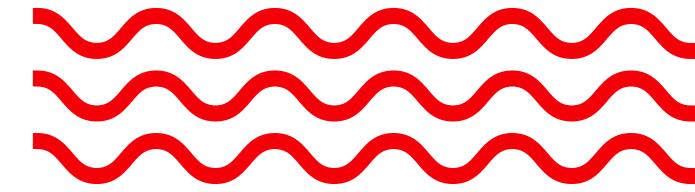


At Coca-Cola FEMSA, our strategic growth and industry leadership is driven by our purpose to refresh the world anytime, anywhere—always finding the most efficient and sustainable way to put our consumers' drink of choice in their hands whenever and wherever they want it.

Guided by our purpose, our aspiration is to become an integrated commercial beverage platform that works seamlessly and in real time to deliver on four strategic priorities: Build a portfolio for every occasion, Enable an overall digital transformation, Ensure business sustainability, and Foster a collaborative culture.

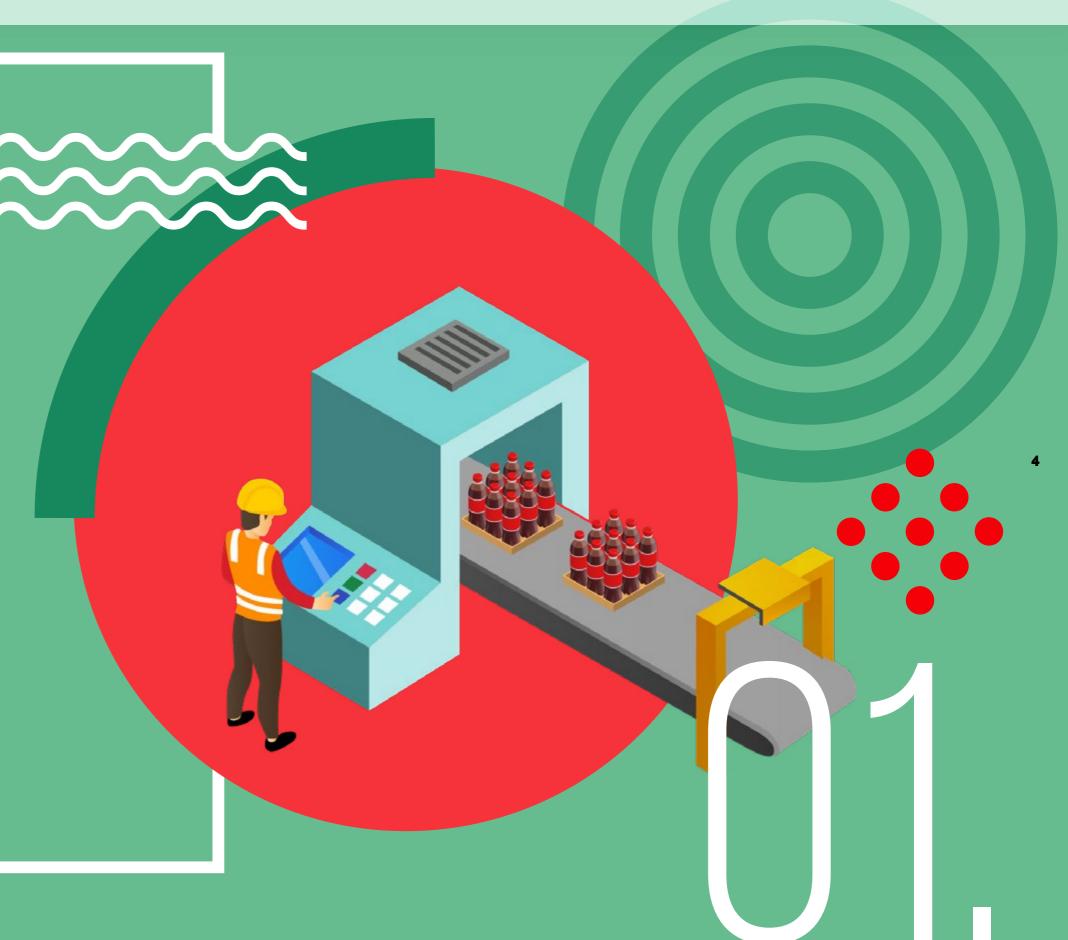






Green Bond Issuance

Our Value Chain



Chairman's and CEO's Letter to Stakeholders

DEAR FELLOW STAKEHOLDERS

This year, in the face of the COVID-19 pandemic, we were able to navigate the storm and come out stronger than before. Above anything, our greatest achievement for the year was the ability to rapidly protect the safety and wellbeing of our people—our most important asset.

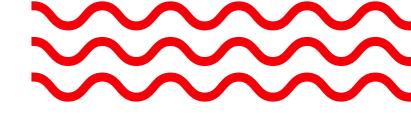


We want to recognize all of our company's employees for their unwavering dedication."

Indeed, we want to recognize all of our company's employees for their unwavering dedication. Our people rose to the challenge and delivered outstanding service to our customers and consumers, ensuring business continuity and product supply, accelerating transformational initiatives, while supporting communities in need through beverage donation, communication of prevention measures, distribution of medical supplies, and expansion of hospital capacity.

Beyond operating continuity, we maintained unmatched market execution, gaining total share of the non-alcoholic-ready-

to-drink (NARTD) industry across our key markets. We ensured our cash flow liquidity, enabling us to not only continue with disciplined capital investment in key projects, but also pay increased dividends to our shareholders. We tapped the international capital markets to further strengthen our solid financial position, marked by the issuance of our first ever Green Bond—the largest for a Latin American corporation and a first for the Coca-Cola System.



Our Priorities

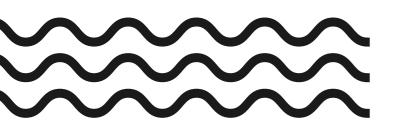
As we move forward, our company's strategic growth and leadership is driven by our purpose to refresh the world—always finding the most efficient and sustainable way to put our consumers' drink of choice in their hands whenever and wherever they want it.

With this in mind, our vision is to become an integrated commercial beverage platform that works seamlessly and in real time to deliver on four strategic priorities that guide our transformation and growth: Build a consumer-centric portfolio for every occasion; Enable an overall digital transformation; Ensure business sustainability; and Foster a collaborative, inclusive, and diverse culture.

Aligned with these priorities, we're consolidating our industry leadership by developing a winning total beverage portfolio that satisfies consumers' evolving tastes and lifestyles. Affordability, coupled with our growing low- and no-sugar beverage portfolio, remained an important engine for our sparkling beverage growth. With the universal bottle's launch, we're successfully expanding our returnable platform beyond colas to flavored sparkling and still beverages. We also captured market share across emerging still beverage categories-including hydration, nutrition, and energy-while selectively exploring new categories, exemplified by the Coca-Cola system's entry into the alcoholic ready-todrink space in Latin America with the successful launch of Topo Chico Hard Seltzer.



We increased the use of recycled materials in our PET packaging to 29%."



To fulfill our vision of becoming a fully digital, interconnected platform, we're driving a digital transformation across every function. From omnichannel order taking and customer care capabilities to evolving route-to-market and logistics models to automated financial planning and human resources processes. This transformation continued to progress at tremendous speed. To give you a sense, our chatbot-enabled Business WhatsApp platform grew to 270 thousand active customers in one year, with up to 15,000 orders placed daily, and growing.

Importantly, we're ensuring our business sustainability. Thanks to our efforts, we achieved our key 2020 sustainability

goals. We improved our water use ratio to an average of 1.49 liters of water per liter of beverage produced, an industry benchmark. We increased the use of recycled materials in our PET packaging to 29%, exceeding our 2020 goal of 25%. An impressive 80% of our bottling operations' power came from clean energy sources, up almost nine times since 2014. We collected more than 50% of the bottles that we put into key markets, well positioned to achieve our 2030 commitment of collecting 100%. Furthermore, we became the first Mexican company and the third in Latin America to achieve official validation of our 2030 emissions reduction targets by the Science Based Targets initiative, reflecting our commitment to a low-carbon economy. Our sustainability performance enabled us to be part of the top 15% of public companies included in the S&P Global Sustainability Yearbook 2021.

Underpinned by KOF DNA, we're building a customer and consumer focused culture, founded on operational excellence, agile decision-making, owners' mentality, and a people-first mindset with a focus on inclusion and diversity. Indeed, this is the third consecutive year that Coca-Cola FEMSA is part of the Bloomberg Gender-Equality Index. Driven by these core values, we are changing our ways of working and reinforcing the behaviors necessary to emerge a stronger, leaner, and more agile company—empowered to achieve our purpose and vision.





Our Performance

Our resilient business—coupled with our proactive market strategies and comeback plans—enabled us to deliver better than expected results in the face of unprecedented challenges. For the year, our total sales volume declined 2.5% to 3.28 billion unit cases. Total revenues decreased 5.6% to Ps. 183.6 billion. Operating income declined 0.7% to Ps. 25.2 billion. Operating cash flow increased 0.5% to Ps. 37.3 billion, while our operating cash flow margin expanded to 20.3%. Controlling net income reached Ps. 10.3 billion for earnings per share of Ps. 0.61 and per unit of Ps. 4.91 (Ps. 49.06 per ADS). Notably, our net-

debt-to-EBITDA ratio closed the year at 1.1 times, while our cash position was more than Ps. 43 billion, reflecting our strong balance sheet.

As we move ahead, one of our key strengths is our mutually beneficial business relationship with The Coca-Cola Company. Working together, we not only reacted rapidly and forcefully to the pandemic, but also remained focused on driving the system and our company forward.

Against the backdrop of a complex, dynamic environment, we're encouraged by

our resilience, our underlying operating trends, and our people's unwavering devotion in the face of adversity. Guided by our shared purpose of refreshing the world anytime, anywhere, we're taking the right steps to emerge a stronger companycreating key avenues for growth and value creation for 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.

COVID-19

RISING TO THE CHALLENGE

We focused our actions on five key areas to ensure our business continuity

The unpredictable, uncertain, and complex environment that emerged with the COVID-19 pandemic brought out the best in us and in our collective humanity.

We would like to offer our sincere condolences to everyone who lost a loved one. In particular, we would like to take a moment to remember our colleagues who sadly lost the battle to this virus.

We further express our deepest appreciation and gratitude to all of the healthcare workers, first responders, emergency professionals, and other essential workers on the frontline of this pandemic that allowed us to sustain some sense of normality amid these troubling times.

This pandemic has demanded a great deal from all of us, but as we reflect on this challenging moment in time, we can see the light ahead. Nonetheless, this is not the time to let our guard down, but to remain patient and do what is best for our society.

Coca-Cola FEMSA has overcome crises before, demonstrating the ability to successfully adapt to and capitalize on dynamic environments to emerge a stronger company.

This year, we acted swiftly to develop a comprehensive management framework to guide our COVID-19 prevention actions and comeback plans and to protect our short-term results while fostering our long-term goals. As part of this framework, we focused our actions on five key areas to ensure our business continuity:







BEVERAGE DONATION



Contribute to expanded hospital capacity."



MEDICAL SUPPLIES

Use trucks and marketing spaces to amplify preventive measures."



DISTRIBUTION & LOGISTICS

Hiters of beverages donated

26분 60 분 tests donated masks and gowns medical supplies delivered

Interview With Our CFO

Constantino Spas, our company's **Chief Financial Officer, reflects on** our company's ability to navigate an exceptionally challenging environment and emerge even stronger. He further discusses our business' resilient performance, significant progress on his five key priorities, steps to strengthen our balance sheet, the Coca-Cola System's first-ever green bond, our Fuel for Growth program, debt-refinancing strategy, and disciplined capital allocation.





Constantino, how did you and your team progress on your five key priorities over the course of the year?

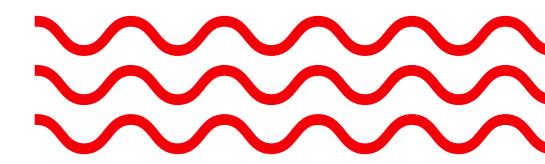
This year, we successfully navigated an exceptionally challenging environment to emerge an even stronger company. Against this backdrop, we made significant progress on the five key priorities that we set when I assumed the CFO position a couple of years ago.

- 1. Maintain our solid financial foundation to improve our return on invested capital (ROIC) Aligned with our comprehensive management framework, we acted rapidly and efficiently to fortify our cash position, protect our cash flow and liquidity, reprioritize CAPEX across our operations, and aggressively target cost savings and efficiencies, while strengthening our balance sheet. This enabled us to finish the year with a very solid financial foundation to improve our ROIC year over year.
- 2. Continue evolving our finance function to drive top- and bottom-line results and maximize shareholder value This year, we proved ourselves to be a true partner to our broader business operations. Among our actions, we supported our operations by taking the lead in driving cost and expense containment; we acted quickly to tap the internation-

al capital markets before, during, and after the pandemic hit; and we maintained our capital investment in priority projects. In this way, we worked to ensure operating continuity and product supply, expand our returnable portfolio, and accelerate the rollout of transformational initiatives—from our omnichannel strategy to our home delivery routes. We further increased our annual dividend, delivering on our commitment to maximize value for our shareholders.

- 3. Guarantee that we will continue attracting and developing our talent base for our finance function Aligned with our DNA, we continue to attract and develop our growing base of talent—infused with the right behaviors, attributes, and capabilities—across our operations' diverse finance functions. Indeed, as part of our talent development platform, we continued to move and promote finance leaders around our organization, providing valuable opportunities for professional growth.
- 4. Continue our approach of transparency, fair disclosure, and continuous communication with our stakeholders
 This year, we doubled down on our

- engagement with the financial markets, investors, and analysts, proactively gathering feedback from and providing feedback to the market—always maintaining this essential two-way communication with our stakeholders.
- 5. Finally, in my role as CFO, I continue to take important steps to support John and our senior leadership team on their journey of cultural transformation, reinforcing our DNA by taking an active role in the implementation of our multi-year Fuel for Growth program and other strategic initiatives that we established together as a team.

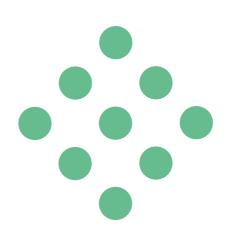




Could you expand on the proactive actions taken to protect the company's cash flow and liquidity—while strengthening the company's balance sheet—in the face of the COVID-19 pandemic?

Certainly, as part of our comprehensive management framework, we focused heavily on effective cash management and further strengthening our balance sheet. As I previously noted, we proactively tapped the market to successfully refinance debt and take on short-term credit to solidify our company's cash position and protect our liquidity. Working hand in hand with our operators, we aggressively targeted savings, and we quickly reevaluated and prioritized CAPEX—ensuring investments in key projects across our operations.

Importantly, our cash control towers enabled us to improve cash from operations by 12% year on year, driven by cost and expense controls, as well as disciplined working capital management. These towers or nerve centers utilize an iterative process to periodically update all of our forecasting and to provide clarity to every single operation on their financial needs on a rolling basis for a 13-week period. Over the coming year, we look to convert our cost and expense containment into reduction, while implementing our zero-based budgeting program.

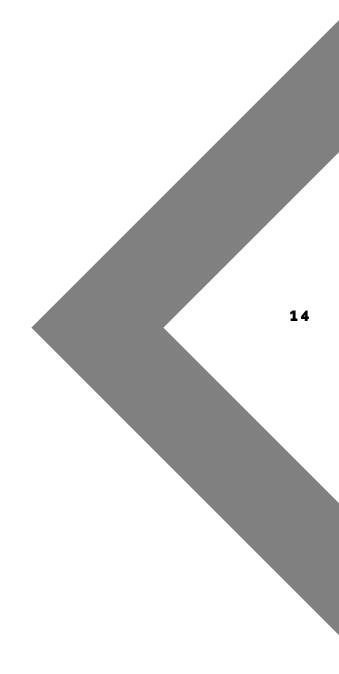


In light of those actions, how would you reflect on the company's overall performance for the

2020 underscored our company's strength and resilience. Our robust business—coupled with our rapid deployment of market strategies and comeback plans—enabled us to navigate an extraordinarily challenging environment to deliver better than expected financial results, and most importantly, to continue to take significant steps towards our long-term strategic goals. To this end, we took tremendous strides to enable our overall digital transformation, ensure business sustainability, foster a collaborative organization, and reinforce our consumer-centric portfolio.

Notably, our affordable and diverse portfolio, together with relentless point-of-sale execution, enabled us to gain market share across the non-alcoholic-ready-to-drink (NARTD) space in all of our key territories. This growth reflects our long-term strategic focus on winning during tough times while positioning our business to emerge even stronger during the recovery.

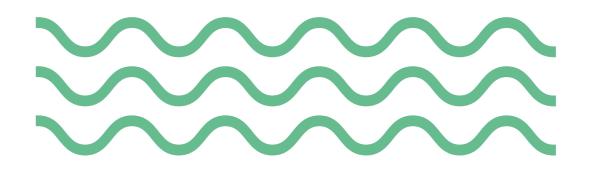
Indeed, thanks to our efforts, our netdebt-to-EBITDA ratio closed the year at a healthy 1.1 times, while our cash position was more than Ps. 43.4 billion, underscoring our strong balance sheet and liquidity position moving forward.



Could you expand on the company's successful green bond issuance in the international capital markets?

Consistent with our ongoing financial discipline and commitment to sustainability, we issued our first-ever green bond in the international capital markets on September 1, 2020. The successful public offering of US\$705 million principal amount of notes due 2032 was priced at US Treasury + 120 basis points and a coupon of 1.85%.

This transaction is the largest ever green bond for a Latin American corporation and received broad participation from investment-grade dedicated investors, confirming Coca-Cola FEMSA's strong credit profile and ambitious sustainability agenda. We expect this bond will enable us to achieve our environmental targets in areas such as climate action, water stewardship, and a circular economy, while acting as an incentive to push even harder on the sustainability front.

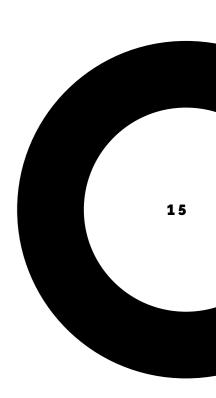


During the year,
the company
undertook other
debt refinancing
transactions. Could
you briefly elaborate
on this strategy and
the company's plans
for additional debt
refinancing?

Consistent with our financial discipline, we completed our liability management strategies before COVID-19 became a global pandemic, reflecting our conservative profile and prudent approach to debt under all circumstances. During January and February 2020, we took advantage of favorable market conditions to complete debt-refinancing transactions in the U.S. dollar and Mexican peso debt markets by issuing an aggregate of US\$1.5 billion.

These transactions provide us with a very manageable debt maturity profile. Specifically, we extended the average life of our debt from seven to approximately nine years, while reducing our average interest rate. Moreover, we continued to adhere to our policy of a maximum of zero net debt exposure to U.S. dollars.

Today, we enjoy a comfortable and conservative debt profile, with more than 80% of our debt maturing beyond 2025.



Our Fuel for Growth efficiency program enabled us to emerge from the pandemic as an even leaner, more agile organization fully focused on our clients and consumers.

Could you further update us on the company's Fuel for Growth program and its savings?

Our Fuel for Growth efficiency program, which we began to roll out in 2019, enabled us to not only face, but also emerge from the pandemic as an even leaner, more agile organization fully focused on our clients and consumers.

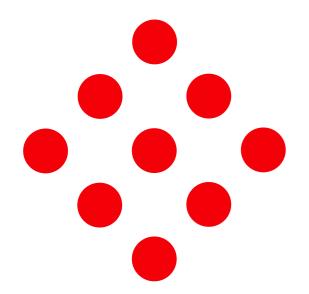
Beyond delivering more than US\$416 million in savings during 2020, this multi-year program is focused on a series of ambitious productivity and efficiency initiatives designed to strengthen our organization through new ways of working, eliminating redundancies, and leveraging digital enablers to streamline our cost base, while generating funds to support our strategic initiatives and reinvest in our business to fuel our top- and bottom-line growth.

Among our initiatives, we look to implement our zero-based budgeting (ZBB) program over the coming year. Through ZBB, we aim to achieve more flexible budgets, focused operations, lower costs, and even more disciplined execution.

Finally, could you briefly describe Coca-Cola FEMSA's view on capital allocation, especially with respect to mergers and acquisitions going forward?

At this point, we are well positioned financially and operationally to take selective advantage of any compelling inorganic business opportunities that may arise. We enjoy the benefits of not only a strong balance sheet, but also outstanding operational capabilities to smoothly integrate and extract synergies from newly acquired assets.

With that in mind, we will leverage our disciplined approach to capital allocation as we evaluate inorganic opportunities for growth from both a strategic and value standpoint. Among our criteria, as exemplified by our recent transactions, we look to pay a correct valuation, including clearly identifiable synergies; to scale our business, while providing liquidity to our shareholders; to diversify our operations across geographies and currencies; and to expand our portfolio into promising beverage categories.



Interview With Our CAO

José Ramón Martínez, Corporate Affairs Officer, discusses our updated sustainability strategy. Among other topics, he talks about our main sustainability achievements, environmental stewardship, and strengthening of our local communities.





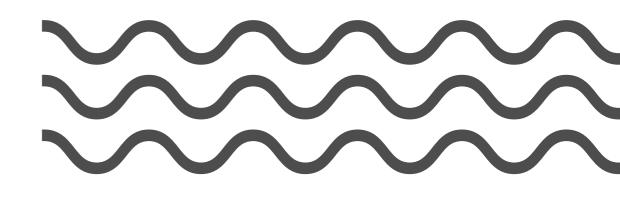
What would you say were Coca-Cola FEMSA's main sustainability achievements during 2020?

2020 was a very challenging year from both a societal and business context, impacted by one of the most severe pandemics in modern human history. At Coca-Cola FEMSA, we understand this, and we empathize with the families of those who have suffered and regretfully lost the battle against COVID-19.

Because of the important role that we play to keep the economy moving and to hydrate and nourish the communities we have the privilege to serve, we were designated an "essential business," a classification that we do not take lightly. Driven by our purpose to refresh the world, we carried on operating safely with our workforce—committed to always find the most efficient and sustainable way to put the drink of choice in our consumers' hands anytime, anywhere.

Under this business environment, we continued to focus on our sustainability strategy. As we concluded our 2020 Sustainability Framework, the year proved a successful story of key targets achieved; new ambitions set for years to come under our updated Framework; and important achievements. Notably, we became the first Mexican company to receive official approval from the Science Based Targets Initiative (SBTi) for our 2030 emissions reduction targets, aligned with a well-below 2°C global temperature rise pathway. We further issued the Coca-Cola System's first-ever green bond, currently the largest for a Latin American corporation.

How would you describe Coca-Cola FEMSA's increasing integration of sustainability, and its Framework, into the company's business priorities?

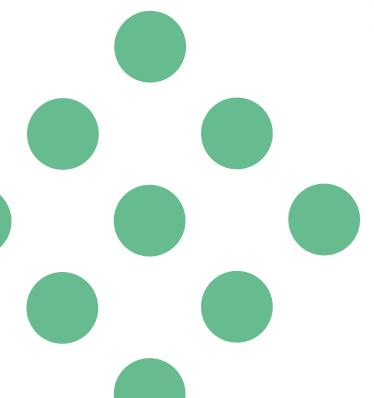


In 2020 we reached a milestone by completing our 2020 goals, and to give continuity to our strategy, we conducted a materiality analysis to ensure that our sustainability priorities are aligned with stakeholders' expectations and what the business needs to thrive in the coming years. Through this analysis, we developed a new set of priorities that:

- Helped Coca-Cola FEMSA to understand its position as part of an entire value chain
- Position Coca-Cola FEMSA's value chain within a society that has expectations to be met
- Understand the role that both the company and society play in respecting environmental boundaries.

As a result of this process, we identified a set of 45 material topics that, when viewed in its entirety, determined specific lines of action across Coca-Cola FEMSA's value chain to ensure the sustainability of our business, business partners, and the communities in which we operate.

We further kept the three axes that have guided us since the creation of our first sustainability strategy in 2013—Our People, Our Planet, and Our Communities. They are now invigorated with a new value chain approach, focusing on societal expectations, stakeholder engagement, and continuous efforts to care for the environment and, simultaneously, create economic and social value in collaboration with our stakeholders.



What is Coca-Cola FEMSA's strategic approach to water resource management?

What do you think is the role of Coca-Cola FEMSA in the face of climate change?

First and foremost, we recognize that climate change is a real, imminent threat to the way that we are accustomed to live. With this in mind, we are convinced that a science-based, multi-stakeholder effort is required for humanity to address this urgent threat, and at Coca-Cola FEMSA, we are committed to doing our part.

Speaking of commitments, we exceeded our 2020 target of using clean energy to supply 85% of our Mexican manufacturing operations' power needs, satisfying 96% of these operations' electricity requirements with clean energy sources in December, 2020. Additionally, aligned with the call to action to limit global warming to well-below 2°C above pre-industrial levels, we are increasing our ambition to reduce

emissions from the value chain, along with other commitments under Coca-Cola FEMSA's Climate Change Strategy. Specifically, our new 2030 commitments (with a 2015 baseline) are to:

- Reduce absolute GHG emissions from our operations (scopes 1 and 2) by 50%
- Reduce absolute GHG emissions from the value chain (covering purchased goods and services and upstream transportation and distribution) by 20%
- Achieve 100% renewable electricity in our operations.

Importantly, when we talk about "absolute emissions," we are decoupling business growth from GHG emissions, and actually acknowledging that no matter the size of the business in 2030, we will still make it less emissions intensive than 2015.

We are committed to the efficient use of this natural resource in our bottling operations and to returning to the environment and communities the same amount of water used in our beverages, while safeguarding it not only for us to use, but also for our communities to enjoy now and into the future. From 2010 through 2020, we significantly improved our water use ratio by an impressive 24% to reach 1.49 liters of water per liter of beverage produced, achieving our 2020 goal. Additionally, we currently give back to the environment more than 100% of the water we use in the production of our beverages in Brazil, Colombia, Mexico, Central America, and Argentina.

Consistent with our commitment to water conservation, in collaboration with FEM-SA 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. We further work to strengthen water funds and conserve water basins through sustainable initiatives involving partnerships with several stakeholders.

Building on our conservation efforts, this year we launched in Mexico the "Cauce Bajío" water fund in collaboration with the Latin American Water Funds Alliance, comprised of FEMSA Foundation, the Inter-American Development Bank (IDB), the Global Environment Facility, The Nature Conservancy, and the International Climate Initiative.



What is Coca-Cola **FEMSA's strategic** approach to proper waste management?

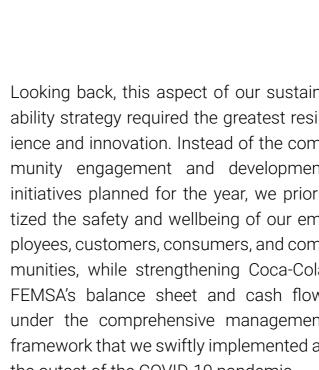
We are convinced that the best way to tackle this challenge is through a collaborative multi-stakeholder, market-based approach to the circular economy, which requires each party responsible for waste generation to do their part. Consistent with this approach, we are doing everything possible to be part of the solution.

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," we can proudly say that, in the main markets in which we operate, collection and recycling mechanisms account for more than 50% of the PET bottles that we sell, putting us well on track to our 2030 goal of collecting 100%

of the PET bottles we place in the market. While this is a challenging task, we are confident that, with the support and co-responsibility of all of the actors in the value chain, we will fulfill this goal. Importantly, we undertake this concerted effort in conjunction with our ongoing initiatives to lighten the weight of our packages, optimize the use of PET, and incorporate recycled content into our bottles.

In 2020, we used an average of 29% recycled content in our plastic bottles, exceeding our 2020 goal of 25%; a goal that we aim to expand to include 50% of recycled materials in our PET packaging by 2030. We further advanced on our Zero Waste program, with two thirds of our 49 bottling facilities earning this certification.

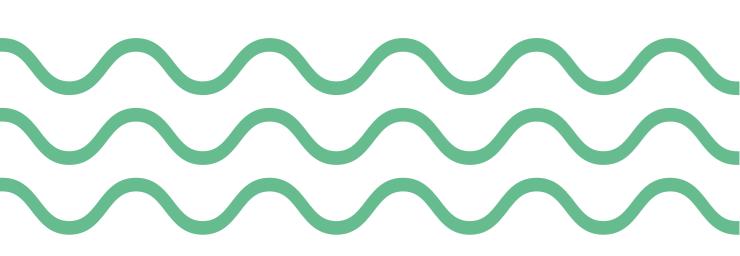
How did Coca-Cola FEMSA's focus on community development, particularly in the face of the COVID-19 pandemic?

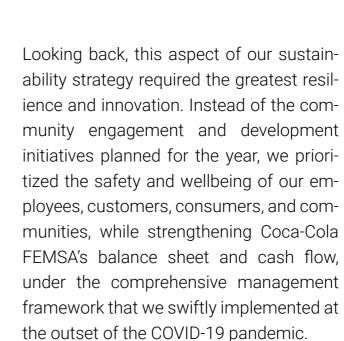


As a leading beverage company, we have made our resources available to build on the actions of the communities where we operate. In solidarity with our communities and in collaboration with health pro-

fessionals at the front line of the COVID-19 health emergency, we have offered our company's support through the donation of over 3.8 million liters of beverages to medical centers and vulnerable communities, the communication of prevention measures, the expansion of hospital capacity, and the distribution of 1.9 million medical supplies.

By prioritizing the health and safety of our employees and focusing on the needs of our customers, consumers, and communities, we reinforced Coca-Cola FEMSA's commitment to delivering economic value, while generating social and environmental wellbeing.







OUR EXPERIENCED MANAGEMENT TEAM

Guided by our purpose to refresh the world anytime, anywhere, our experienced management team enables us to rise to the challenges of our times and to emerge from them even stronger. Together, they work to deliver economic and social value while generating environmental wellbeing for our stakeholders year after year.

Underpinned by KOF DNA, they leverage our strengths to not only guide our business transformation and growth, but also achieve our long-term strategic priorities. Empowered by their example, we strive to consolidate our leadership position in the global beverage industry, capturing key avenues for growth and value creation well into the future.

As of January 1, 2021, Mr. Ignacio Echevarria assumed the position of Chief Information Officer, reporting directly to our CEO. Mr. Echevarria assumed the IT responsibilities that were previously overseen by Mr. Suárez, who will continue to focus his role in transformation and commercial development.



John 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 38 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, the American School Foundation, Coca-Cola FFMSA and FFMSA 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 25 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 Awad Pérez
CHIEF HUMAN RESOURCES OFFICER

Ms. Awad joined Coca-Cola FEMSA in 2018 and was appointed to her current position in the same year. With almost 29 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. As of 2021, Ms. Awad is partner of the International Women Forum in Mexico and has received multiple recognitions for her female leadership role and her 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 certified Executive Coach from Newfield Co.



Rafael Suárez Olaguíbel
CHIEF TRANSFORMATION, IT
AND COMMERCIAL DEVELOPMENT
OFFICER

Mr. Suárez began his career in the beverage industry in 1981 with The Coca-Cola Company. In 1986, he joined Coca-Cola FEMSA and was appointed to his current position in 2018. With almost 40 years of experience in the beverage industry, he previously served in several senior management positions, including head of our Argentina, Colombia, Costa Rica, Guatemala, Nicaragua, Panama, and Venezuela operations, New Business Director of Coca-Cola FEMSA, Chief Operating Officer of Latin Centro Region, Commercial Planning and Strategic Development Director of Coca-Cola FEMSA, and Chief Operating Officer of Mexico. Mr. Suárez earned a Bachelor's degree in Economics from ITESM and an MBA from the EGADE Business School of ITESM.1



Rafael Ramos Casas
CHIEF SUPPLY CHAIN
& ENGINEERING OFFICER

Mr. Ramos joined Coca-Cola FEMSA in 1999 and was appointed to his current position in 2018. With over 30 years of experience in the beverage industry, he previously served in several senior management positions, including Manufacturing Director for the Southeast of 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.



José Ramón Martínez Alonso
CORPORATE AFFAIRS OFFICER

Mr. Martínez joined Coca-Cola FEMSA in 2012 and was appointed to his current position in 2016. With 34 years of experience in the Coca-Cola system, he previously served in several senior management positions, including Chief Operating Officer of Brazil Division, Strategic Planning Director of South America Division, and Corporate Affairs Director of the Mexico and Central America Division. Mr. Martínez earned a Bachelor's degree in Chemical Engineering from Universidad La Salle and completed postgraduate studies in Production Administration at Georgia Institute of Technology, Strategic Planning at Stanford University, Finance at the John E. Anderson Graduate School of Management at UCLA, and Business Management at the Instituto Panamericano de Alta Dirección de Empresas (IPADE).



Fabricio Ponce Garcia
CHIEF OPERATING OFFICER
Mexico Division

Mr. Ponce joined Coca-Cola FEMSA in 1998 and was appointed to his current position in 2019. With over 22 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.



lan M. Craig Garcia
CHIEF OPERATING OFFICER
Brazil Division

Mr. Craig joined Coca-Cola FEMSA in 2003 and was appointed to his current position in 2016. With over 26 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 FEM-SA. 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 ITFSM.



Eduardo G. Hernández Peña
CHIEF OPERATING OFFICER
LATAM Division

Mr. Hernández joined Coca-Cola FEMSA in 2015 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 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 in 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**

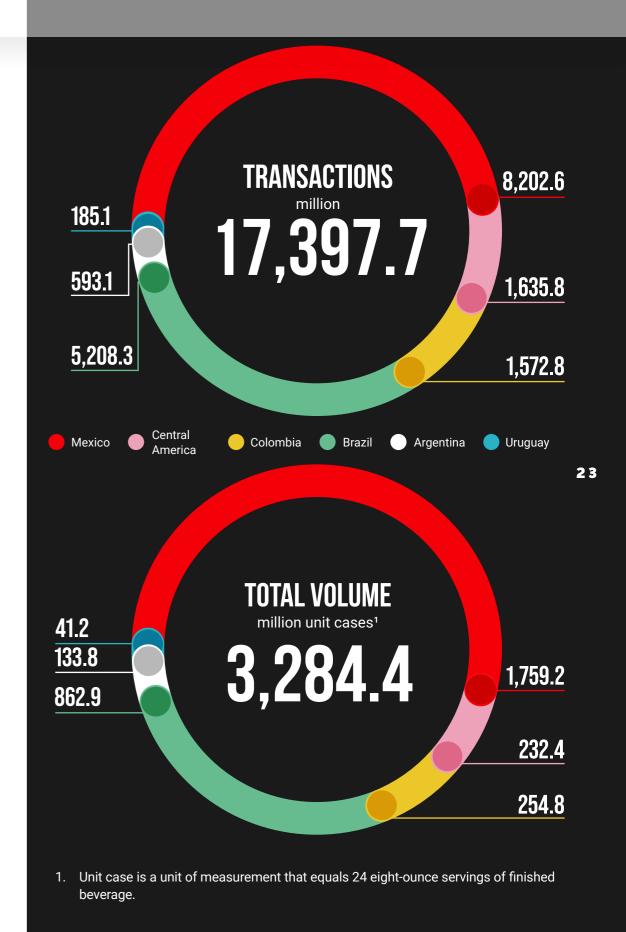
We have the privilege to serve more than 265 million people through 1.9 million points of sale in 9 markets of Latin America with a wide portfolio of leading brands in 10 beverage categories.



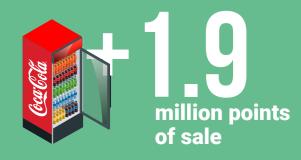








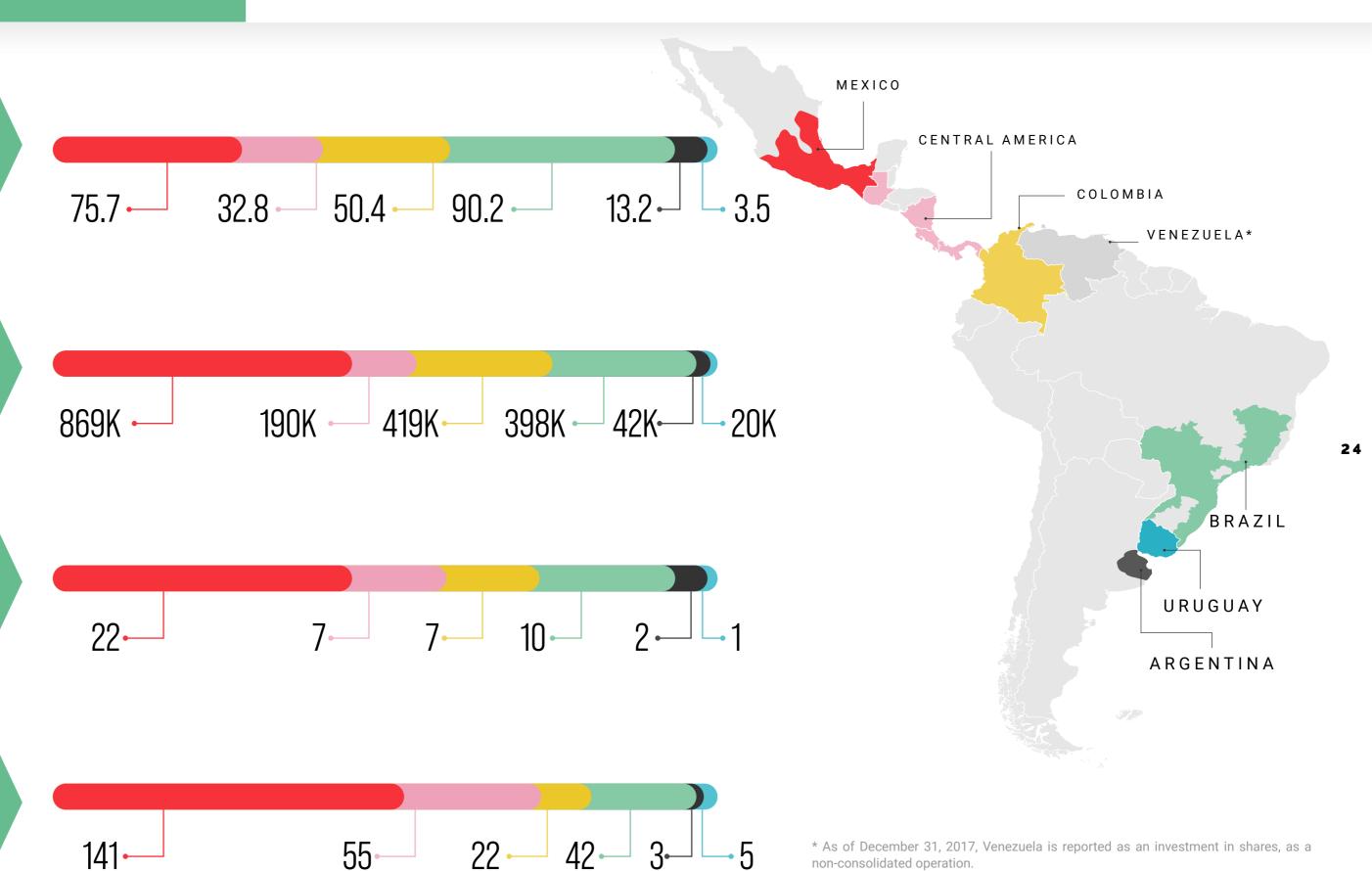








141



^{*} As of December 31, 2017, Venezuela is reported as an investment in shares, as a

NON-RETURNABLE

MEXICO 58% CENTRAL AMERICA 59% COLOMBIA 80% BRAZIL 73% URUGUAY 70% ARGENTINA 78%



42%

41%

20%

27%

30%

22%



Product mix by size

₹235 ml

| CENTRAL AMERICA | |
|-----------------|--|
| 40% | |
| COLOMBIA | |
| 20% | |
| BRAZIL | |
| 19% | |
| JRUGUAY | |
| 11% | |

ca Coli

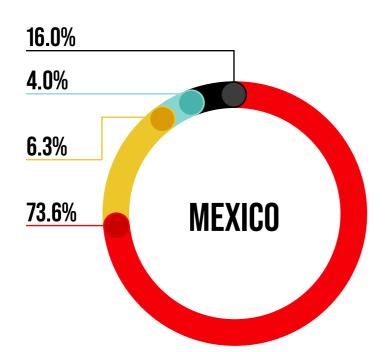
SPARKLING

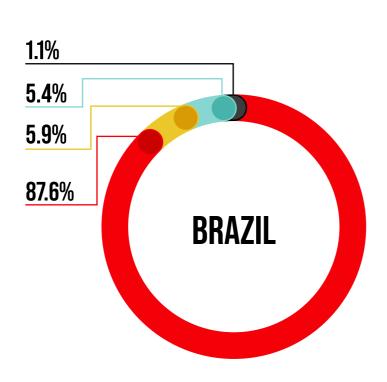


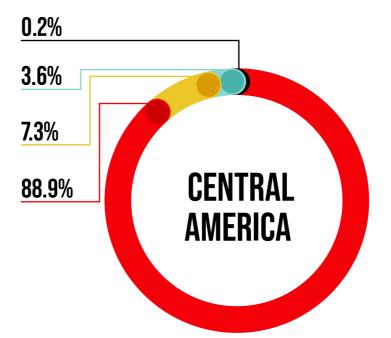


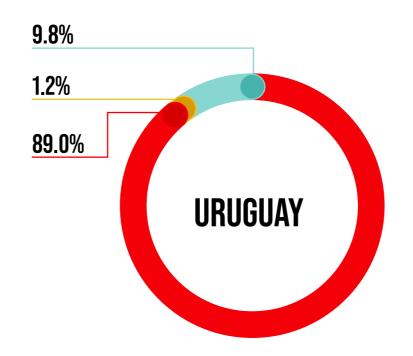


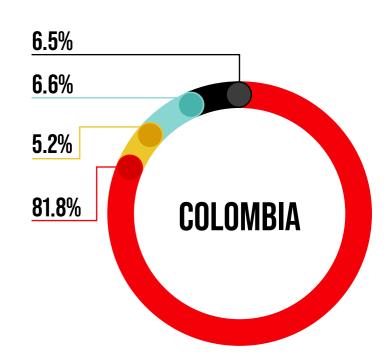
PRODUCT MIX BY CATEGORY

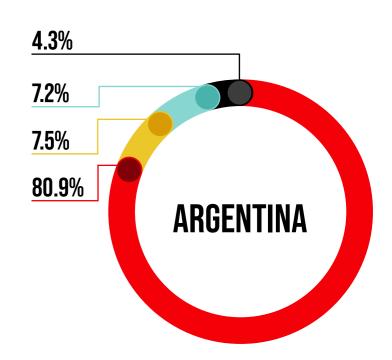










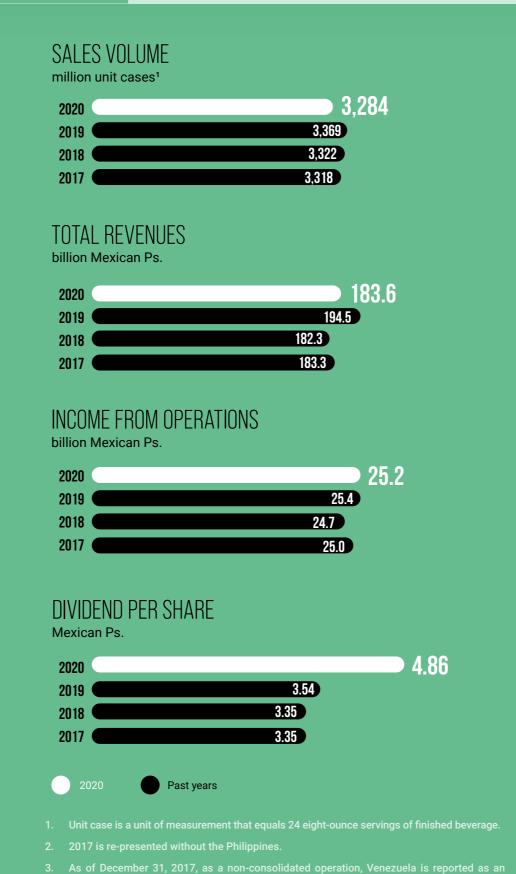


As certain figures in this integrated annual report are rounded, totals may not precisely equal the sum of the numbers presented.

^{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.

Despite the significant challenges posed by the COVID-19 pandemic, 2020 was a year of resilience and continuous transformation for Coca-Cola FEMSA. We addressed the pandemic with operating excellence and continued to move aggressively on all strategic and digital fronts.



| | USD ¹ |
|---|------------------|
| Sales Volume (million unit cases) | 3,284.4 |
| Total Revenues | 9,231 |
| Income from Operations | 1,269 |
| Controlling Interest Net Income ² | 518 |
| Total Assets | 13,225 |
| Long-Term Bank Loans and Notes Payable | 4,145 |
| Controlling Interest | 5,875 |
| Capital Expenditures | 521 |
| Book value per share ³ | 0.35 |

ept volume and per share data). Results under International Financial

2020

2019

MXN

3,368.9

194,471

25,423

12.101

257,839

58.492

122,934

11,465

7.31

2020

MXN

3,284.4

183,615

25.243

10.307

263,066

82,461

116.874

10.354

6.95

% Change

-2.5%

-5.6%

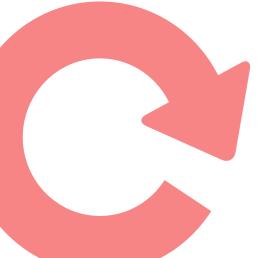
41.0%

-9.7%

-4.9%

27

- 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, 2020, which exchange rate was Ps. 19.89 to U.S.\$1.00.
- 2. As of December 31, 2017, the Company changed the method for reporting Coca-Cola FEMSA Venezuela to Fair Value. Due to this change, a recorded foreign currency translation charge in equity has been reclassified as a noncash one-time item to the other non-operative expenses line of the Income Statement in accordance with IFRS.
- 3. Based on 16,806.7 million outstanding ordinary shares as of December 31, 2020 and 2019.



In 2020, we distributed to the economies in which we do business over US\$7.2 billion in payments to suppliers, wages and benefits for our employees, capital investments in long-term assets, dividends paid to shareholders, income taxes paid to governments, and community investment and donations.

02

+US\$20∰

invested and donated to communities and institutions.



03

+7.2 ▮

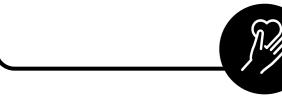
beneficiaries of our healthy lifestyle initiatives.



04

2.17

volunteer hours accumulated since 2015.



05

1.49 §

of water per liter of beverage produced.



06

17 8

liters of water saved since 2015.



07

29%

recycled PET used on average across our plastic bottle presentations.





08

98%

of post-industrial waste recycled or properly disposed.



09

2/3

of our 49 manufacturing facilities have Zero Waste certification.



10

80%

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

11

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

12

US\$705 \{\bar{2}}

Currently the largest Green Bond issuance for a Latin American Corporation and 1st within the Coca-Cola System. 13 3.8

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

14

WE'RE IN THE TOP

15%

of companies leading the Sustainability agenda according to the S&P Global Sustainability Yearbook 2021. 15

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



Summary of Offering Terms

| Issuer | Coca Cola FEMSA SAB de |
|------------------------|---------------------------|
| | CV |
| Format | Senior Unsecured Green |
| | Bond |
| Ratings | A2 (Moody's) / A- (Fitch) |
| Size | US\$705MM |
| Pricing | August 26, 2020 |
| Maturity | September 1, 2032 |
| Coupon/ | 1.850% / 1.887% |
| Yield & | , |
| Spread | UST10Y+120bps |
| Issuance | 00.6040 |
| Price | 99.604% |
| Optional Redemption | 3-month par call, MWC |
| VGACIIINUQII | |

A Transaction of many "Firsts"

- KOF's first-ever Green Bond issuance
- Largest-ever Green Bond issued by a Latin American corporate
- A first for the Coca-Cola System
- First Mexican corporate to issue a Green Bond
- Lowest 10+ year coupon for any Latin American issuer

SS STORY

KOF ISSUES LARGEST GREEN BOND BY A LATIN AMERICAN CORPORATION

Our sustainability strategy and environmental commitments are the cornerstone of the way we conduct business. Issuing a Green bond is consistent with our drive to maximize the impact of our Green initiatives, to achieve our sustainability goals and to contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs).

In September 2020, we successfully issued our first-ever Green Bond to finance our transition towards low-carbon operations, strengthen our resilience and minimize our exposure to environmental risks while being environmentally conscious and restorative, through investments and expenditures that ensure the sustainability of our business model in 3 main strategic areas where we can make the most positive environmental impact:



Climate Change

Mitigating its risks and adaptating our operations to climate-related impacts













UZ

Water Stewardship

Promoting the efficient use of water resources and fostering hydrological safety in the territories where we operate









03

Circular Economy

To "close the loop" of PET plastic bottles lifecycle





For further information, please review:

Our Green Bond Framework
Sustainalytics' Second-Party Opinion (SPO)
Our First Green Bond Report. Available in 2Q21

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 268 distribution centers.

4. Distribution Center

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

5. Pre-Sale

Powered by the KOF Digital Platform, we serve our clients in the traditional and modern channels, offering a winning portfolio of leading brands in 10 beverage categories.

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 1.9 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 265 million people, offering a total portfolio, including 10 beverage categories with choices for every lifestyle.

9. Recycling

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

