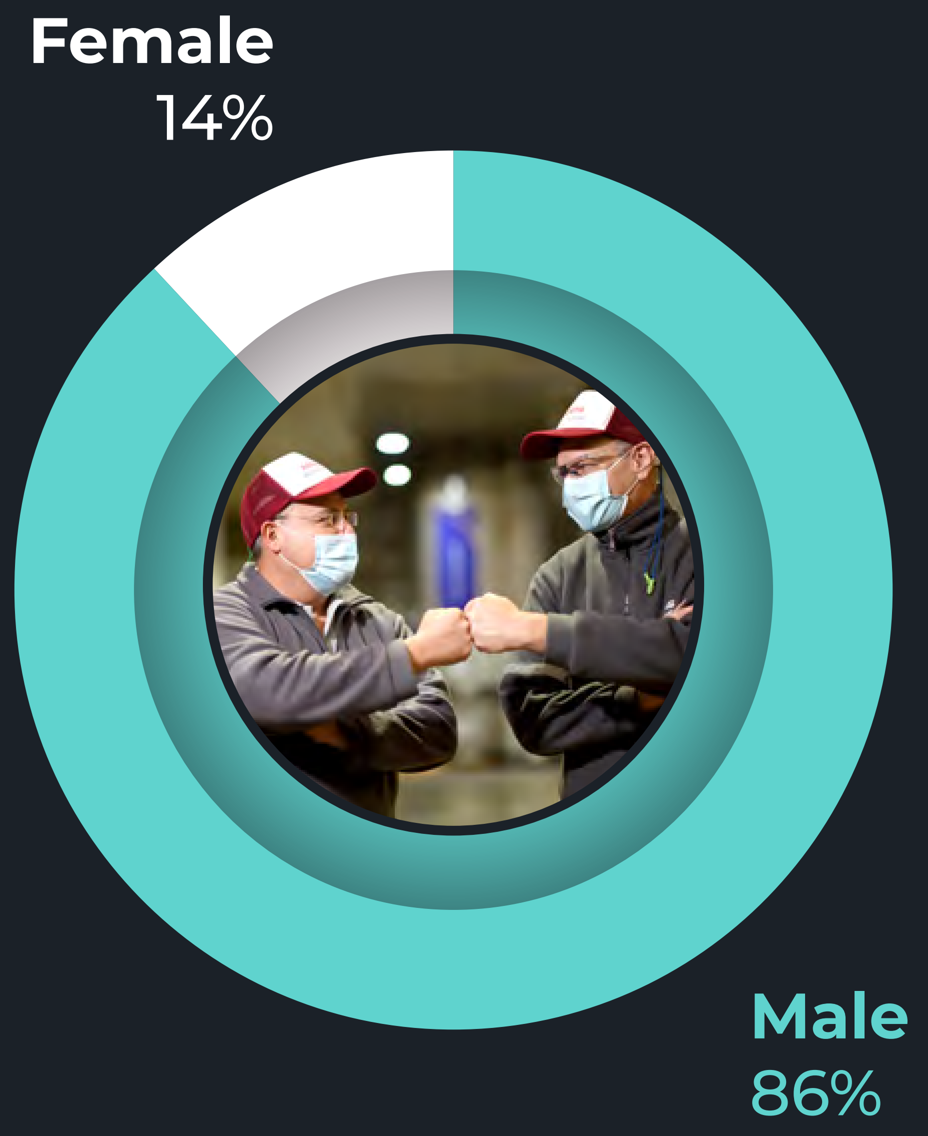
EMPLOYEES
Per gender in each contribution level



EMPLOYEES
By contract & region

84,568

Employees



COMPENSATION AND BENEFITS

Our people's compensation and benefits scheme not only recognizes their effort and commitment to their jobs, but also their contribution to our company's value creation. Therefore, despite the continuing impact of the COVID-19 pandemic, we were able to keep salaries aligned with local levels of inflation or market references during 2021.

Thanks to the optimization of our organization's job valuation process, through a model based on job families, we not only generate efficiencies in our current workforce management, but also strengthen our talent processes such as development, succession, and talent planning. Also, it allowed us to improve our compensation plan to accompany the contributor's salary throughout their development.

Moreover, we analyzed the current variable compensation schemes throughout our operations to reduce the overall number of schemes and to implement a tool to manage and automate them. We also continued the implementation of a flexible benefits program to offer our people new and different options that we identified within the market, based on our people's interests. To support all of our workers in our new working schemes, we are giving them different ways to maintain their wellbeing and health. We further analyzed our turnover to design strategies to retain our top talent.

Despite the continuing impact of the COVID-19 pandemic, we were able to keep salaries aligned with local levels of inflation or market references during 2021.

At all levels of our organization, we ensure that our employees' remuneration is competitive, and their conditions are equal for both men and women.

At all levels of our organization, we ensure that our employees' remuneration is competitive, and their conditions are equal for both men and women. Additionally, based on studies performed by international consulting firms that enable us to make comparisons between countries, we can determine that our employees are receiving an integrated salary that is greater than or equal to the market average.

We act in accordance with obligations defined by law and in full respect of labor rights, exceeding the conditions and benefits established in the laws of each country where we operate. We respect our people's right of association and, as such, our collective agreements cover approximately 62% of employees. These employment contracts are reviewed and agreed with all our union representatives, respecting the established validity periods, as well as complying with all notification deadlines.

SOCIAL DEVELOPMENT

Aligned with our comprehensive wellbeing model, we promote our people's integral development and quality of life.

To this end, our Social Development Strategy concentrates on five dimensions:

- **Health:** We promote healthy physical and bio-psychosocial lifestyles for our employees.
- **Social Relationships:** We encourage satisfactory relationships in harmony with the environment and community through employee volunteering activities.
- **Economic:** We promote the protection of assets and the generation of savings through a culture of financial intelligence.
- **Education:** We promote participation in programs and trainings to improve and increase knowledge and personal development skills.
- **Labor:** We promote positive work experiences based on respect and compliance with Human Rights, as well as fostering workspaces that promote safety and labor relations.

KOF Volunteers Program

We encourage the development of our employees and their families as responsible citizens, committed to their community, society, and environment. Through the KOF Volunteers program, we promote initiatives that enable us to beneficially impact the quality of life and wellbeing of the communities where we operate, strengthening our relationships with them, while positively affecting our corporate position and reputation.

2,424,873.1

hours of volunteer work since 2015

Our overall volunteer activity is committed to six different causes:

Community Development	Environment	Natural Disasters	Health	Education	Human Rights
We come together to carry out collective action and generate solutions to common problems to create a positive impact and build stronger and more developed communities.	We are focused on responsible environmental management and the responsible care and use of natural resources, with attention to our Strategic Sustainability Framework, especially on issues such as water, energy, carbon emissions, water bodies' cleanup, and reforestation.	We promote solidarity efforts in the event of natural disasters, providing support to people and affected areas, while carrying out prevention activities for greater awareness, with special attention given to the communities where we operate.	We undertake activities that promote healthy physical and bio-psychosocial lifestyles, as well as initiatives related to humanitarian aid, nutritional training, and with the health sector in general.	Our activities aim to improve educational levels and promote cultural, creative, and technological development.	We seek to generate positive volunteer experiences based on respect and compliance with Fundamental Human Rights.

In this complex environment, we focused on remote and distance volunteering activities to support the quality of life of our people and communities. During the year, 93,012 participants, including our employees and their families, devoted 254,873 hours to 2,432 volunteer initiatives, supported by an investment of US$279,734.63.

Throughout this year, we developed several activities across the countries, regarding the six different causes: for the environment, we performed activities to recycle water bottles and plant trees in Mexico, Colombia, Guatemala, Panamá, and Venezuela. For the health cause, we made campaigns to support the community with medicines and treatments, and to support our people who are going through difficult situations, we designed a program to give emotional and psychological support to manage difficult situations related to COVID-19 in all our countries. These were some of the activities that we undertook during 2021. Volunteering activities remained a challenge because of the complex situation wrought by the pandemic. Therefore, we developed distanced and face-to-face activities, taking into account every COVID-19 recommendation to take care of our employees.

OCCUPATIONAL HEALTH

At Coca-Cola FEMSA, we seek to improve employees' physical and psycho-emotional health, encourage engagement and a sense of belonging within the organization, and strengthen our health and social programs for an improved work environment.

Occupational Health & Wellbeing Management System

Our Occupational Health & Wellbeing Management System establishes the vision, strategy, objectives, elements, and activities through which we improve the quality of work life for our employees across our company's work centers and strategic business units. Complying with our legal, ethical, scientific, and organizational framework, this system encompasses our health and wellbeing processes and programs that we apply according to applicable risk matrices, local legislation, and operational needs.

2%

improvement in our lost days due to our General Illness Index versus 2020

Health & Wellbeing Policies

At Coca-Cola FEMSA, our Corporate Occupational Health area is responsible for proposing relevant revisions and updates to our two Health and Wellbeing Policies:

- Global Safety and Occupational Health Policy
- Human Rights Policy

As well as this annual corporate review, which is sent for approval to our Director of Social and Labor Development and Global Director of Human Resources, our company's internal audit area reviews these policies for dissemination and implementation across our operations.

Continuing COVID-19 Actions & Initiatives

As a key player within an essential value chain, we take our commitment to provide hydration and nutrition to the communities we serve with all seriousness. More importantly, we know that, to deliver on this commitment, the health, safety, and wellbeing of our employees are at the front and center of our priorities.

Lost Days due to General Illness Index per 100 Employees
(Less is better)

This year, we continued to prioritize the occupational health, safety, and wellbeing of our employees throughout the course of the COVID-19 pandemic. Indeed, many of our reinforced health, sanitation, and hygiene protocols are becoming not only a daily routine, but also Coca-Cola System and industry benchmarks.

Beyond our ongoing health, sanitation, and hygiene protocols, including our protocol to follow-up active and suspicious COVID-19 cases, we developed a health app to manage our back to office initiative. With these and other initiatives, we not only take care of all of the defined protocols to keep our people safe, but also proactively monitor our people's health.

We made several efforts to promote the vaccination against COVID-19 among our employees; we gave paid labor permissions for our people to attend the vaccination journeys in their corresponding localities, according to the national vaccination plans of the countries in which we operate. In some operations, private transportation has been provided from the operating unit to the vaccination center, so that workers have greater comfort and are motivated to get vaccinated.

There are also various communication campaigns with the benefits of the vaccines, we have designed talks given by our medical services, as well as webinars and virtual conferences, with medical specialists to explain and clarify all doubts related to vaccines.

Employee Support Program

Throughout 2021, we continued with our Employee Support Program across all of our operations. This emotional support program is designed to help our people and their families to cope with any situation that may cause stress, anxiety, and depression, among other emotional disturbances, and to give them psychological support.

This program is part of our comprehensive welfare strategy to reduce psychosocial risk factors inside and outside of work through the counseling and attention of psychologists and other health professionals according to our people's different situations.

PATH TO **DIGITAL**

During the year, we carried on working to move our HR function into the digital era while improving our employee experience.

To this end, we continued the deployment of our Success Factors Platform (SSFF) throughout all of our operations. Ultimately impacting all of KOF's employees, this platform will integrate, improve, and simplify our leaders' and employees' experience with HR processes. Currently, we are working on standardizing and migrating our HR Administration backbone, including our master database and payroll systems, to a cloud-based solution in order to meet market trends and set the foundation for our path to digital.

This year, we finished the implementation of Employee Central across all of our operations. This tool is designed to transform personnel administration management, promoting leaders' empowerment while improving our employee experience. It is the base of global HR tools where the organization's master data is housed. We also continued to make significant progress on HR process standardization and automation for our third parties management, variable compensation, and time and attendance processes. Notably, we deployed in 2021 the cloud version of our variable compensation tool in Brazil, Colombia, and Panama, while implementing our time and attendance tool in our corporate offices.

Furthermore, we began implementing a tool to gather greater information about our employee voice, so we can develop and launch more surveys to give us valuable employee insights for our strategy. Additionally, we analyzed our current information capabilities and KPIs to design a standardization strategy across all of our operations through a central community, which will enable us to automate our dashboards, continuously improve our reports, provide equal information or benchmarks, and in the future, utilize predictive analytics.

APPENDICES

FINANCIAL **SUMMARY**

Amounts expresed in millions of U.S. dollars and mexican pesos, except data per share and headcount.

	U.S. (*)	2021	2020	2019	2018[4][5][6]	2017[2][3][4]	2016[1]
INCOME STATEMENT							
Total revenues	9,496	**194,804**	183,615	194,471	182,342	183,256	177,718
Cost of goods solds	5,177	**106,206**	100,804	106,964	98,404	99,748	98,056
Gross profit	4,319	**88,598**	82,811	87,507	83,938	83,508	79,662
Operative expenses	2,960	**60,720**	56,444	60,537	57,924	58,044	55,462
Other expenses, net	39	**807**	3,611	2,490	1,881	31,357	3,812
Comprehensive financing result	206	**4,219**	6,678	6,071	6,943	5,362	6,080
Income before income taxes and share of the profit or of associates and joint ventures accounted for using the equity method	1,114	**22,852**	16,077	18,409	17,190	(11,255)	14,308
Income taxes	322	**6,609**	5,428	5,648	5,260	4,184	3,928
Share in the (loss) profit of equity accounted investees, net of taxes	4	**88**	(281)	(131)	(226)	60	147
Consolidated net income	796	**16,331**	10,368	12,630	15,070	(11,654)	10,527
Equity holders of the parent for cotinuing operations	766	**15,708**	10,307	12,101	10,936	(16,058)	10,070
Non-controlling interest net income for continuing operations	30	**623**	61	529	768	679	457
RATIOS TO REVENUES (%)							
Gross margin	45.5	**45.5**	45.1	45.0	46.0	45.6	44.8
Net income margin	8.4	**8.4**	5.6	6.5	8.3	(6.4)	5.9
CASH FLOW							
Operative cash flow	1,595	**32,721**	35,147	31,289	29,687	33,236	32,446
Capital expenditures [7]	676	**13,865**	10,354	11,465	11,069	14,612	12,391
Total cash, cash equivalents	2,303	**47,248**	43,497	20,491	23,727	18,767	10,476

	U.S. (*)	2021	2020	2019	2018(4)(5)(6)	2017(2)(3)(4)	2016(1)
BALANCE SHEET							
Current assets	3,918	**80,364**	72,440	56,796	57,490	55,657	45,453
Investment in shares	365	**7,494**	7,623	9,751	10,518	12,540	22,357
Property, plant and equipment, net	3,031	**62,183**	59,460	61,187	61,942	75,827	65,288
Intangible assets, net	4,981	**102,174**	103,971	112,050	116,804	124,243	123,964
Deferred charges and other assets, net	872	**17,880**	18,294	16,673	17,033	17,410	22,194
Total Assets	13,238	**271,567**	263,066	257,839	263,787	285,677	279,256
Liabilities							
Short-term bank loans and notes payable	120	**2,453**	5,017	11,485	11,604	12,171	3,052
Interest payable	40	**811**	712	439	497	487	520
Other current liabilities	2,094	**42,957**	37,116	39,086	33,423	42,936	36,296
Long-term bank loans and notes payable	4,062	**83,329**	82,461	58,492	70,201	71,189	85,857
Other long-term liabilities	704	**14,445**	15,303	18,652	16,312	18,184	24,298
Total Liabilities	7,019	**143,995**	140,609	128,154	132,037	144,967	150,023
Equity	6,219	**127,572**	122,457	129,685	131,750	140,710	129,233
Non-controlling interest in consolidated subsidiaries	294	**6,022**	5,583	6,751	6,806	18,141	7,096
Equity attributable to equity holders of the parent	5,925	**121,550**	116,874	122,934	124,944	122,569	122,137
FINANCIAL RATIOS (%)							
Current	1.74	**1.74**	1.69	1.11	1.26	1.00	1.14
Leverage	1.13	**1.13**	1.15	0.99	1.00	1.03	1.16
Capitalization	0.41	**0.41**	0.43	0.37	0.41	0.39	0.41
Coverage	6.11	**6.11**	5.13	5.51	4.22	4.20	4.80
DATA PER SHARE							
Book Value (8)	0.353	**7.232**	6.954	7.315	7.434	7.293	7.365
Loss (income) tributable to the holders of the parent (9)	0.030	**0.935**	0.610	0.723	0.831	(0.765)	0.607
Dividends paid (10)	0.031	**0.634**	0.608	0.443	0.419	0.422	0.419
Headcount (11)	83,754	**83,754**	82,334	82,186	83,364	79,636	85,140

(1) Information considers full-year of KOF's territories and one month of Vonpar Refrescos, S.A. ("Vonpar").
(2) Income statement information considers full-year of KOF's territories and full-year of Coca Cola FEMSA Venezuela.
(3) Balance sheet information does not include Coca-Cola FEMSA Venezuela's balances due to deconsolidation as of December 31, 2017. Venezuela balance is included as investement in shares as of December 31, 2017.
(4) KOF Philippines has been classified as a discontinued operation in our profit and loss statement for the years ended December 31, 2017 and 2018.
(5) Income statement information includes 8 months of the financial results in Guatemala.
(6) Income statement information includes six months in the financial results for Uruguay.
(7) Includes investments in property, plant and equipment, refrigeration equipment and returnable bottles and cases, net of disposals of property, plant and equipment.
(8) Based on 16,806.7 million ordinary shares as of December 31, 2021, 2020, 2019, 2018 and 2017, and 16,583.4 million shares as of December 31, 2016.
(9) Computed based on the weighted average number of shares outstanding during the periods presented:16,806.7 million for 2021, 2020, 2019 and 2018, 16,730.8 million in 2017 and 16,730.8 million in 2016.
(10) Dividends paid during the year based on the prior year's net income, using 16,806.7 millions outstanding ordinary shares for 2021, 2020, 2019 and 2018 and 16,583.4 million oustanding ordinary shares for paid on 2017 and 2016.
(11) Includes third-party and for 2017 excludes 16,566 employees for our discontinued operation in Phillipines.
* Exchange rate as of December 31, 2021 Ps. 20.514 per U.S. dollar solely for the convenience of the reader according to the federal USA reserve.

MANAGEMENT **DISCUSSION & ANALYSIS**

Results for the Year Ended December 31, 2021
Compared to the Year Ended December 31, 2020

Consolidated Results

The comparability of our financial and operating performance in 2021 as compared to 2020 was affected by the following factors: (1) translation effects from fluctuations in exchange rates; and (2) our results in Argentina, whose economy satisfied the conditions to be considered a hyperinflationary economy. For the convenience of the reader, we have included a discussion of the financial information below on a comparable basis, excluding the translation effects from fluctuations in exchange rates. To translate the full-year results of Argentina for the years ended December 31, 2021 and 2020, we used the exchange rate at December 31, 2021 of 102.72 Argentine pesos per U.S. dollar and the exchange rate at December 31, 2020 of 84.15 Argentine pesos per U.S. dollar. The depreciation of the exchange rate of the Argentine peso at December 31, 2021, as compared to the exchange rate at December 31, 2020, was 22.1%. In addition, the average depreciation of currencies used in our main operations relative to the U.S. dollar in 2021, as compared to 2020, were 4.6% for the Brazilian real and 1.3% for the Colombian peso, and an appreciation of 5.6% for the Mexican peso relative to the U.S. dollar.

Total Revenues. Our consolidated total revenues increased by 6.1% to Ps. 194,804 million in 2021 as compared to 2020, mainly as a result of our pricing initiatives, coupled with favorable price-mix effects and volume growth. These effects were partially offset by unfavorable currency translation effects from some of our operating currencies into Mexican pesos and a decline in beer revenues related to the partial transition of the beer portfolio in Brazil. In addition, this figure includes other operating revenues related to entitlements to reclaim Ps. 254 million in tax payments in Brazil in 2021. See Note 23.2.1 to our consolidated financial statements. On a comparable basis, total revenues would have increased by 11.1% in 2021 as compared to 2020.

Total sales volume increased by 5.3% to 3,457.9 million unit cases in 2021 as compared to 2020, driven mainly by volume growth in Mexico, Central America, Colombia, Argentina, and Uruguay. This increase was partially offset by a slight volume decline in Brazil.

- In 2021, sales volume of our sparkling beverage portfolio increased by 4.2%, sales volume of our colas portfolio increased by 3.1%, and sales volume of our flavored sparkling beverage portfolio increased by 8.9%, in each case as compared to 2020.
- Sales volume of our still beverage portfolio increased by 18.9% in 2021 as compared to 2020.
- Sales volume of our bottled water category, excluding bulk water, increased by 18.3% in 2021 as compared to 2020.
- Sales volume of our bulk water category decreased by 1.3% in 2021 as compared to 2020.

Consolidated average price per unit case increased by 7.4% to Ps. 53.0 in 2021, as compared to Ps. 50.6 in 2020, mainly as a result of favorable price-mix effects and price increases aligned with or above inflation. This was partially offset by the negative translation effect resulting from the depreciation of all of our operating currencies relative to the Mexican peso. On a comparable basis, average price per unit case would have increased 9.0% in 2021 as compared to 2020, driven by our revenue management and pricing initiatives.

Gross Profit. Our gross profit increased by 7.0% to Ps. 88,598 million in 2021 as compared to 2020, with a gross margin increase of 40 basis points as compared to 2020 to reach 45.5% in 2021. This gross margin increase was driven mainly by favorable price-mix effects, our raw material hedging strategies, and the positive effect of the resumption of tax credits on concentrate purchased from the Manaus Free Trade Zone in Brazil, partially offset by higher raw material prices, higher concentrate costs in Mexico, and the depreciation in the average exchange rate of most of our operating currencies as applied to our U.S. dollar-denominated raw material costs. On a comparable basis, our gross profit would have increased by 11.3% in 2021 as compared to 2020.

The components of cost of goods sold include raw materials (principally concentrate, sweeteners, and packaging materials), depreciation costs attributable to our production facilities, wages and other labor costs associated with labor force employed at our production facilities, and certain overhead costs. Concentrate prices are determined as a percentage of the retail price of our products in local currency, net of applicable taxes. Packaging materials, mainly PET resin and aluminum, and HFCS, used as a sweetener in some countries, are denominated in U.S. dollars.

Administrative and Selling Expenses. Our administrative and selling expenses increased by 7.6% to Ps. 60,720 million in 2021 as compared to 2020. Our administrative and selling expenses as a percentage of total revenues increased by 50 basis points to 31.2% in 2021 as compared to 2020, mainly as a result of the normalization in labor, maintenance, and marketing expenses. In 2021, we continued investing across our territories to support marketplace execution, increase our cooler coverage, and bolster our returnable presentation base.

Other Expenses Net. We recorded other expenses net of Ps. 807 million in 2021 as compared to Ps. 3,611 million in 2020, which decrease was mainly as a result of certain extraordinary other operating expenses related to impairments in Estrella Azul in Panama and in Leão Alimentos, our non-carbonated beverage associate in Brazil during 2020. For more information, see Notes 8 and 18 to our consolidated financial statements.

Comprehensive Financing Result. The term “comprehensive financing result” refers to the combined financial effects of net interest expenses, net financial foreign exchange gains or losses, net gains or losses on the monetary position of hyperinflationary countries where we operate, and market value gain (loss) on financial instruments. Net financial foreign exchange gains or losses represent the impact of changes in foreign exchange rates on financial assets or liabilities denominated in currencies other than local currencies, and certain gains or losses resulting from derivative financial instruments. A financial foreign exchange loss arises if a liability is denominated in a foreign currency that appreciates relative to the local currency between the date the liability is incurred and the date it is repaid, as the appreciation of the foreign currency results in an increase in the amount of local currency, which must be exchanged to repay the specified amount of the foreign currency liability.

Comprehensive financing result in 2021 recorded an expense of Ps. 4,219 million as compared to an expense of Ps. 6,679 million in 2020. This 36.8% decrease was driven mainly by a one-time interest expense related to the repurchase and redemption in full of our 3.875% senior notes due 2023, recorded during 2020. In addition, in 2021 we recorded an increase in our foreign exchange gain and a gain in financial instruments.

Income Taxes. In 2021, our effective income tax rate decreased to 28.9%, as compared to our effective income tax rate of 33.8% in 2020, mainly as a result of a favorable deferred tax credit in Brazil recognized in 2021, and deferred tax adjustments in Mexico that were recognized during 2020. For more information, see Note 25 to our consolidated financial statements.

Share in the Profit of Equity Accounted Investees, Net of Taxes. In 2021, we recorded a gain of Ps. 88 million in the share in the profit of equity accounted investees, net of taxes, mainly due to the results of Jugos del Valle, our associate in Mexico.

Net Income (Equity holders of the parent). We reported a net controlling interest income of Ps. 15,708 million in 2021, as compared to Ps. 10,307 million in 2020. This 52.4% increase was driven mainly by solid operating results, coupled with a decrease in our comprehensive financial result.

Results by Consolidated Reporting Segment Mexico and Central America

Total Revenues. Total revenues in our Mexico and Central America consolidated reporting segment increased by 8.4% to Ps. 115,794 million in 2021 as compared to 2020, mainly as a result of a volume increase in all of our territories, coupled with favorable price-mix effects and pricing initiatives.

Total sales volume in our Mexico and Central America consolidated reporting segment increased by 3.3% to 2,057.9 million unit cases in 2021 as compared to 2020, as a result of increases in mobility and gradual recoveries across our territories.

- Sales volume of our sparkling beverage portfolio increased by 2.4% in 2021 as compared to 2020, driven mainly by a 2.0% increase in our colas portfolio.

- Sales volume of our still beverage portfolio increased by 13.2% in 2021 as compared to 2020, due to a solid performance in Mexico and double-digit increases in Central America.
- Sales volume of bottled water, excluding bulk water, increased by 17.7% in 2021 as compared to 2020, due to double-digit increases in both Mexico and Central America.
- Sales volume of our bulk water portfolio remained flat in 2021 as compared to 2020.

Sales volume in Mexico increased by 1.8% to 1,790.0 million unit cases in 2021, as compared to 1,759.2 million unit cases in 2020, mainly as a result of gradual recoveries and increases in mobility.

- Sales volume of our sparkling beverage portfolio increased 0.6% in 2021 as compared to 2020, driven by a 0.6% increase in our colas portfolio and a 1.0% increase in our flavored sparkling beverage portfolio.
- Sales volume of our still beverage portfolio increased by 9.5% in 2021 as compared to 2020.
- Sales volume of bottled water, excluding bulk water, increased by 17.3% in 2021 as compared to 2020.
- Sales volume of our bulk water portfolio remained flat in 2021 as compared to 2020.

Sales volume in Central America increased by 15.2% to 267.8 million unit cases in 2021, as compared to 232.4 million unit cases in 2020, mainly as a result of solid execution, increases in mobility, and recoveries across all of our territories in the region.

- • Sales volume of our sparkling beverage portfolio increased by 13.2% in 2021 as compared to 2020, driven by a 11.0% increase in colas and 23.9% increase in our flavored sparkling beverage portfolio.
- • Sales volume of our still beverage portfolio increased by 37.5% in 2021 as compared to 2020.
- • Sales volume of bottled water, excluding bulk water, increased by 21.2% in 2021 as compared to 2020.
- • Sales volume of our bulk water portfolio increased by 7.1% in 2021 as compared to 2020.

Gross Profit. Our gross profit in this consolidated reporting segment increased by 8.4% to Ps. 57,366 million in 2021 as compared to 2020, and gross profit margin remained flat as compared to 2020. Gross profit increased mainly as a result of our pricing initiatives, favorable price-mix effects, and our raw material hedging strategies. These factors were offset by higher raw material prices, higher concentrate costs in Mexico, and the depreciation in the average exchange rate of most of our operating currencies as applied to our U.S. dollar-denominated raw material costs.

Administrative and Selling Expenses. Administrative and selling expenses as a percentage of total revenues in this consolidated reporting segment increased by 50 basis points to 32.9% in 2021 as compared to the same period in 2020. Administrative and selling expenses, in absolute terms, increased by 9.9% in 2021 as compared to 2020, driven mainly by the normalization of certain operating expenses primarily in labor and maintenance.

South America

Total Revenues. Total revenues in our South America consolidated reporting segment increased by 2.8% to Ps. 79,010 million in 2021 as compared to 2020, mainly as a result of favorable price-mix effects and our pricing initiatives. These factors were partially offset by unfavorable currency translation effects resulting from the depreciation of all of our operating currencies as compared to the Mexican peso. In addition, this figure includes other operating revenues related to entitlements to reclaim Ps. 254 million in tax payments in Brazil in 2021. See Note 23.2.1 to our consolidated financial statements. Total revenues for beer amounted to Ps. 10,677.2 million in 2021. On a comparable basis, total revenues would have increased by 13.1% in 2021 as compared to 2020.

Total sales volume in our South America consolidated reporting segment increased by 8.3% to 1,400.0 million unit cases in 2021 as compared to 2020, mainly as a result of double-digit volume growth in Colombia and Argentina, coupled with volume growth in Brazil and Uruguay.

- Sales volume of our sparkling beverage portfolio increased by 6.8% in 2021 as compared to 2020.
- Sales volume of our still beverage portfolio increased by 28.6% in 2021 as compared to 2020.
- Sales volume of our bottled water category, excluding bulk water, increased by 18.9% in 2021 as compared to 2020.
- Sales volume of our bulk water portfolio decreased by 11.4% in 2021 as compared to 2020.

Sales volume in Brazil increased by 4.7% to 903.3 million unit cases in 2021, as compared to 862.9 million unit cases in 2020.

- Sales volume of our sparkling beverage portfolio increased by 4.1% in 2021 as compared to 2020, as a result of an increase of 1.9% in our colas portfolio and an increase of 10.8% in our flavored sparkling beverage portfolio.
- Sales volume of our still beverage portfolio increased by 18.9% in 2021 as compared to 2020.
- Sales volume of our bottled water, excluding bulk water, increased by 3.5% in 2021 as compared to 2020.
- Sales volume of our bulk water portfolio decreased by 18.3% in 2021 as compared to 2020.

Sales volume in Colombia increased by 16.9% to 298.0 million unit cases in 2021, as compared to 254.8 million unit cases in 2020.

- Sales volume of our sparkling beverage portfolio increased by 12.6% in 2021 as compared to 2020, driven mainly by a 8.0% growth in colas and 44.1% volume growth in our flavored sparkling beverage portfolio.
- Sales volume of our still beverage portfolio increased by 63.3% in 2021 as compared to 2020.
- Sales volume of bottled water, excluding bulk water, increased by 59.6% in 2021 as compared to 2020.
- Sales volume of our bulk water portfolio decreased by 8.9% in 2021 as compared to 2020.

Sales volume in Argentina increased by 16.2% to 155.5 million unit cases in 2021, as compared to 133.8 million unit cases in 2020.

- Sales volume of our sparkling beverage portfolio increased by 15.6% in 2021 as compared to 2020, impacted mainly by a 15.7% increase in colas and 15.4% increase in our flavored sparkling beverage portfolio.
- Sales volume of our still beverage portfolio increased by 30.5% in 2021 as compared to 2020.
- Sales volume of bottled water, excluding bulk water, increased by 22.1% in 2021 as compared to 2020.
- Sales volume of our bulk water portfolio decreased by 7.2% in 2021 as compared to 2020.

Sales volume in Uruguay increased by 5.2% to 43.4 million unit cases in 2021, as compared to 41.2 million unit cases in 2020.

- Sales volume of our sparkling beverage portfolio increased by 2.6% in 2021 as compared to 2020.
- Sales volume of our still beverage portfolio increased by 68.9% in 2021 as compared to 2020.
- Sales volume of bottled water increased by 20.9% in 2021 as compared to 2020.

Gross Profit. Gross profit in this consolidated reporting segment amounted to Ps. 31,232 million, an increase of 4.4% in 2021 as compared to 2020, with a 60 basis point margin expansion to 39.5%. This increase in gross profit was driven mainly by a favorable price-mix effect, our raw material hedging strategies, and lower concentrate costs in Brazil related to the resumption of tax credits on concentrate purchased from the Manaus Free Trade Zone. These factors were partially offset by the depreciation of the average exchange rate of all of our operating currencies in the consolidated reporting segment as applied to our U.S. dollar-denominated raw material costs.

Administrative and Selling Expenses. Administrative and selling expenses as a percentage of total revenues in this consolidated reporting segment increased by 30 basis points to 28.7% in 2021 as compared to 2020, driven mainly by the normalization of our operating expenses in the region. Administrative and selling expenses, in absolute terms, increased by 3.9% in 2021 as compared to 2020.

CAPITAL & COMPANY ENGAGEMENT

Human

Our people and the way they work together are our company's most valuable assets. Accordingly, we encourage their comprehensive professional and personal development, while creating an inclusive, diverse, and safe work environment. Through our continuous talent management and development, we promote trust, transparency, and teamwork, prepare the next generation of leaders, advance meritocracy, recognize and celebrate teams' success, while providing honest, regular feedback. In this way, we look to attract, retain, and develop the best multicultural talent to ensure our sustainable success.

Nature

Our business is committed to the responsible use of natural resources. As the main ingredient in our beverages, our comprehensive water strategy focuses on ensuring efficient water management, facilitating access to safe water and sanitation, and implementing water conservation and replenishment projects to protect the environment. We also work to increase energy efficiency across our value chain, while integrating clean and renewable energy to reduce carbon emissions. Aligned with The Coca-Cola Company's "World Without Waste" global initiative, we continue to focus on comprehensive and responsible waste management, to increase the use of recycled materials in our packaging, and to participate in schemes and models that support post-consumption collection and recycling.

Social & Relationship

Our communities and other stakeholders are key enablers of business success. Therefore, we are committed to creating economic and social value and environmental wellbeing by encouraging dialogue and continuous interaction with our neighbors and stakeholders in order to develop and implement programs and initiatives that address their particular needs and guarantee the continuity of our social license to operate.

Financial

Our financial and operating discipline, strong capital structure and financial flexibility, transformational digital initiatives, and adaptability to changing market dynamics enable us to capture organic and inorganic growth opportunities in our industry, while creating sustainable value for our investors.

Intellectual

We're accelerating the digital re-evolution of our business. To this end, we're building out an open omnichannel multi-category commercial platform. Through our digital and analytics hub, we're transforming the way we work, driving an agile methodology, mindset, and culture to maximize our competitiveness, proactively address industry challenges, capitalize on market opportunities, and foster intellectual development across our organization.

Manufactured

Our highly experienced team of specialists operate 49 bottling plants and 260 distribution centers across nine countries, deliver approximately 3.5 billion unit cases of beverages through a primary and secondary fleet to 2 million points of sale, and serve a population of more than 266 million people.

COMPREHENSIVE
RISK MANAGEMENT

Our company is present in different countries and regions. Consequently, we are continually exposed to an environment that presents challenges and risks. Our ability to manage the risks that may arise in the global environment where we operate is vital for our business' value creation. Accordingly, our strategy includes a Comprehensive Risk Management Process through which we are able to identify, measure, register, assess, prevent, and/or mitigate risks.

Main Risk	Potential Impacts	Key Mitigation Actions
Strategic Shareholder Relationships Our business depends on our relationship with The Coca-Cola Company and FEMSA, and changes in this relationship may adversely affect us.	• Termination of the bottler agreements • Actions contrary to the interests of our shareholders other than The Coca-Cola Company and FEMSA	• Comply with the bottler agreements • Work together and promote effective interaction between our strategic shareholders in order to maximize value creation
Consumer Preferences Changes in consumer preferences, purchase drivers, and consumption habits might generate variability in the demand for some of our products.	• Variability in the demand for our products	• Transform into a total beverage company aligned with consumers' changing tastes and lifestyles • Build a winning total portfolio of products and presentations • Drive our low- and no-sugar portfolio ahead of consumer trends • Promote healthy habits • Offer sustainable packaging options for our beverages
Coca-Cola Trademarks Coca-Cola's brand reputation or brand violations could adversely affect our business.	• Damage to Coca-Cola's trademark reputation	• Maintain the reputation and intellectual property rights of Coca-Cola trademarks • Effective brand protection • Strictly comply with Responsible Marketing Policies

Main Risk	Potential Impacts	Key Mitigation Actions
Competition Competition could adversely affect our business, financial performance, and results of operations.	• Changes in consumer preferences • Lower pricing by competitors	• Offer affordable prices, returnable packaging, effective promotions, access to retail outlets and sufficient shelf space, enhanced customer service, and innovative products • Identify, stimulate, and satisfy consumer preferences
Cyber Incidents Since information systems are critical to our business, it may be impacted by the violation of security controls, affecting the confidentiality, integrity or availability of information assets.	• Business disruption • Theft or unauthorized exposure of sensitive information • Regulatory noncompliance • Fraud • Economic loss • Reputational damage and/or impact on share value	• Systemic approach to cyber security based on industry standards • Cyber security-focused organizational structure • Oversight by the Board's Audit Committee among other governance bodies • Risk management process supported by independent assessments • Personnel awareness and training program • Continuous investment to strengthen the security of existing processes and technologies • Security by design approach to business digital initiatives • Continuous improvement of monitoring incidents response and resilience capabilities

Main Risk	Potential Impacts	Key Mitigation Actions
Economic, Political, and Social Conditions Adverse economic conditions, political, and social events in the countries where we operate and elsewhere, and changes in governmental policies may adversely affect our business, financial condition, results of operations, and prospects.	• Affect and reduce consumer per capita income, which could result in decreased consumer purchasing power • Lower demand for our products, lower real pricing of our products or a shift to lower margin products • Negatively affect our company and materially affect our financial condition, results of operations, and prospects	• Through a risk management strategy, hedge our exposure to interest rates, exchange rates, and raw material costs • Annually or more frequently evaluate, when the circumstances require, the possible financial effects of these conditions and, to the extent possible, anticipate mitigation measures
Regulations Taxes and changes in regulations in the regions where we operate could adversely affect our business.	• Increase in operating and compliance costs • Restrictions imposed on our operations	• Identify regulatory risks and proposals of changes to regulations that directly affect our operation or financial condition • Advocacy work to provide advice on legislators' proposed regulatory changes
Legal Proceedings Unfavorable outcomes of legal proceedings could adversely impact our business.	• Investigations and proceedings on tax, consumer protection, environmental, and labor matters	• Comply with applicable laws and regulations and comply with workplace rights policy

Main Risk	Potential Impacts	Key Mitigation Actions
Weather Conditions, Natural Disasters, and Public Health Crises Adverse weather conditions, natural disasters, and public health crises may adversely affect our business, financial condition, results of operations, and prospects.	• Impact consumer patterns and beverage sales • Affect plants' installed capacity, road infrastructure, and points of sale • Negatively affect our business, financial condition, results of operations, and prospects	• Implement business continuity plans and safety protocols to protect employees and avoid significant disruptions to our business • Insure assets and operations against such adverse events
Acquisitions and Business Alliances Inability to successfully integrate acquisitions or achieve expected synergies could adversely affect our operations.	• Difficulties and unforeseen liabilities or additional costs in restructuring and integrating operations	• Integrate acquired or merged businesses' operations in a timely and effective way, retaining key qualified and experienced professionals
Foreign Exchange Depreciation of the local currencies of the countries where we operate relative to the U.S. dollar could adversely affect our financial condition and results.	• Financial loss • Increase cost of some raw materials • Adversely affect our results, financial condition, and cash flows in future periods	• Closely monitor developments that may affect exchanges rates • Hedge our exposure to the U.S. dollar with respect to certain local currencies, our U.S. dollar-denominated debt obligations, and the purchase of certain U.S. dollar-denominated raw materials
Climate Change Adverse weather conditions could adversely affect our business and results of operations.	• Negatively affect consumer patterns and reduce sales • Affect plants' installed capacity, road infrastructure, raw material supply, and points of sale	• Identify sources of our operations' CO_2 emissions • Support and comply with climate change mitigation measures • Identify and reduce our environmental footprint through efficient use of water, energy, and materials

Main Risk	Potential Impacts	Key Mitigation Actions
Social Media Negative or inaccurate information on social media could adversely affect our reputation.	• Damage to our brands or corporate reputation without affording us an opportunity for correction	• Effective brand protection • Proactive external communication
Water Water shortages or failure to maintain our current water concessions could adversely affect our business.	• Water supply may be insufficient to meet our future production needs • Water supply may be adversely affected due to shortages or changes in governmental regulations or environmental changes • Water concessions or contracts may be terminated or not renewed	• Efficient water usage • Execute water conservation and replenishment projects • Maintain 100% legal compliance • Develop a water risk index, including four issues that need to be assessed: Community and public perception risks, Scarcity of water and other inputs, Regulatory risks, and Legal risks for each of our bottling plants • Update water risk assessment tool and work plans that contemplate aspects such as climate change, resilience to hydrological stress, media and social vulnerabilities, as well as regulations and production volumes for each of our bottling plants • Secure water concessions for our production facilities

Main Risk	Potential Impacts	Key Mitigation Actions
Raw Materials Increases in the price of raw materials we use to manufacture our products could adversely affect our production costs. Insufficient availability of raw materials could limit the production of our beverages.	• Shortage or insufficient availability of raw materials may adversely affect our capacity to ensure production continuity • Adjustments to our product portfolio according to availability	• Implement measures to mitigate the negative effect of product pricing on our margins such as hedging via derivative instruments • Proactively address risk of supply on our value chain • Strict compliance with our Supplier Guiding Principles • Strategically adjust our product portfolio to enable us to minimize the impact of certain operating disruptions

CORPORATE **GOVERNANCE**

Board of Directors

Directors appointed by Series A Shareholders

José Antonio Fernández
Chairman of the Board of FEMSA
29 Years as a Board Member

Eduardo Padilla Silva
Chief Executive Officer of FEMSA
6 Years as a Board Member

Federico Reyes García
Independent Consultant
Alternate: Javier Gerardo Astaburuaga Sanjines
29 Years as a Board Member

John Santa Maria
Chief Executive Officer Coca-Cola FEMSA
8 Years as a Board Member

Ricardo Guajardo Touché*
Independent Consultant
29 Years as a Board Member

Enrique F. Senior Hernández*
Managing Director of Allen & Company
18 Years as a Board Member

Luis Rubio Friedberg*
Chairman of México Evalúa
Alternate: Jaime A. El Koury
(Independent Director)
7 Years as a Board Member

Daniel Servitje Montull*
Chief Executive Officer of Bimbo
24 Years as a Board Member

José Luis Cutrale
Chairman of the Board of Sucocítrico Cutrale
Alternate: José Henrique Cutrale
18 Years as a Board Member

Luis Nicolau Gutiérrez*
Partner at Ritch, Mueller, Heather and Nicolau
4 Years as a Board Member

Directors appointed by Series D Shareholders

José Reyes Lagunes
Retired
Alternate: Theresa Robin Rodgers Moore
6 Years as a Board Member

Charles H. Mctier*
Retired
24 Years as a Board Member

John Murphy
Chief Financial Officer of The Coca-Cola Company
Alternate: Stacy Lynn Apter
3 Years as a Board Member

James Leonard Dinkins
Chief Executive Officer of The Honey Baked Ham Company, Llc
Alternate: Marie D. Quintero-Johnson
2 Years as a Board Member

Directors appointed by Series L Shareholders

Alfonso González Migoya*
Managing Partner of Acumen Empresarial, S.A. de C.V.
16 Years as a Board Member

Víctor Tiburcio Celorio*
Independent Consultant
4 Years as a Board Member

Francisco Zambrano Rodríguez*
Independent Consultant
19 Years as a Board Member

Secretary of Board

Carlos Aldrete Ancira
Secretary of the Board
Alternate: Carlos Luis Díaz Sáenz
28 Years as a Secretary

Executive Officers

John Santa Maria Otazua
Chief Executive Officer

Constantino Spas Montesinos
Chief Financial Officer

Karina Awad Pérez
Human Resources Officer

Bruno Juanes Gárate
Commercial Development Officer

María del Carmen Alanis Figueroa
Corporate Affairs Officer

Rafael Ramos Casas
Supply Chain and Engineering Officer

Ignacio Echevarría Mendiguren
Digital and Technology Officer

Fabricio Ponce García
Chief Operating Officer—Mexico

Ian M. Craig García
Chief Operating Officer—Brazil

Eduardo G. Hernández García
Chief Operating Officer—Latin America

* Independent Director.

To review the most updated Board of Directors please visit Coca-Cola FEMSA's Web page.

Board Practices

Planning and Finance Committee

The Planning and Finance Committee works with management to set our annual and long-term strategic and financial plans and monitors adherence to these plans. It is responsible for setting our optimal capital structure and recommends the appropriate level of borrowing as well as the issuance of securities. Financial risk management is another responsibility of the Planning and Finance Committee. Ricardo Guajardo Touché is the chairman of the Planning and Finance Committee. The other members include: Federico Reyes García, John Murphy, Enrique F. Senior Hernández and Miguel Eduardo Padilla Silva. The secretary non-member of the Planning and Finance Committee is Constantino Spas Montesinos, our Chief Financial Officer.

Audit Committee

The Audit Committee is responsible for reviewing the accuracy and integrity of quarterly and annual financial statements in accordance with accounting, internal control and auditing requirements. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent auditor, who reports directly to the Audit Committee (such appointment and compensation being subject to the approval of our board of directors); the internal auditing function also reports to the Audit Committee. The Audit Committee has implemented procedures for receiving, retaining and addressing complaints regarding accounting, internal control and auditing matters, including the submission of confidential, anonymous complaints from employees regarding questionable accounting or auditing matters. To carry out its duties, the Audit Committee may hire independent counsel and other advisors. As necessary, we compensate the independent auditor and any outside advisor hired by the Audit Committee and provide funding for ordinary administrative expenses incurred by the Audit Committee in the course of its duties. Victor Alberto Tiburcio Celorio is the chairman of the Audit Committee and the "audit committee financial expert." Pursuant to the Mexican Securities Market Law, the chairman of the Audit Committee is elected at our shareholders meeting. The other members are: Alfonso González Migoya, Charles H. McTier and Francisco Zambrano Rodríguez. Each member of the Audit Committee is an independent director, as required by the Mexican Securities Market Law and applicable New York Stock Exchange listing standards. The secretary non-member of the Audit Committee is José González Ornelas, vice-president of FEMSA's internal corporate control department.

Corporate Practices Committee

The Corporate Practices Committee, which consists exclusively of independent directors, is responsible for preventing or reducing the risk of performing operations that could damage the value of our company or that benefit a particular group of shareholders. The committee may call a shareholders meeting and include matters on the agenda for that meeting that it deems appropriate, approve policies on related party transactions, approve the compensation plan of the chief executive officer and relevant officers, and support our board of directors in the elaboration of related reports. The chairman of the Corporate Practices Committee is Daniel Javier Servitje Montull. Pursuant to the Mexican Securities Market Law, the chairman of the Corporate Practices Committee is elected at our shareholders meeting. The other members include: Jaime A. El Koury, Luis Rubio Freidberg, Luis A. Nicolau Gutiérrez, and two permanent non-member guests, Miguel Eduardo Padilla Silva and José Octavio Reyes Lagunes. The secretary non-member of the Corporate Practices Committee is Karina Paola Awad Pérez, our Human Resources Office

INTEGRAL ETHICAL SYSTEM

Through our ethical culture, we manage under schemes that must be adopted as a way of life and that inspire the actions of all those who are part of the organization through the establishment of an integral ethical system.

Our ethics management is based on:

- Prevent illicit behaviors that may affect our human capital and our heritage
- Detect improper acts through open communication channels
- Respond and provide feedback to our organization to build trust

Our system is comprised of three fundamental elements: the **Code of Ethics**, the Ethics Committee, and the whistle-blowing system known as KOF Ethics Line.

Code of Ethics

The foundation of our organizational culture, the Code of Ethics communicates our values, contemplates our main behaviors, promotes good behavior inside and outside of our organization, and guides our correct decision-making based on ethical principles. Our recently updated Code includes important topics such as Human Rights, Inclusion and Diversity, Discrimination, Violence and Harassment, Conflicts of Interest, Misuse of Information, and Anti-corruption.

Specifically, regarding the subject of gifts, courtesies and entertainment, our Code of Ethics specifies:

- We do not receive, give, pay, offer, promise, or authorize on behalf of Coca-Cola FEMSA or on a personal basis, in a direct or indirect way, money, gifts, advantageous conditions, salaries, travel, commissions or anything else of value to obtain any undue advantage or benefit of any kind.
- We do not give or offer gifts to government officials.
- We only accept, give, or offer gifts of a promotional nature, occasional and of symbolic value.
- We only provide hospitalities in accordance with our Corporate Policy and the applicable legal provisions.
- When a client or a supplier offers an invitation, which implies a trip outside the city or to attend a sporting event or any other entertainment, we shall comply with this Code of Ethics and other Internal Guidelines and must obtain prior necessary approval to attend such invitation.

For further information and access to the full document of our Code of Ethics please access one of the following links:
Spanish
English
Portuguese

Ethics Committee

The Ethics Committee is the oversight and control body that guarantees compliance with the Code of Ethics and attends to the company's most relevant ethical situations. In each of our territories, there is an Ethics Committee, and each Committee reports to the Corporate Ethics Committee.

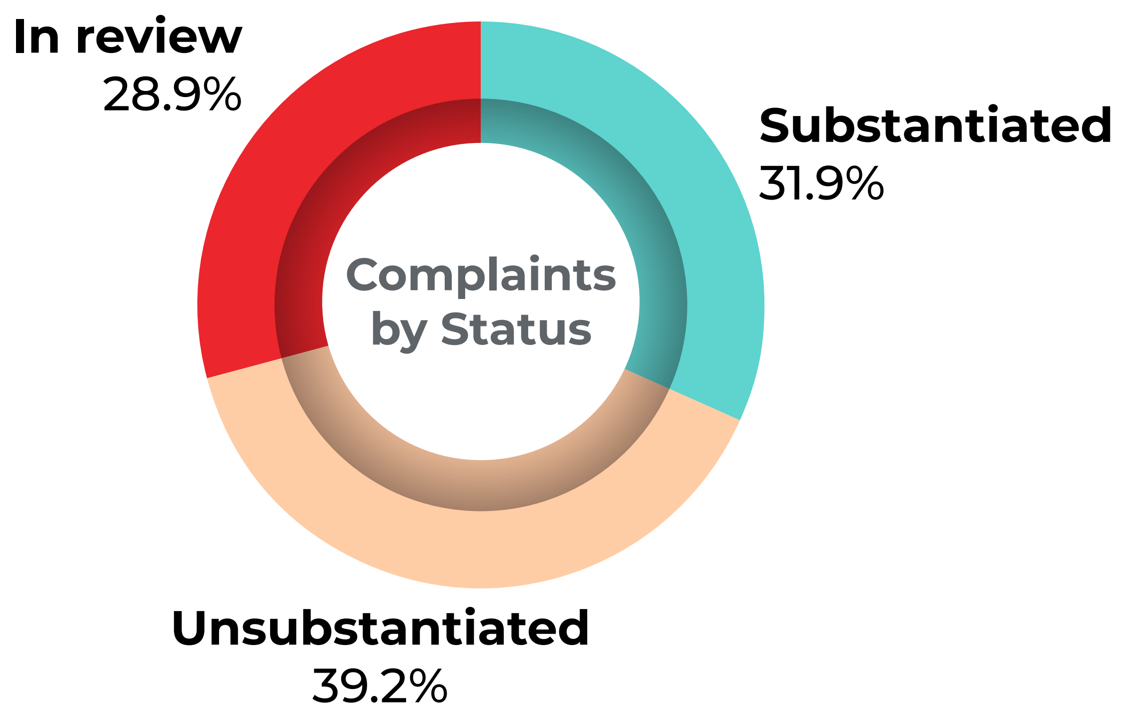
KOF Ethics Line Whistle-blowing System

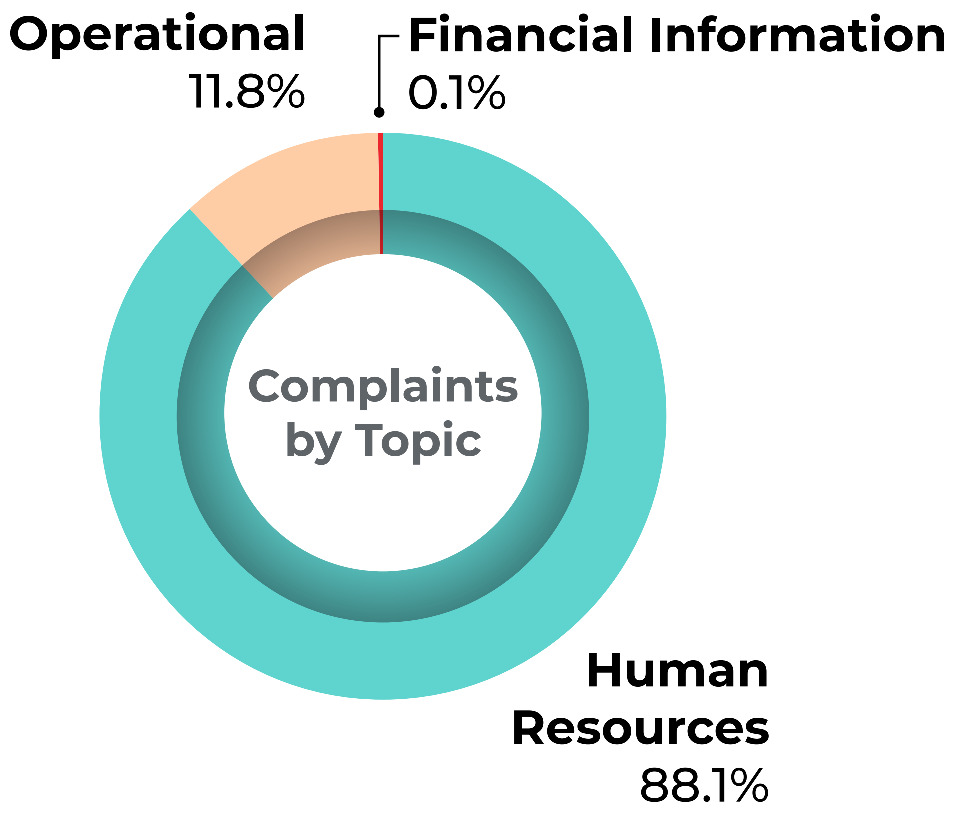
Complaints about noncompliance with the Code of Ethics are received through **KOF Ethics Line**, which is managed by a third party. Employees, customers, suppliers, third parties or anyone who has a relationship with Coca-Cola FEMSA can use the system anonymously.

A group of investigators analyzes the complaints impartially and confidentially and, if a violation of the Code is found, corrective measures are applied.

In 2021, we received 1,616 complaints; of these, none were related to child labor, forced labor or freedom of association.

To strengthen our culture, our workers sign a Letter of Compliance to our Code of Ethics. Its purpose is to ensure that our employees are aware of the Code of Ethics, understand the main acts or omissions that may be incurred and can put our organization at risk, and report any violation of the Code that they know.





TURNOVER

Turnover by Country

	Natural	induced
Mexico	7.0%	8.0%
Brazil	6.9%	14.5%
Colombia	16.8%	5.5%
Argentina	9.5%	1.4%
Uruguay	16.5%	2.4%
Panama	1.9%	5.7%
Costa Rica	10.3%	7.8%
Nicaragua	4.9%	4.7%
Guatemala	100.5%	2.1%
Total	11.3%	8.9%

Turnover per Gender

	Natural	induced
Female	13.33%	7.50%
Male	11.07%	9.10%

Turnover by age group

	18-34	35-44	45-59	60+
Natural	16.76%	6.12%	3.27%	23.39%
Induced	10.19%	7.85%	6.38%	20.81%

RECOGNITIONS

Recognitions obtained by our Mexico operation

In recognition of our efforts to reduce our primary and secondary fleet's emissions, we earned the Clean Transportation Award from Mexico's ministries of Environment and Natural Resources (SEMARNAT) and Communications and Transportation (SCT) for the ninth year.

Currently, 18 of our plants in Mexico have obtained Clean Industry certification from the Federal Environmental Protection Agency (PROFEPA). Moreover, in 2021, 35 of our distribution centers in Mexico received air quality certifications from PROFEPA, the state of Mexico's Environmental Agency, and Mexico City's Ministry Secretary of the Environment (SEDEMA). These and other recognitions confirm our commitment to the environment and overall sustainability.

Recognitions given out to operations' suppliers

The good performance of our suppliers on sustainability is a very important issue for us, which is why we recognize all of those suppliers that incorporate sustainability into their own business's DNA not only as a requirement for doing business with Coca-Cola FEMSA, but also as a competitive advantage and a means to become socially responsible. During 2021, we conducted virtual recognition forums for our Brazil, Costa Rica, Guatemala, Mexico, and Panama operations, where we recognized 64 suppliers from over 374 participating companies for their remarkable practices. Almost 400 companies participated in these events sharing their best practices. The following are some of the projects that we recognized:

Mexico:

"*Leaderson the Move*" - Daimler's project;
"The sun will shine differently in Querétaro" - Siemens's project;
"Multilateral Gathering Program: Clean Points Tulum" - Tetrapack's project;
"Circular Economy - Stretch Film Heat Shrink Film" Packsys Mexico's project.

Guatemala:

"Fundación Miguel Torrebiarte Sohanin" - Luces del **Norte's project**;
"El poder de una ilusión" - **Representaciones Comerciales F. Mansillay's project**;
"Programa de recuperación y reciclaje de producto final" - **CEK's project**.

Nicaragua & Costa Rica:

"PlanEco Award" - Casa **Pellas's Project**;
"Seguridad Vial" - **Geocycle's Project**;
"Gestión de sostenibilidad" **Ecolab's Project**.

Colombia:

- **Sustainability**
  "New technology– DRYEXDUO" - **Ecolab's project**;
  "Planta deReciclajePost-consumo" - **Plastilene's Project**.

- **Innovation**
  "Diseño Especializado de Remolques" - **Solistica**'s project
  "Sistema de Control de Plataforma de Carga Primaria (SGAFP)" - **Contacamos's** project.

Brazil

- **Logistics:**
  Transportes Cavalinho, Ritmo Logistica y Dinon Transportadora

- **Services**: Fardas Uniformes Profissionais LTDA, Sodexho Do Brasil, Sodexo Pass do Brasil

- **Constructions work:** SP & G Engenharia LTDA, GAP – BR Construcoes LTDA, Mundo Vertical Trabalho Em Altura and; Industrial: O prendin Montagens, Tecsul Equipamentos e Sevices y Endress Hauser.

INDEPENDENT LIMITED VERIFICATION REPORT: PERFORMANCE METRICS

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Independent Limited Verification Report

To the Board of Directors of Coca Cola FEMSA, S.A.B. de C.V.:

Scope of our Work

We have undertaken an independent limited verification of the information and performance indicators included in **Annex A** and presented in the Annual Integrated Report (the "Report") of Coca Cola FEMSA, S.A.B. de C.V. ("KOF" or the "Company") corresponding to the year calendar 2021, in accordance with the reporting criteria set forth in the GRI Standards (the "Criteria").

The preparation of this report is the responsibility of KOF's Management. KOF's Management is also responsible for the information and the assertions contained therein, defining the scope of the Report and the management and control of the information systems that provided the reported information.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). This standard requires that we plan and perform our engagement to obtain limited assurance about whether the report is free from material misstatement and that we comply with ethical requirements, including the independence requirements included in the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA).

Standards and verification procedures

The verification procedures performed focused on the following:

- Interviews with the individuals responsible for the information to understand the activities performed and the procedures used to gather the information.
- Review of the structure and content of the Report in accordance with the GRI Standards.
- Understanding of the procedures used in compiling and consolidating quantitative and qualitative data, as well as their traceability.
- Review of the support documentation through analysis and recalculations, as well as sampling, to increase the certainty of the indicators reported.

It is worth mentioning that the scope of this review is substantially less than a reasonable assurance engagement. Therefore, the assurance provided is also less. This Report shall in no way be considered an audit report.

Conclusions

Based on our work described in this Report, nothing has come to our attention that causes us to believe that the performance indicators selected are not presented, in all material respects, in accordance with the applicable criteria.

This report has been exclusively prepared for the Board of Directors of Coca Cola FEMSA, S.A.B. de C.V., in accordance with the terms of our engagement agreement.

Mancera, S.C.
A Member Practice of Ernst & Young Global Limited

Saúl García Arreguín
Partner
March 28th 2022; Mexico City

Coca-Cola FEMSA

Annex A Verified GRI contents and Coca Cola FEMSA's own indicators

Performance indicators

GRI	Name of the disclosure or performance indicator	Scope of the information	Reported information	Unit
IP	Total number of employees	All countries where we operate	84,568	Employees
	Percentage of employees by gender	All countries where we operate	86	% of male employees
			14	% of female employees
	Percentage of employees by age group	All countries where we operate	54	% from 18 –34 years old
			29	% from 35 – 44 years old
			16	% from 45-49 años years old
			1	% over 60 years old
IP	Resin materials used by weight	All countries where we operate	271	Thousand tons of total resin
			188	Thousand tons of virgin resin
			83.1	Thousand tons of recycled resin
301-2	Recycled input materials	All countries where we operate	31	% of recycled resin
302-1	Energy consumption within the organization	All countries where we operate	3,379	Millions of MJ total energy consumption
			1,619	Millions of MJ thermal energy
			1,158	Millions of MJ electricity from renewable energy
			509	Millions of MJ electricity from other sources
IP	Energy from clean sources	All countries where we operate	85	% from clean electricity
302-3	Energy intensity	All countries where we operate	5.66	Liters of beverage produced per MJ

GRI	Name of the disclosure or performance indicator	Scope of the information	Reported information	Unit
303-1	Extracción de agua	All countries where we operate	28	Billions of litres
	Consumption of water from the municipal network	All countries where we operate	8.43	Billions of litres
	Groundwater consumption	All countries where we operate	18.07	Billions of litres
	Surface water consumption (rivers)	All countries where we operate	1.49	Billions of litres
	Rainwater consumption	All countries where we operate	0.005	Billions of litres
IP	Efficiency in water consumption	All countries where we operate	1.47	Liters of wáter per liters of beverage produced
305-1	Direct GHG emissions (scope 1)	All countries where we operate	86	Thousand tons of CO_2e
305-2	Energy indirect GHG emissions (scope 2)	All countries where we operate	41.90	Thousand tons of CO_2e
305-4	GHG emissions intensity	All countries where we operate	181	grams of CO_2e per liter of beverage
IP	Percentage of recycled waste	All countries where we operate	98	% of recycled waste
IP	Total incident rate (TIR)	All countries where we operate[1]	1.04	Cases per 200000/ Worked hours
	Lost time incident rate (LTIR)		0.58	Cases per 200000/ Worked hours
	Fatalities		5	Number of fatalities

[1] Not includes Venezuela

INDEPENDENT REASONABLE VERIFICATION REPORT: GREEN BOND

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Independent Reasonable Verification Report

To the Board of Directors of Coca Cola FEMSA, S.A.B. de C.V.:

Scope of our Work

We have undertaken an independent reasonable verification of the proceeds allocation included in **Annex A** and presented in the Annual Integrated Report (the "Report") of Coca Cola FEMSA, S.A.B. de C.V. ("KOF" or the "Company") corresponding to the calendar year 2021, in accordance with the reporting criteria set forth in the Green Bond Principles (the "Criteria").

The preparation of this report is the responsibility of KOF's Management. KOF's Management is also responsible for the information and the assertions contained therein, defining the scope of the Report and the management and control of the information systems that provided the reported information.

Our work was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the report is free from material misstatement and that we comply with ethical requirements, including the independence requirements included in the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA).

Standards and verification procedures

The verification procedures performed focused on the following:

- Interviews with the individuals responsible for the information to understand the activities performed and the procedures used to gather the information.
- Review of the structure and content of the Report in accordance with the Green Bond Principles.
- Understanding of the procedures used in compiling and consolidating quantitative and qualitative data, as well as their traceability.
- Review of the support documentation through analysis and recalculations, as well as statistical sampling, to increase the certainty of the indicators reported.

Conclusions

Based on our work described in this Report, proceeds allocation is presented, in all material respects, in accordance with the applicable criteria.

This report has been exclusively prepared for the Board of Directors of Coca Cola FEMSA, S.A.B. de C.V., in accordance with the terms of our engagement agreement.

Mancera, S.C.
A Member Practice of Ernst & Young Global Limited

Saúl García Arreguín
Partner
March 28th 2022; Mexico City

Coca-Cola FEMSA

Annex A Green Bond Proceeds Allocation - 2021

Category	Figure	Unit
Total investment	**114.64**	Millions USD
Circular Economy	93.19	Millions USD
Climate Change	16.85	Millions USD
Water Stewardship	4.59	Millions USD

SHAREHOLDER & ANALYST INFORMATION

KOF New York Stock Exchange
Quarterly Stock Information

U.S. Dollars per ADS			**2021**
Quarter ended	$ High	$ Low	$ Close
Dec-30	56.52	47.53	54.38
Sep-30	58.94	51.99	56.27
Jun-30	52.93	46.56	52.93
Mar-31	48.97	42.21	46.20

U.S. Dollars per ADS			**2020**
Quarter ended	$ High	$ Low	$ Close
Dec-31	46.93	36.20	46.10
Sep-30	44.91	39.63	40.72
Jun-28	48.39	38.09	43.85
Mar-29	64.95	38.44	40.23

KOFUBL Mexican Stock Exchange
Quarterly Stock Information

Mexican Pesos			**2021**
Quarter ended	$ High	$ Low	$ Close
Dec-30	114.98	101.17	111.54
Sep-30	117.34	104.14	116.32
Jun-30	105.71	93.88	105.47
Mar-31	100.95	87.79	94.41

Mexican Pesos			**2020**
Quarter ended	$ High	$ Low	$ Close
Dec-31	93.88	77.30	91.51
Sep-30	100.3	86.26	90.19
Jun-28	106.29	91.49	100.62
Mar-29	121.02	90.56	95.65

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Stock Exchange Information

Coca-Cola FEMSA's common stock is traded on the Bolsa Mexicana de Valores (the Mexican Stock Exchange) under the symbol **KOFUBL** and on the New York Stock Exchange, Inc. (NYSE) under the symbol **KOF**.

Transfer Agent and Registrar

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ABOUT OUR **INTEGRATED REPORT**

From our headquarters in Mexico City, we present our Integrated Report 2021 edition. This report was developed following the guidelines of the International Integrated Reporting Council (IIRC) and in accordance with the GRI (Global Reporting Initiative) Standards, as well as material indicators of the SASB (Sustainability Accounting Standards) for the Non-Alcoholic Beverage Industry. Furthermore, this report elaborates on our annual Communication on Progress (COP) to the United Nations Global Compact, included by FEMSA in its 2021 report.

The information contained in this report corresponds to the period from January 1 to December 31, 2021. It includes data from the countries where Coca-Cola FEMSA, S.A.B. de C.V. has operations or a majority share. Its operations encompass franchise territories in Mexico, Brazil, Guatemala, Colombia, and Argentina, and, nationwide, in Costa Rica, Nicaragua, Panama, and Uruguay.[1]

The company is a member of the Dow Jones Sustainability Emerging Markets Index, Dow Jones Sustainability MILA Pacific Alliance Index, FTSE4Good Emerging Index, and the S&P/BMV Total Mexico ESG Index, among others.

Chief Financial Officer
Constantino Spas Montesinos

Corporate Affairs Officer
María del Carmen Alanis Figueroa

1. For comparability purposes, the non-financial quantitative data for 2021, 2020, 2019, and 2018 is represented without Venezuela, since as of December 31, 2017, Venezuela is a deconsolidated operation reported as an investment in shares. Moreover, the 2017 information is represented without the Philippines.
2. References herein to “Mexican pesos” or “Ps.” are to the lawful currency of the United Mexican States, or Mexico

Stock listing information: Mexican Stock Exchange, Ticker: KOFUBL | NYSE (ADS), Ticker: KOF | Ratio of KOFUBL to KOF = 10:1 Coca-Cola FEMSA files reports, including annual reports and other information with the U.S. Securities and Exchange Commission, or the “SEC,” and the Mexican Stock Exchange (Bolsa Mexicana de Valores, or the “BMV”) pursuant to the rules and regulations of the SEC (that apply to foreign private issuers) and of the BMV. Filings we make electronically with the SEC and the BMV are available to the public on the Internet at the SEC’s website at www.sec.gov, the BMV’s website at www.bmv.com.mx, and our website at www.coca-colafemsa.com. Coca-Cola FEMSA, S.A.B. de C.V. is the largest Coca-Cola franchise bottler in the world by sales volume. The company produces and distributes trademark beverages of The Coca-Cola Company, offering a wide portfolio of 131 brands to a population of more than 266 million. With over 80 thousand employees, the company markets and sells approximately 3.5 billion unit cases through close to 2 million points of sale a year. Operating 49 manufacturing plants and 260 distribution centers, Coca-Cola FEMSA is committed to generating economic, social, and environmental value for all of its stakeholders across the value chain. The company is a member of the Dow Jones Sustainability Emerging Markets Index, Dow Jones Sustainability MILA Pacific Alliance Index, FTSE4Good Emerging Index, and the S&P/BMV Total Mexico ESG Index, among others. Its operations encompass franchise territories in Mexico, Brazil, Guatemala, Colombia, and Argentina, and, nationwide, in Costa Rica, Nicaragua, Panama, Uruguay, and in Venezuela through its investment in KOF Venezuela.
For further information, please visit www.coca-colafemsa.com