



ANNEXES

INTEGRATED REPORT 2017

Coca-Cola FEMSA

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STRATEGIC SUSTAINABILITY FRAMEWORK

MATERIALITY STUDY

In 2012, we carried out a materiality analysis, identifying best practices globally, interviewing key executives, dialogues with representatives of external stakeholders executives, sustainability experts and employees. Through this exercise we identified the material issues that impact our business.

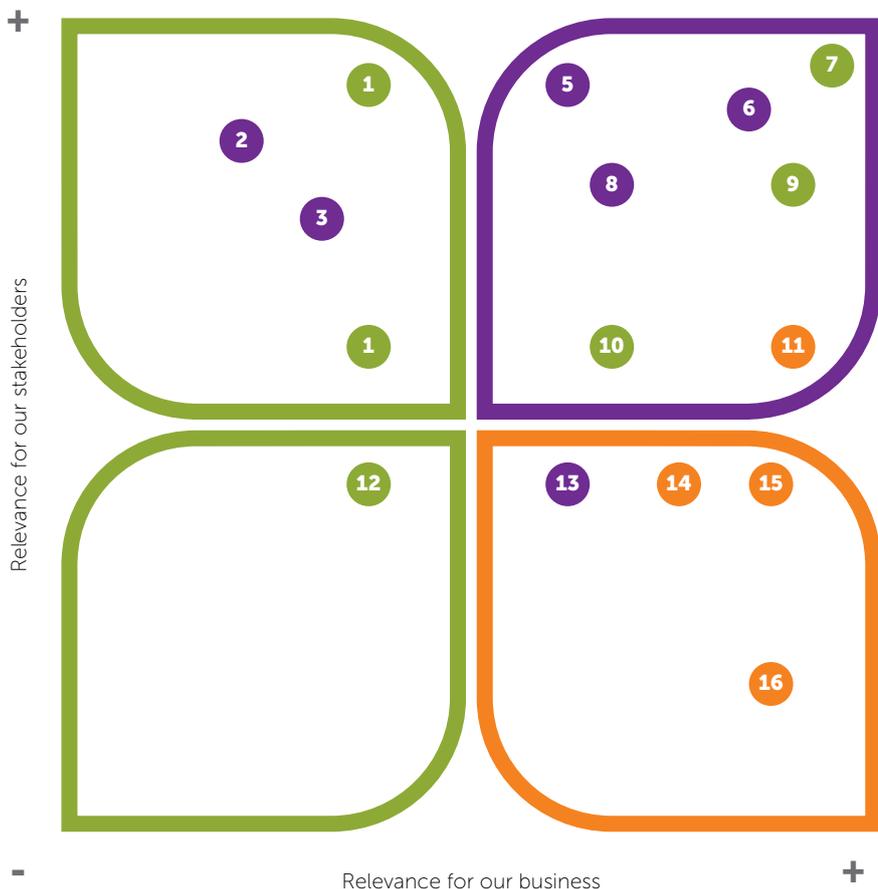
The material issues for our business include the following:

- **THEY ARE THOSE** in which Coca-Cola FEMSA, may generate greater value.
- **THEY ARE ISSUES** in which we have a sufficient degree of maturity that allow us to be agents of change.
- **PREVIOUS INVESTMENTS** have been made in these areas.
- **THEY HAVE ELEMENTS** that may be converted into a competitive advantage and that allow us to stand out in the market.
- **THEY ARE IMPORTANT** to our stakeholders and we have identified that for some of them we may join efforts to create positive changes.

Based on the above, the most important strategic issues for both the company and the stakeholders are:

STRATEGIC SUSTAINABILITY FRAMEWORK

The Sustainability Strategy provides us with the guidelines to achieve our mission to positively transform the communities where we operate, supported by our Ethics and Values.



Our Materiality

■ Our People ■ Our Community ■ Our Planet

1. Local environmental impact
2. Safety in our communities
3. Wellbeing in our communities
4. Waste management
5. Responsible marketing
6. Nutrition and physical Activation
7. Water
8. Sustainable products
9. Packaging and recycling
10. Energy
11. Training and development
12. Transportation impacts
13. Supplier development
14. Compensation
15. Health and safety
16. Culture and values

SUSTAINABLE DEVELOPMENT GOALS

At Coca-Cola FEMSA we are committed to contribute to the Sustainable Development Goals proposed by the United Nations. We concluded that a large part of our initiatives does in fact contribute to the 17 goals with specific measures. Since six of them coincide exactly with some of the top priorities in our Strategic Sustainability Framework, that is where we believe we can make the best contribution.

			 <p>Several of our projects are focus on healthy lifestyles for Our Community, such as the Latin American Commitment for a Healthy Future that we recently launched or the social programs from FEMSA Foundation.</p>
			
<p>We are committed to promoting healthy habits. This way, we have a 2020 goal to benefit 5 million people with our nutrition and physical activation programs. In addition, we offer a portfolio of leading multi-category beverages, and we carry out responsible marketing strategies for our products.</p>	<p>Our production processes ensure the efficient use of water, as well as correct wastewater treatment. We are committed to return to nature and to the communities all the water used to produce our beverages.</p>	<p>Our 2020 goal is to supply 85% of the energy we use in manufacturing in Mexico with clean sources, and we continue to look for options to introduce this energy consumption initiative in the countries where we operate.</p>	
			
<p>We look for economic growth through the efficient use of resources, by promoting a work environment that offers comprehensive development, by creating jobs in emerging markets, and by applying our sustainable sourcing principles.</p>	<p>We work on innovative processes in the industry, aiming to develop local suppliers and to improve our environmental performance, which is why our 2020 goal is to reduce our carbon footprint by 20% across our value chain.</p>	<p>We communicate our sustainability results annually through our Sustainability Report, and have established goals to ensure a responsible consumption of raw materials, to achieve greater efficiencies, and to encourage recycling.</p>	

2020 GOALS



To complement the Sustainable Policy, and to offer major support to our Sustainability Strategy, we defined 2020 Goals for each Pillar.

Our People	Our Community	Our Planet
<p>COMPREHENSIVE DEVELOPMENT</p> <ul style="list-style-type: none"> • Generate 1 million hours of volunteer work. • Achieve a Lost Time Injury Rate (LTIR) of 0.5 per 100 associates. • Reduce by 20% the general illness absentee rate vs 2010. • Zero fatalities from work-related diseases. 	<p>HEALTHY LIFESTYLES</p> <ul style="list-style-type: none"> • Benefit 5 million people with our nutrition and physical activation programs and initiatives. 	<p>WATER</p> <ul style="list-style-type: none"> • Increase our efficiency in water usage to 1.5 liters of water per liter of beverage produced. • Return to our communities and their environment the same amount of water used in our beverages.
	<p>COMMUNITY DEVELOPMENT</p> <ul style="list-style-type: none"> • Have Social License programs in 100% of our priority plants and distribution centers. 	<p>WASTE AND RECYCLING</p> <ul style="list-style-type: none"> • Integrate 25% of recycled or renewable materials in our PET packaging. • Recycle at least 90% of our waste in every one of our bottling plants.
		<p>ENERGY</p> <ul style="list-style-type: none"> • Supply 85% of the energy used in manufacturing in Mexico with clean energy sources. • Reduce by 20% the carbon footprint of our value chain vs 2010.

OUR people



INCLUSION & DIVERSITY

Diversity is a key component to generate ideas, innovation and solid working teams. Women and men of different ages and generations compose our workforce with different skills and competences.

The percentage of men and women in our operations is:

*In **Coca-Cola FEMSA** we build comprehensive teams with people of different profiles, abilities, interests and competences.*



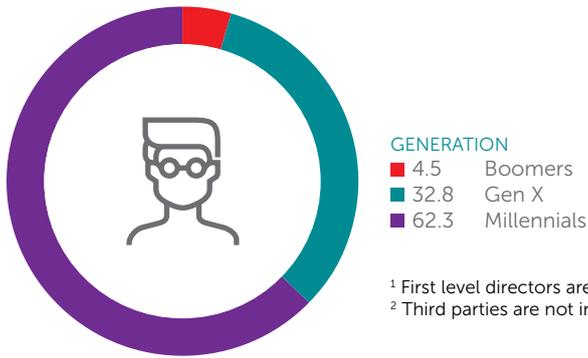
DIVERSITY ^{1, 2}

Country	% Men	% Women
1 Mexico	92	8
2 Costa Rica	88	12
3 Guatemala	96	4
4 Nicaragua	89	11
5 Panama	91	9
6 Argentina	91	9
7 Brazil	90	10
8 Colombia	77	23
9 Venezuela	89	11
10 Philippines	81	19

¹ Third parties are not included.
² First level directors are included.

OUR PEOPLE

Gender representation by generation^{1,2} percentage



¹ First level directors are included.
² Third parties are not included.



Workforce breakdown by gender and generation^{1,2}



¹ First level directors are included.
² Third parties are not included.

In all the countries where we have operations, our team is composed of collaborators hired under different labor schemes.

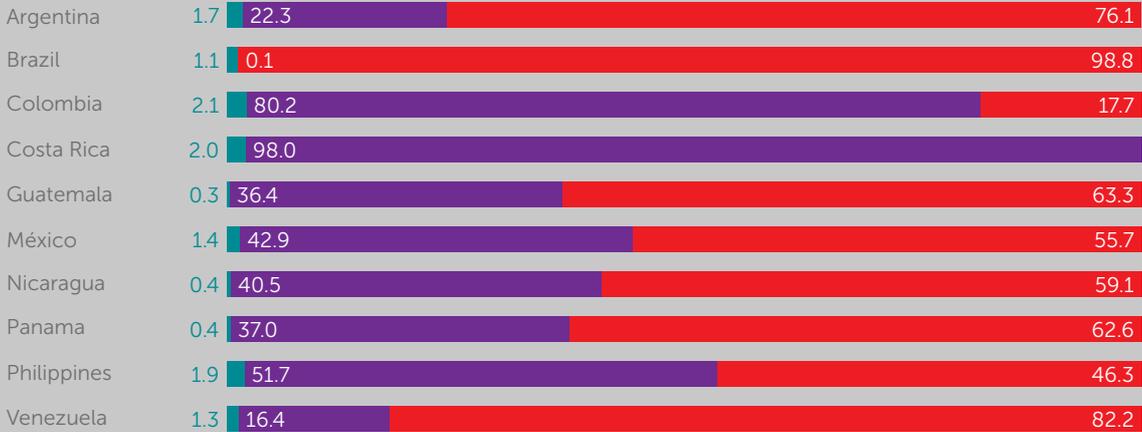
Workforce breakdown per country

■ non-unionized ■ unionized ■ total own ■ third parties ■ total

COUNTRY	non-unionized	unionized	total own	third parties	total
Argentina	636	2,023	2,659	45	2,704
Brazil	227	18,849	19,076	1,353	20,429
Colombia	2,593	558	3,258	1,495	4,753
Costa Rica	1,612	1,612	284		1,896
Guatemala	573	990	1,563	262	1,825
México	18,573	23,395	41,968	3,347	45,315
Nicaragua	344	497	841	352	1,193
Panama	555	927	1,482	146	1,628
Philippines	5,692	4,917	10,609	5,957	16,566
Venezuela	954	4,419	5,373		5,373
COCA-COLA FEMSA	32,701	55,633	88,441	13,241	101,682

Workforce breakdown per organizational level per country ¹

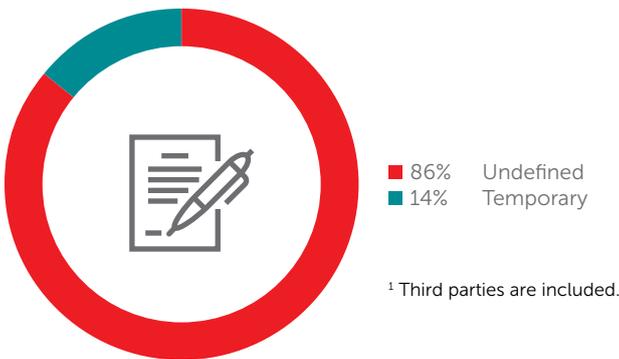
■ % directors and managers ■ % individual contributors ■ % unionized parties



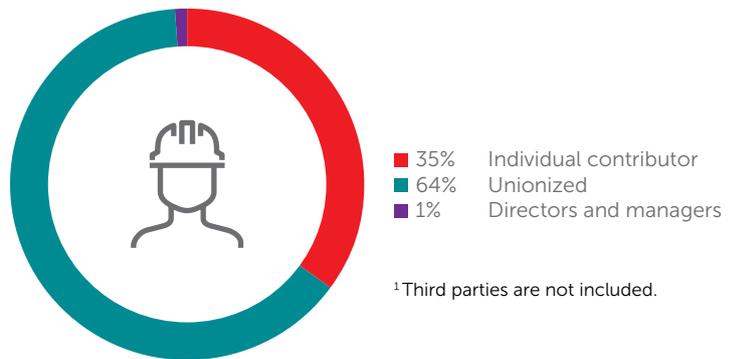
¹ Third parties are not included.

Our workforce is composed by employees with different positions and levels of responsibility, which can be contracted under two schemes: indefinite or temporary.

Personnel per type of contract ¹



Personnel per organizational level ¹



OCCUPATIONAL HEALTH AND SAFETY

The prevention of common diseases and injuries, the reduction of the number of employees who are disabled due to various types of pathologies, and to reduce absenteeism due to general illnesses has been one of our main objectives.

We also view and understand safety as a principle action and key pillar for our business. Consequently, we are committed to promoting a Safety Culture—valued for im-

proving the welfare of our employees, business partners, contractors, and their families, together with the communities where we operate.

Our performance in the Occupational Health and Safety indicators is shown on the graphics in page 45 referring to Lost time injury rate (LTIR), Lost workdays from injury rate (LTISR) and Fatalities imputable to the company; and in page 57 referring to General illness index and Lost days due to general illness index. This information does not include third parties.

OUR community



HEALTHY HABITS

PROMOTING HEALTHY HABITS IN OUR COMMUNITIES

Beneficiaries in nutrition and physical activation programs

people

2015 **509,795**

2016 **997,949**

2017 **1,609,241**

5 million people benefited with nutrition and physical activation programs is our 2020 goal.

Committed to promoting healthy habits in Our Community, in 2017 we promoted 52 initiatives, with an investment of US\$6 million, with a 1.6 million people participating.

In many programs and initiatives, we work in partnership with the Coca-Cola System and the FEMSA Foundation in projects focused on solving food-related problems and creating healthy environments for children, with a strong education component.

VENEZUELA

Coca-Cola FEMSA Network of Community Trainers

The goal of the Coca-Cola FEMSA Network of Community Trainers is to form leaders who encourage communal living through sports, based on inclusion and gender equality. The instructors received theoretical and practical training based on the Sports for Development methodology to promote pacific and harmonious coexistence in their communities.



NICARAGUA

Un Plato Una Sonrisa (The Coca-Cola System)

Partnering with The Coca-Cola Company we offer the program Un Plato, Una Sonrisa, to contribute to school performance, promote balanced eating habits, and maintain nutritional status by supplying daily meals throughout the school year.

CENTRAL AMERICA

Hora de Moverse (The Coca-Cola System)

We contribute to the physical activity of children, teenagers and adults through their participation in the Hora de Moverse initiative, which promotes the training of teachers and the donation of sports equipment.

Campaign of Colors (FEMSA Foundation)

We support the Campaign of Colors, a network that promotes nutrition and healthy habits at 65 elementary schools in Costa Rica, Guatemala, Nicaragua, and Panama, by educating children about nutrition, hygiene, and positive physical activity habits. This project is carried out in collaboration with the American Nicaraguan Foundation (ANF) and Glasswing International.



THE PHILIPPINES

Minute Maid Nurisha (The Coca-Cola System)

In collaboration with The Coca-Cola Company, the Minute Maid Nurisha Supplement program is designed to help improve the health and wellbeing of school-aged children. The program ensures that they drink an orange-flavored juice beverage that contains 14 essential macronutrients, which contribute to their mental and physical development. Currently, kindergarten children participate in the program, complementing this experience by playing traditional Philippine games with our volunteers. Parents and teachers also learn about the benefits of the product and of healthy, economical meals.

ARGENTINA

Maternal Child Program (FEMSA Foundation)

We promote early childhood development with CONIN Foundation, other companies and the Ministry of Social Development of the Government of the City of Buenos Aires.

Sustainable Vegetable Gardens

We continue to work on the Sustainable Vegetable Gardens project where participants grow hydroponic green-leafed vegetables and tomatoes for the Comedor Los Piletones—where vegetables grow faster and enjoy higher nutritional value.



LOCAL INITIATIVES

BRAZIL

Eu Aprendi, Eu Ensinei (FEMSA Foundation)

We sensitize and train young people on topics such as nutritional education and leadership so that they can later become agents of change in their community by replicating the knowledge gained.

Citizenship Square

We improve our communities' quality of life through Citizenship Square. This initiative provides access to public services, while building a network of upgraded community health, nutrition, and physical activity programs. During 2017, Plaza de la Ciudadanía provided services in the cities of Santos, Jundiaí, Itabirito, Santo Angelo y San Carlos.



MEXICO

Ponte al 100 (The Coca-Cola System)

We collaborate in the Ponte al 100 program, along with The Coca-Cola System and other partners, to generate healthy habits in students while maintaining a measurement control on different health indicators.



COLOMBIA

Ludonutrición (FEMSA Foundation)

In collaboration with the FEMSA Foundation and Corporación Juego y Niñez, the Ludonutrición program helped boys and girls between the ages of six and 13 across schools in Cartagena, Tocancipá, and Montería, by playing games about healthy habits, balanced meals, and physical activity. We trained parents and teachers to ensure a healthy environment and to create awareness about the importance of quality interactions for Colombian children at home and school.

COMMUNITY DEVELOPMENT

US\$5.8 million invested in infrastructure and services for the community

Through our initiatives of access to drinking water and sanitation, conservation of watersheds, public lighting with LED, access to healthy food, public machines to encourage exercising habits and assistance to provide drinking water to affected areas by natural disasters.

Committed to contributing to community development in Our Community, in 2017 we carried out 59 community development initiatives and 34 local environmental impact measures, more than 420 thousand beneficiaries in 10 countries where we operate.

We support community development initiatives and local environmental impact measures in the communities where we operate.

ARGENTINA

Canteros Alcorta

We rehabilitated the boulevard in front of our Alcorta plant by installing sports poles as part of this program.



COSTA RICA

Female empowerment Project

With the participation of women entrepreneurs from Calle Blancos, female Calle Blancos neighbors we carry out financial practices workshops to benefit their small enterprises.

BRAZIL

Projeto São Paulo de Incentivo ao teatro infantil e joven

We encourage culture among children and young people through theater.

Coca-Cola Collective Program

The Coca-Cola Collective program: In collaboration with the Coca-Cola System, this program prepares young people for the labor market through professional training courses focused on their particular needs.



COLOMBIA

Espacios de Paz y Reconciliación

We generate spaces for the reconstruction of the social fabric in the communities that were affected by the conflict, strengthening forgiveness, reconciliation and community work.

MEXICO

Muévete y Mueve sus Sueños

Sports event created by our volunteers for girls and boys from different orphanages in Mexico City and the State of Mexico, in which we foster new experiences.

THE PHILIPPINES

5by20 program

Sari-Sari Store Training and Access to Resources (STAR), we work with The Coca-Cola Company to build an environment in which women in the retail mom-and-pop sector are economically empowered.

Coordinates for Life

Coordinates for Life program: Developed by FEMSA, we continued to implement this program to help develop decision-making capabilities and complement school education with experiences outside the classroom.



MODEL FOR ADDRESSING RISKS AND RELATIONS WITH THE COMMUNITY

Based on the MARRCO methodology, these work centers are designing a community engagement plan, to implement a series of measures including mitigation activities to reduce our operational footprint and community programs aligned with needs and local risks. With this, we ensure a positive coexistence and reaffirm our social license to operate

During 2017, we implemented MARRCO in 18 work centers achieving an 18% progress in our goal only for this year. From 2016 to date, we have implemented MARRCO in 37 work centers, including plants and distribution centers, representing 45% of our manufacturing facilities. This percentage of progress includes only manufacturing plants in all countries, with the exception of Venezuela.

MARRCO LOCATIONS

COUNTRY OR REGION	WORK CENTER	
Mexico	Altamira Coatepec Cuatitlan Cuernavaca Ixtacomitan	Lagos de Moreno Los Reyes San Juan del Rio Toluca
Central America	Calle Blancos (CR) Coronado (CR) Guatemala (GU)	Managua (NI) Estrella Azul (PTY) Panama (Plant & DC)
Argentina	Alcorta Montegrande	Mega Parral
Brazil	Bauru Campo Grande Itabirito Jundiai Jurubatuba	Maringa Marilia (Plant & DC) Santos Sumare
Colombia	Bogota Calera / Manantial Cali	Medellin Tocancipa
Philippines	Immus	Parañaque



SUSTAINABLE SOURCING

Our value chain is a critical element in the operation of Coca-Cola FEMSA; therefore, we promote the growth and development of our suppliers while improving their business capabilities and reducing our social and environmental impacts

For the strategic suppliers we have designed the Premium Suppliers project designed by our Packaging Team, to create synergies and generate value for the business evaluating sustainability, quality, logistics, flexibility, innovation, and transparency criteria, among others. This practice has extended to Argentina, Brazil, Colombia and Venezuela, in the last six years.

PACKAGING SUPPLIERS PROJECTS



Assessing strategic suppliers



Detecting needs



Creating action plans designed for the supplier



Validating and agreeing on an action plan for Coca-Cola FEMSA



Reassessing and follow-up



34 suppliers from **9** categories participated in the project.

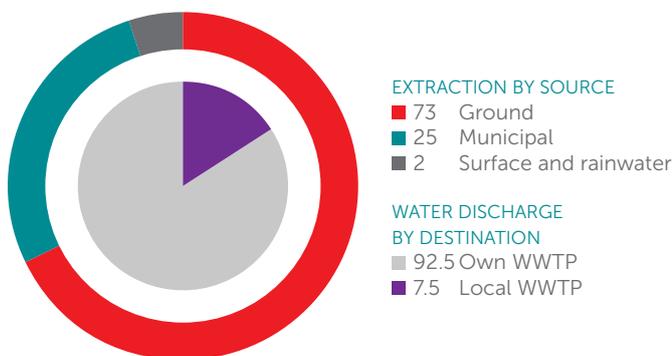
OUR planet



WATER

Water is the main input we use to offer our consumers a broad portfolio of soft drinks.

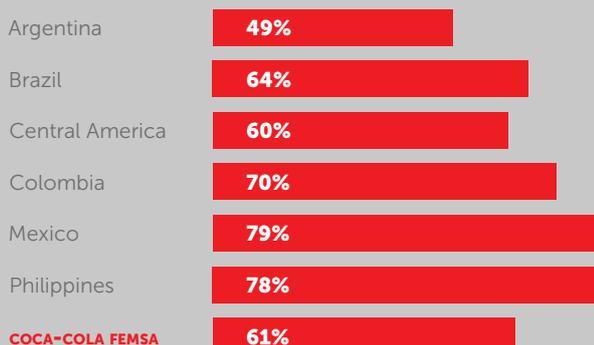
Water extraction and discharge percentage



*We obtain water from different sources and we discharge the totality in **Waste Water Treatment Plants (WWTP)** in an adequate way.*

Through our Top 20 Water Saving Initiatives program, we promote the efficient use of this source in all of our plants. In this sense, during 2017 we registered significant improvements in our operations focusing in 20 key indicators such as effective communication, detection and elimination of leaks, water use optimization and water recovery systems, among others.

Progress in implementing of Top 20 Water Saving Initiatives per country

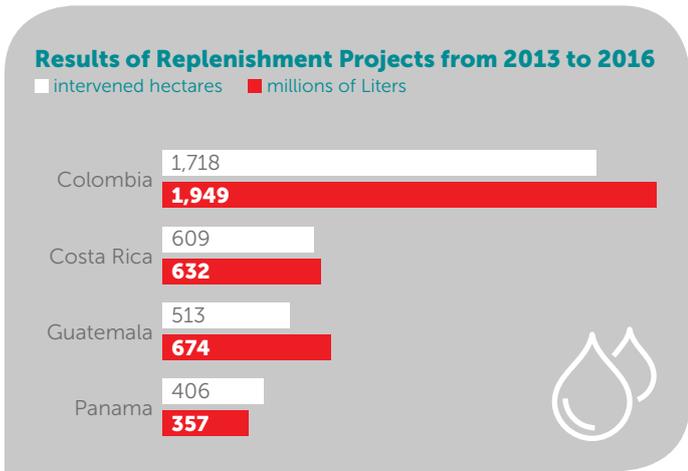


OUR PLANET

WATER REPLENISHMENT

We are committed to returning the water we use in our processes by replenishing and conserving water basins, in order to ensure water equilibrium in the communities with which we interact.

We are part of the Latin American Water Funds Alliance in order to ensure the hydrological safety in the region and sustainable water access. Since 2013, we have been working in several projects to replenish the water in Colombia, Costa Rica, Guatemala and Panama.



Return to our communities and their environment the same amount of water we use in making our beverages is our 2020 goal.

+3,246 intervened hectares

+3,612 millions of Liters

GRANT ACCESS TO DRINKING WATER

Committed to Our Planet, in 2017 we carry out 34 projects through an investment of US\$2 million, managing to benefit more than 212 thousand people.

We work along with FEMSA Foundation and the Coca-Cola System to address the water issues in the countries where we have operations, promoting initiatives for sustainable access to water, hygiene, sanitation infrastructure and water care.



BRAZIL

Geracao Mais Verde

Reforestation in the capital and state of São Paulo.

Coalizão Cidades pela Água

Initiative led by The Nature Conservancy to increase the availability of water to Brazilians, with the support of Coca-Cola and FEMSA, will benefit the basins of the Velhas and Paraopeba rivers in Belo Horizonte.



WATER INITIATIVES

PHILIPPINES

Ipo Watershed Conservation (The Coca-Cola Foundation & The Coca-Cola Company)

In partnership with WWF Philippines, we implemented a five-year program to rehabilitate and protect the Ipo watershed in Sapang Munti, Bulacan.



MEXICO

Reforestation and Water Harvest Program

Program of the Mexican Coca-Cola Industry for reforestation and maintenance of forests to promote soil conservation and recharge of aquifers.



COLOMBIA

Agua Ayuda

(FEMSA Foundation)

In collaboration with Water Aid, we are promoting an expansion project for drinking water supply for five Wayuu indigenous communities in the municipality of Maicao.

COSTA RICA

ASADAS Hurricane OTTO Project

We are intervening 12 Associations, Administrators of the Systems of Aqueducts and Communal Sewers (ASADAS), of the zones affected by Hurricane Otto in 2016, providing materials and tools for the effective repair of their infrastructure, guaranteeing access to drinking water for the communities.

PANAMA

Reforestation Day

With the participation of volunteers, the planting of native trees was carried out in the Soberanía National Park.



WASTE & RECYCLING

As part of our recycling actions, we involve communities, authorities and organizations in the regions where we operate in different programs that promote the proper disposal and management waste generated by the consumption of our products.

Some of our projects are:

COSTA RICA

Misión Planeta

In 2017, 1,046 tons of post-consume PET were collected and more than 30 thousands participants were involved in awareness recycling campaigns.



MEXICO

Yo sí Reciclo

We promoted the PET recycling culture in 170 children and adolescents in schools, which contributed to the collection of more than 400 tons of PET.



For over 16 years, in Mexico the civil association ECOCE, in collaboration with other food and beverage companies, has promoted the collection of waste, the creation of a national market and recycling programs. In 2017, ECOCE collected 57% of the total PET waste in Mexico.



ENERGY

CONSUMPTION BY SOURCES

In 2017, we consumed 4,514 million Mega Joules of energy in our processes, using electric power, natural gas, diesel, LP gas, fuel oil and cogeneration. Achieving an energy efficiency of 4.49 liters of beverage per Mega Joule.

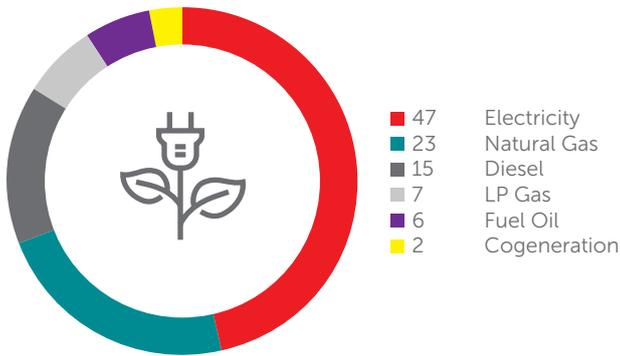
7% less energy consumption in 2017 vs. 2016.

Energy efficiency

liters of beverage produced per mega joule consumed



Energy (Consumption by Sources) percentage

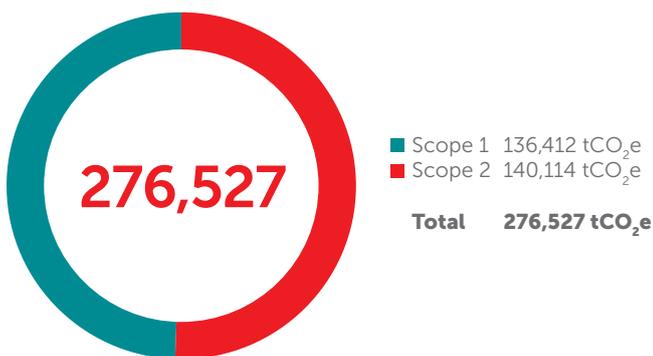


We are committed to increasing the consumption of clean energy in our bottling plants. Overall, our use of clean energy in manufacturing plants grew to 38% of our total electricity consumption in 2017

In Brazil 100% of the energy consumption comes from clean sources, while in Mexico, 57% of the consumption comes from PIASA Ingenio azucarero 3V and mainly from the Dominica II Wind Farm. These projects have generated savings of US\$4.13 million.

MANUFACTURING EMISSIONS¹

Emissions in manufacturing tons of CO₂(eq)



¹ The gas emissions accounting includes CO₂, CH₄ and N₂O gases. We established our accountability by operational boundaries using the methodology of GHG Protocol and the IPCC for the emission factors and the Global Warming Potential rates.

Total Energy Consumption million MJ



85% supply of the energy we use for manufacturing in Mexico from clean sources is our 2020 goal.

Percentage of clean energy consumed globally ¹



Efficiency in greenhouse gas emissions in manufacturing ²

grams of CO₂(eq) per liter of beverage



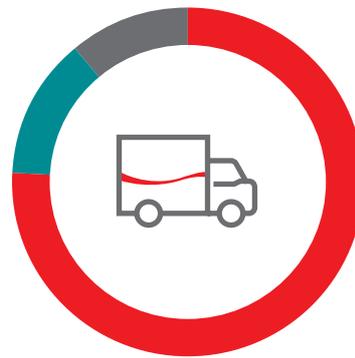
¹ Considering the total energy from clean sources out of total electrical energy
² Includes scope 1 & 2 and the accountability of the CO₂, CH₄ y N₂O gases.

SUSTAINABLE MOBILITY

Our fleet includes more than 30 thousands vehicles of primary and secondary distribution, utilitarian vehicles and forklifts with which we deliver our beverages to millions of consumers in 10 countries.

With this fleet we attend +14,500 routes.

Vehicle Fleet



OWN FLEET

- 14,034 Primary and secondary distribution
- 13,403 Utilitarian vehicles¹
- 2,568 Fork lifts

¹ Includes motorcycles

ENVIRONMENTAL PERFORMANCE

This table concentrates the historical performance of our most important environmental indicators.

ENVIRONMENTAL INDICATORS TABLE

AREA	INDICATOR	UNIT
Baseline data	Beverage Produced	Billions of liters
Water	Water consumption	Billions of liters
	Water efficiency	Liters of water per liter of beverage produced
Waste and Recycling	Total PET consumption	Thousands of tons
	Virgin PET consumption	Thousands of tons
	Recycled PET consumption ¹	Thousands of tons
	BioPET consumption	Thousands of tons
	Renewable and/or recycled materials in PET	Percentage of the total
	Waste generated	Thousands of tons
	Recycled waste	Thousands of tons
	Recycled waste	Percentage of the total
Energy	Waste efficiency	Grams per liter of beverage produced
	Total energy consumption	Millions of Mega Joules
	Energy Efficiency	Liters of beverage produced per Mega Joule
	Global consumption of clean energy	Percentage of total clean energy consumption
	Consumption of renewable energy in Mexico	Percentage of total clean energy consumption
	Efficiency in Greenhouse Gas emissions	Grams of CO ₂ e per liter of beverage produced in our value chain
	Efficiency in Greenhouse gas emissions	Grams of CO ₂ e per liter of beverage produced in manufacturing

¹ The reported data is equivalent to purchased tons of resin.



	2010	2013	2014	2015	2016	2017
	20	21.1	21	21.2	21	20.3
	39.1	37	37.7	37.5	36	33.4
	1.96	1.75	1.79	1.77	1.72	1.65
	222.7	292.2	288.6	338.3	315.6	294.9
	213.1	261.9	256.6	288.9	253	232.3
	9.6	16.6	19.4	33.7	47.4	59.2
	0	13.7	12.5	15.8	15.1	3.4
	4.3%	10.4%	11.1%	14.6%	19.8%	21.2%
	179	193	189	174	174	152
	153	175	177	164	163	144
	86%	90%	93%	94%	93%	94%
	8.9	9.1	9	8.2	8.3	7.5
	5,418	5,241	5,147	5,048	4,862	4,514
	3.69	4.03	4.09	4.2	4.38	4.49
	0%	6%	9%	19%	29%	38%
	0%	14%	26%	30%	46%	57%
	201.51	213.08	207.51	205.42	204.38	Will be reported on the next edition of our Integrated Report.
	21.11	19.4	18.9	18.11	15.3	13.6

BOARD OF DIRECTORS

AT COCA-COLA FEMSA, MANAGERS IN DIFFERENT DIVISIONS ARE INVOLVED IN THE EXECUTION OF THE SUSTAINABILITY STRATEGY AIMED TO STRENGTHEN OUR ACTIONS AND TO DEFINE OUR OBJECTIVES, MISSION, AND VISION ON ECONOMIC, SOCIAL AND ENVIRONMENTAL ISSUES.

Because sustainability is a strategic issue for our organization, the Board of Directors addresses all economic, social, and environmental issues by means of its committees, taking into consideration the inquiries we hold with our stakeholders.

The Board of Directors made the decision to separate the positions of Chairman of the Board of Directors and Chief Executive Officer, and ratified José Antonio Fernández Carbajal as Executive Chairman of the Board of Directors and named John Anthony Santa María Otazua as Chief Executive Officer. Consequently, the chairman of the highest governing body does not hold a position at Coca-Cola FEMSA.

The Board of Directors is Coca-Cola FEMSA's top governing body, and it includes 21 directors and 18 alternate directors who, based on their experience and expertise, are elected and confirmed by the shareholders to carry out their functions as members of the Board. Assignments are made as follows:

SERIES A shareholders Name **13 directors** and their alternates.

SERIES D shareholders Name **five directors** and their alternates.

SERIES L shareholders Name **three directors** and their alternates.

In accordance to what is specified in our bylaws, the Board meets at least four times a year. The information resulting from these meetings is communicated to the managing team to ensure it permeates through the whole company.

The Board of Directors is supported by three Committees and one Consulting Council for decision making: Finance and Planning Committee, Audit Committee, Corporate Practices Committee and Audit Committee Financial Expert.

For more information on our Corporate Governance, please view the Coca-Cola FEMSA Integrated Report 2017 and Form 20F, both of which are available at: <https://www.coca-colafemsa.com/inversionistas.html>

COMPENSATION FOR EXECUTIVE DIRECTORS

Compensation for all Executive Directors includes a benefits plan on the same basis of that of the rest of the associates. Their economic remuneration is composed of a fixed amount and a variable amount

that is calculated using the Economic Value Added (EVA) methodology, which combines quantitative and qualitative performance goals. Our Strategic Sustainability Framework and the company's 2020 goals are included in our associates performance goals.

ENVIRONMENT STATEMENT

Coca-Cola FEMSA is dedicated to the principles of sustainable development. The company recognizes the impact of its operations on water, waste and recycling, and energy use and is committed to minimize and attend to its environmental impact responsibly.

Compliance, waste minimization, pollution prevention, and continuous improvement are hallmarks of the company's environmental management system. The company has achieved significant progress in areas such as recycling and recovery, water and energy conservation, wastewater quality, and greenhouse gas emission efficiency. These efforts simultaneously help Coca-Cola FEMSA to protect the environment and to develop its business.

For more information on our commitment to sustainable development, visit:

<https://www.coca-colafemsa.com/sustainability.html>

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL CONTROL

The management of Coca-Cola FEMSA is responsible for the preparation and integrity of the accompanying consolidated financial statements and for maintaining a system of internal control. These checks and balances serve to provide reasonable assurance to shareholders, to the financial community, and to other interested parties that transactions are executed in accordance with management authorization, that accounting records are reliable as a basis for the preparation of the consolidated financial statements, and that assets are safeguarded against loss from unauthorized use or disposition. In fulfilling its responsibilities for the integrity of financial information, management maintains and relies on the Company's system of internal control. This system is based on an organizational structure that efficiently delegates responsibilities and ensures the selection and training of qualified personnel. In addition, it includes policies, which are communicated to all personnel through appropriate channels. This system of internal control is supported by an ongoing internal audit function that reports its findings to management throughout the year. Management believes that to date, the internal control system of the Company has provided reasonable assurance that material errors or irregularities have been prevented or detected and corrected promptly.

STAKEHOLDERS

We maintain a permanent and open communication channel with 10 groups with whom we interact, identified on the basis of the materiality assessment we carried out in 2012. This communication helps us understand the interests and concerns of the people who are directly or indirectly related to our business activities. We select the stakeholders based on their relationship with each aspect of our value chain, the impacts that have to do with our operations, and the importance they hold as part of our purpose of creating shared value.

	Whistleblower System	01-800 Number	e-mail / website	Working environment	Community studies	Dialogue meetings	Participation in forums	Area responsible for	Main issues identified
Associates and their Families	■	■	■	■	■		■	Human Resources	Business philosophy, work culture, labor relations.
Community	■	■	■		■		■	Corporate Affairs, Commercial, Human Resources	Community development programs, portfolio of products, job openings, safety at the work centers
Clients and Consumers	■	■	■		■		■	Commercial, Marketing	Different information requests, portfolio of products, job openings, sponsorships, technical assistance, and sales.
Suppliers	■	■	■		■		■	Procurement	Commercial relationships.
Shareholders	■	■	■		■		■	Investor Relations	Financial results, company strategy, investment plans, economic prospects.
Authorities and Business Associations	■		■		■		■	Corporate Affairs	Collaboration in community development initiatives and environmental stewardship.
Unions	■		■		■		■	Human Resources	Negotiations for collective bargaining contracts, labor relations.
Civil Society Organizations	■		■		■		■	Corporate Affairs	Joint projects.
Communications Media	■		■		■		■	Corporate Affairs	Business strategy, financial results, community development programs and environmental stewardship, institutional positioning.
Education Institutes	■		■		■		■	Human Resources, Corporate Affairs	Joint projects, academic advice, research, training.

■ Permanent ■ Biannual ■ Variable

AWARDS AND RECOGNITIONS

We are proud to have received in 2017 several national and international distinctions, awards, and recognitions related to our sustainability practices, not only for how we operate but also as a result of the projects that focus on improving, Our Planet, the wellbeing of Our People and Our Community in every one of the countries where we are present.

For the fifth consecutive year, we were included in the Dow Jones Sustainability Emerging Markets Index (DJSI), and in 2017 we were selected inside Dow Jones Sustainability MILA Pacific Alliance Index. MILA (Integrated Latin American Market) recognized 42 companies from Chile, Colombia, Mexico and Peru for having the best sustainable practices in the region.

For seven years we have been among the top companies in the Sustainability Index of the Mexican Stock Exchange. We are also listed in the FTSE4Good Emerging Index because of our social responsibility practices that take into consideration the environment and respect for human rights. Additionally, Vigeo-Eiris included us in its Emerging Market 70 Ranking, which recognizes companies with the best environmental, social, and corporate governance performance in emerging markets, and we are members of the Sustainability Yearbook of Robecosam.

For more than 4 years, we voluntarily reported our greenhouse gas emissions in the Carbon Disclosure Program (CDP). In Mexico, for 12 consecutive years, we have obtained the Socially Responsible Company distinction granted by the Mexican Philanthropy Center (CEMEFI), and the Mexican Department of Labor and Social Welfare granted us the Gilberto Rincón Gallardo Inclusive Company Award.



BUSINESS ENGAGEMENT

We are interested in promoting and exchanging best practices in Sustainability, and we actively participate in associations and organisms of the countries where we are present

Coca-Cola FEMSA Business Engagement	
Coca-Cola FEMSA	Alianza Latinoamericana de Asociaciones de Industria de Alimentos y Bebidas (ALAIAB)
	American Beverage Association (ABA)
	APEC Business Advisory Council (ABAC)
	Business Industry Advisory Council (BIAC)
	International Chamber of Commerce (ICC)
	International Council of Beverages Associations (ICBA)
	World Environment Center (WEC) ²
Argentina	Asociación de Fabricantes Argentinos de Coca-Cola (AFACC) ¹
	Cámara Argentina de la Industria de Bebidas sin Alcohol (CADIBSA) ¹
	Cámara de Comercio Argentino Mexicana (CCAM) ¹
	Coordinadora de las Industrias de Productos Alimenticios (COPAL)
	Federación de Almaceneros de Buenos Aires
	Cámara de Sociedades Anónimas
	Asociación Argentina de Estudios Fiscales
Brazil	Associação Brasileira das Indústrias de Refrigerantes e de Bebidas Não Alcoólicas (ABIR) ¹
	Associação Brasileira de Indústria de Água Mineral (ABINAN/SINDNAN) ¹
	Associação Brasileira dos Anunciantes (ABA)
	Associação Internacional Voltada para o Marketing no Varejo (POPAl)
	Câmara Mexicana de Comercio ¹
	Compromiso Empresarial para a Reciclagem (CEMPRE)
	Sindicato das Indústrias de Bebidas do Estado do Paraná (Sindibebidas) ¹
	Associação Brasileira Pró-Desenvolvimento Regional Sustentável (ADIAL)
	Parceiros Voluntários
	Provopar (Paraná)
	Federação das Indústrias do RS
	Federação das Indústrias de SC
	Grupo de Líderes Empresariais (Lide)
	Conselho Unidade de Conservação MONAE Serra da Moeda
	Subcomitê de Bacias Hidrográficas de Itabirito ¹
	Comitê de Parceiros da Adesita
	Rede PDOS - Programa de Desenvolvimento de Empresas e Organizações Sociais
Parceiros Pela Educação	
Empresas da Região - Relacionamento Comunitário e Meio Ambiente	
Colombia	Asociación de Industriales de Tocancipá (ASIENORTE) ¹
	Asociación Nacional de Empresarios de Colombia (ANDI) ¹
	Cámara de Bebidas - ANDI ¹
	Cámara de Zonas Francas - ANDI ¹
	Cámara Colombo Mexicana de Industria

Coca-Cola FEMSA Business Engagement	
Costa Rica	American Chamber (AMCHAM) Costa Rica
	Asociación de Empresarios para el Desarrollo (AED)
	Cámara Comercio Costa Rica México
	Cámara Costarricense de Industria Alimentaria (CACIA)
	Cámara Industrias Costa Rica
Guatemala	Unión Costarricense de Cámaras y Asociación Sector Empresarial (UCCAEP)
	American Chamber (AMCHAM) Guatemala
	Cámara Comercio de Guatemala
	Cámara Comercio e Industrias Guatemala México
	Cámara Industrias de Guatemala
	Gremial de Fabricantes de Productos Alimenticios de Guatemala (GREFAL)
Mexico	Gremial de Embotelladores de Guatemala ¹
	Asociación de Embotelladores Coca-Cola (ASCOCA) ¹
	Asociación Nacional de Productores de Refrescos y Aguas (ANPRAC)
	Cámara de la Industria de la Transformación (CANACINTRA)
	Centro Mexicano para la Filantropía (CEMEFI)
	Comisión de Estudios para el Desarrollo Sustentable del Consejo Coordinador Empresarial (CESPEDES) ²
	Confederación de Cámaras Industriales (CONCAMIN)
	Confederación Patronal de la República Mexicana (COPARMEX)
	Consejo Coordinador Empresarial (CCE)
	Consejo Mexicano de la Industria de Productos de Consumo (CONMEXICO) ¹
	Ecología y Compromiso Empresarial, A.C. (ECOCE) ¹
	Fondo Mexicano para la Conservación de la Naturaleza (FMCN) ¹
	Iniciativa GEMI (Global Environmental Management Initiative)
	Movimiento por una Vida Saludable (MOVISA)
Nicaragua	American Chamber (AMCHAM) Nicaragua
	Cámara Comercio Nicaragua ¹
	Cámara Comercio Nicaragua México
	Cámara Industrias Nicaragua
	Consejo Superior de la Empresa Privada (COSEP)
Panama	Cámara Comercio e Industria Panamá México
	Cámara Comercio Panamá
	Sindicato de Industriales de Panamá
	American Chamber (AMCHAM) Panamá
	Cámara de Comercio, Industrias y Agricultura
Philippines	Beverage Industry Association of the Philippines ¹
	Federation of Philippine Industries ¹
	Philippine Alliance for Recycling and Materials Sustainability
	American Chamber of Commerce (AMCHAM Philippines)
	Management Association of the Philippines (MAP)
Venezuela	Asociación de Industriales y Comerciantes de los Cortijos y los Ruices (ASICOR)
	Asociación Nacional de Bebidas Refrescantes (ANBER)
	Cámara de Comercio e Industria Venezolana Mexicana (CAVEMEX)
	Cámara Venezolana Americana de Comercio e Industria (Venacham)
	Cámara Venezolana de la Industria de Alimentos (CAVIDEA) ¹

¹ Participation in the Governing Body

² Participation of FEMSA or The Coca-Cola Company in the Governing Body

ABOUT OUR REPORT

From our headquarters in Mexico City, we present our first Integrated Report 2017 edition. Developed by the guidelines of the International Integrated Reporting Council (IIRC) and in accordance with the GRI (Global Reporting Initiative) Standards: Core option. Similarly reporting the indicators of the Sector Supplement for Food Processing Companies of the same guide in its G4 version. Furthermore, this Report complements our Communications on Progress (COP) to the United Nations Global Compact included by FEMSA in its 2017 report.

The information contained corresponds to the period from January 1st to December 31st, 2017. It includes data from all the countries where Coca-Cola FEMSA, S.A.B. of C.V. has operations or a majority share. Its operations encompass franchise territories in Mexico, Brazil, Colombia, Argentina, and Guatemala and, nationwide, in the Philippines, Venezuela, Nicaragua, Costa Rica, and Panama.

Specifically for financial information: the scope of the document is limited to operations and does not include information on the following cases: joint ventures; companies where there is minority participation; operations acquired in a period of less than one year; operations of suppliers or entities external to our company. The information about reformulations in calculations and exceptions in data is indicated throughout the document.

For investments in social impact programs in local currency, we considered the average exchange rate of the dollar in the period from January to December 2017.

For the verification of non-financial indicators, the service was selected and approved in accordance with the Coca-Cola FEMSA S.A.B. of C.V. suppliers principles, and in accordance with all the legal requirements dictated by the Legal, Financial, and Securities Management.

The supplier for the non-financial external verification is also the external auditor for the review of the quarterly and annual financial statements of Coca-Cola FEMSA S.A.B. of C.V.

Mancera S.C. Firm member of Ernst & Young Global, performed as the external verification for the GRI list of indicators and additional data relevant to the Company. This information is available can in the Independent Review Report.

The Finance and Administration management is responsible for approving the 2017 Integrated Report of Coca-Cola FEMSA.

Standard	Page	Description	External Assurance
GRI 102 GENERAL DISCLOSURES			
1. Company Overview			
102-1	Inside back cover	Name of the organization	
102-2	Inside back cover, 16	Activities, brands, products, and services	✓
102-3	Inside back cover	Location of headquarters	
102-4	Inside back cover, 8	Location of operations	✓
102-5	Inside back cover	Ownership and legal form	
102-6	Inside back cover, 8, 9	Markets served	✓
102-7	8, 9	Scale of the organization	
102-8	51, A-5, A-6, A-7	Information on employees and other workers	
102-9	30	Supply chain	✓
102-10	3, 4, 20, 21, 59, 65	Significant changes to the organization and its supply chain	
102-11		Precautionary Principle or approach	
102-12	Inside back cover	External initiatives	
102-13	A-23, A-24	Membership of associations	
2. Strategy			
102-14	71	Statement from senior decision-maker	
102-15	12, 13	Key impacts, risks, and opportunities	✓
3. Ethics and integrity			
102-16	50	Values, principles, standards, and norms of behavior	
102-17	51	Mechanisms for advice and concerns about ethics	✓
4. Governance			
102-18	71	Governance structure	✓
102-19	A-20	Delegating authority	✓
102-20	71	Executive-level responsibility for economic, environmental, and social topics	✓
102-21	A-20, A-21	Consulting stakeholders on economic, environmental, and social topics	✓
102-22	70, 71	Composition of the highest governance body and its committees	✓
102-23	71, A-20	Chair of the highest governance body	✓
102-24	A-20	Nominating and selecting the highest governance body	
102-25	A-20	Conflicts of interest	
102-26	A-20	Role of highest governance body in setting purpose, values, and strategy	
102-27		Collective knowledge of highest governance body	
102-28	A-20	Evaluating the highest governance body's performance	
102-29	A-20	Identifying and managing economic, environmental, and social impacts	✓
102-30		Effectiveness of risk management processes	
102-31	A-20	Review of economic, environmental, and social topics	
102-32	A-20	Highest governance body's role in sustainability reporting	✓
102-33		Communicating critical concerns	
102-34		Nature and total number of critical concerns	
102-35	A-20	Remuneration policies	
102-36	A-20	Process for determining remuneration	
102-37	Confidential Information	Stakeholders' involvement in remuneration	
102-38	Confidential Information	Annual total compensation ratio	
102-39	Confidential Information	Percentage increase in annual total compensation ratio	

Standard	Page	Description	External Assurance
5. Stakeholder engagement			
102-40	A-21	List of stakeholder groups	
102-41	54	Collective bargaining agreements	✓
102-42	A-21	Identifying and selecting stakeholders	
102-43	A-2, A-21	Approach to stakeholder engagement	
102-44	A-2, A-21	Key topics and concerns raised	
6. Practices for the preparation of reports			
102-45	A-25	Entities included in the consolidated financial statements	
102-46	A-2, A-25	Defining report content and topic Boundaries	
102-47	A-25	List of material topics	✓
102-48		Restatements of information	
102-49	Inside back cover	Changes in reporting	
102-50	Inside back cover	Reporting period	
102-51	Inside back cover	Date of most recent report	
102-52	Inside back cover	Reporting cycle	
102-53	72	Contact point for questions regarding the report	
102-54	Inside back cover	Claims of reporting in accordance with the GRI Standards	
102-55	A-26, A-27, A-28, A-29, A-30	GRI content index	✓
102-56	A-32	External assurance	✓
GRI 103 MANAGEMENT APPROACH			
103-1	A-2	Explanation of the material topic and its Boundary	
103-2		The management approach and its components	
103-3		Evaluation of the management approach	
GRI 201 ECONOMIC PERFORMANCE			
201-1	8, 9	Direct economic value generated and distributed	
201-2		Financial implications and other risks and opportunities due to climate change	
201-3		Defined benefit plan obligations and other retirement plans	
201-4		Financial assistance received from government	
GRI 202 MARKET PRESENCE			
202-1	54	Ratios of standard entry level wage by gender compared to local minimum wage	
202-2	52	Proportion of senior management hired from the local community	
GRI 203 INDIRECT ECONOMIC IMPACTS			
203-1	A-10	Infrastructure investments and services supported	✓
203-2	8, 9, 30	Significant indirect economic impacts	
GRI 204 PROCUREMENT PRACTICES			
204-1	Confidential Information	Proportion of spending on local suppliers	
GRI 205 ANTI-CORRUPTION			
205-1	50	Operations assessed for risks related to corruption	
205-2	50, 51	Communication and training about anti-corruption policies and procedures	
205-3		Confirmed incidents of corruption and actions taken	
GRI 206 UNFAIR COMPETITION			
206-1		Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	

GRI CONTEXT INDEX

Standard	Page	Description	External Assurance
GRI 301 MATERIALS			
301-1	43, A-18, A-19	Materials used by weight or volume	
301-2	43, A-18, A-19	Recycled input materials used	✓
301-3	42	Reclaimed products and their packaging materials	
GRI 302 ENERGY			
302-1	A-17, A-18, A-19	Energy consumption within the organization	✓
302-2		Energy consumption outside of the organization	
302-3	38, A-16, A-18, A-19	Energy intensity	✓
302-4	38, A-16, A-17, A-18, A-19	Reduction of energy consumption	
302-5		Reductions in energy requirements of products and services	
GRI 303 WATER			
303-1	A-13	Water withdrawal by source	✓
303-2		Water sources significantly affected by withdrawal of water	
303-3	A-13	Water recycled and reused	
GRI 304 BIODIVERSITY			
304-1		Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
304-2		Significant impacts of activities, products, and services on biodiversity	
304-3	35, 36, A-14, A-15	Habitats protected or restored	
304-4	Does not apply	IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 305 EMISSIONS			
305-1	37, 38, A-17, A-18, A-19	Direct (Scope 1) GHG emissions	✓
305-2	37, 38, A-17, A-18, A-19	Energy indirect (Scope 2) GHG emissions	✓
305-3		Other indirect (Scope 3) GHG emissions	
305-4	37, 38, A-17, A-18, A-19	GHG emissions intensity	✓
305-5	37, 38, 40, 42, A-17, A-18, A-19	Reduction of GHG emissions	
305-6		Emissions of ozone-depleting substances (ODS)	
305-7		Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306 EFLUENTS AND WASTE			
306-1	35, A-13	Water discharge by quality and destination	
306-2		Waste by type and disposal method	
306-3		Significant spills	
306-4		Transport of hazardous waste	
306-5		Water bodies affected by water discharges and/or runoff	
GRI 307 COMPLIANCE			
307-1		Non-compliance with environmental laws and regulations	
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1		New suppliers that were screened using environmental criteria	
308-2		Negative environmental impacts in the supply chain and actions taken	

Standard	Page	Description	External Assurance
GRI 401 EMPLOYMENT			
401-1	52, 53	New employee hires and employee turnover	
401-2		Benefits provided to full-time employees that are not provided to temporary or part-time employees	
401-3	54	Parental leave	
GRI 402 RELATIONSHIPS BETWEEN WORKERS AND MANAGEMENT			
402-1	54	Minimum notice periods regarding operational changes	
GRI 403 OCCUPATIONAL HEALTH AND SAFETY			
403-1		Workers representation in formal joint management-worker health and safety committees	
403-2	45, 57	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	
403-3	Confidential Information	Workers with high incidence or high risk of diseases related to their occupation	
403-4	54, 57	Health and safety topics covered in formal agreements with trade unions	
GRI 404 TRAINING AND EDUCATION			
404-1	53	Average hours of training per year per employee	
404-2	53	Programs for upgrading employee skills and transition assistance programs	
404-3	53	Percentage of employees receiving regular performance and career development reviews	✓
GRI 405 DIVERSITY AND EQUAL OPPORTUNITY			
405-1	54, 71	Diversity of governance bodies and employees	✓
405-2	54	Ratio of basic salary and remuneration of women to men	
GRI 406 NON-DISCRIMINATION			
406-1	50, 51	Incidents of discrimination and corrective actions taken	
GRI 407 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	50	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408 CHILD LABOR			
408-1	50	Operations and suppliers at significant risk for incidents of child labor	
GRI 409 FORCED OR COMPULSORY LABOR			
409-1	50	Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410 SECURITY PRACTICES			
410-1	50	Security personnel trained in human rights policies or procedures	
GRI 411 INDIGENOUS RIGHTS			
411-1	50	Incidents of violations involving rights of indigenous peoples	
GRI 412 HUMAN RIGHTS ASSESSMENT			
412-1	50	Operations that have been subject to human rights reviews or impact assessments	✓
412-2	53	Employee training on human rights policies or procedures	
412-3	50	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	

GRI CONTEXT INDEX

Standard	Page	Description	External Assurance
GRI 413 LOCAL COMMUNITIES			
413-1	47, A-8, A-9, A-10	Operations with local community engagement, impact assessments, and development programs	✓
413-2		Operations with significant actual and potential negative impacts on local communities	
GRI 414 SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY			
414-1		New suppliers that were screened using social criteria	
414-2		Negative social impacts in the supply chain and actions taken	
GRI 415 PUBLIC POLICY			
415-1		Political contributions	
GRI 416 CUSTOMER HEALTH AND SAFETY			
416-1		Assessment of the health and safety impacts of product and service categories	
416-2		Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417 MARKETING AND LABELING			
417-1	22	Requirements for product and service information and labeling	✓
417-2		Incidents of non-compliance concerning product and service information and labeling	
417-3		Incidents of non-compliance concerning marketing communications	
GRI 418 CUSTOMER PRIVACY			
418-1		Substantiated complaints concerning breaches of customer privacy and losses of customer data	
GRI 419 COMPLIANCE			
419-1		Non-compliance with laws and regulations in the social and economic area	
SECTOR SUPPLEMENT FOR FOOD PROCESSING COMPANIES			
FP4	23, A-8, A-9	Programs promoting healthy lifestyles to prevent chronic diseases, access to healthy and nutritious food, and improving wellbeing for the community	✓

PERFORMANCE INDICATORS VERIFIED BY MANCERA S.C. MEMBER OF ERNST & YOUNG GLOBAL

Performance indicators	Page
Total number of employees with breakdown of gender, age group, type of contract, region and organizational level	A-5, A-6, A-7
Total number of new hires	52
Average hours of training with breakdown of organizational level	53
The type and scope of the programs implemented and the assistance provided to improve the attitudes of employees.	53
Index of incidents with lost time, Index of severity for incidents with lost time, Fatalities attributable to the company, Index of general illness and Index of days lost due to general illness	45, 57
# of Suppliers evaluated under The Coca-Cola Company standards	33
# of Suppliers evaluated under the FEMSA Supplier Guiding Principles	33
# of Suppliers with a Business Capability Development Program	34
Resin material used by weight	A-18, A-19
Total water discharge according to the destination	A-13
Total volume of waste generated and recycled	41, A-18, A-19

A = refers to the annexes, available at: <https://www.coca-colafemsa.com/inversionistas.html>

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 **Exhibit A** and presented in the 2017 Integrated Report (the "Report") of Coca Cola FEMSA ("KOF" or the "Company"), 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 information reported.

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 we performed focused on the following:

- Interviews with the individuals responsible for the information in order 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 have more 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 to be an audit report.

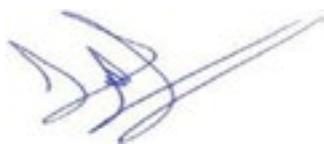
Conclusions

Based on our work described in this Report, nothing has come to our attention that causes us to believe that the information and 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
Partner

March 06, 2018; Mexico City

Exhibit A: Information and performance indicators exhibit

Information

GRI	Information name	GRI	Information name
102-2	Activities, brands, products, and services	102-23	Chair of the highest governance body
102-4	Location of operations	102-29	Identifying and managing economic, environmental, and social impacts
102-6	Markets served	102-32	Highest governance body's role in sustainability reporting
102-9	Supply chain	102-47	List of material topics
102-15	Key impacts, risks, and opportunities	102-55	GRI Content index
102-17	Mechanisms for advice and concerns about ethics	102-56	External assurance
102-18	Governance structure	203-1	Infrastructure investments and services supported
102-19	Delegating authority	405-1	Diversity of governance bodies and employees
102-20	Executive-level responsibility for economic, environmental, and social topics	417-1	Requirements for product and service information and labeling
102-21	Consulting stakeholders on economic, environmental, and social topics	FP4	Healthy and Affordable Food
102-22	Composition of the highest governance body and its committees	-	Programs for upgrading employee skills

Performance indicators

GRI	Name of performance indicator	Scope	Information reported	Unit
	Total number of employees	All countries where we operate	101,682	Employees
	Total number of employees by gender	All countries where we operate	11.0	% of female employees
			89.0	% of male employees
	Total number of employees by age group	All countries where we operate	52.0	% from 18 – 34 years old
			27.0	% from 35 – 44 years old
			21.0	% over 45 years old
	Total number of employees by labor contract	All countries where we operate	86.0	% permanent
			14.0	% temporary
	Total number of employees by region	All countries where we operate	45,315	In Mexico
			20,429	In Brazil
			16,566	In Philippines
			5,373	In Venezuela
			4,753	In Colombia
			2,704	In Argentina
			1,896	In Costa Rica
			1,825	In Guatemala
			1,628	In Panama
	1,193	In Nicaragua		

GRI	Name of performance indicator	Scope	Information reported	Unit
	Total number of employees by organizational level	All countries where we operate ¹	35.0	% individual contributor
			64.0	% unionized employees
			1.0	% directors and managers
102-41	Collective bargaining agreements	All countries where we operate	63.9	% of own employees covered by collective bargaining agreements
	Resin materials used by weight	All countries where we operate	232.3	Thousands of tons of virgin resin
			59.2	Thousands of tons of recycled resin
			3.4	Thousands of tons of BioPET
301-2	Recycled input materials	All countries where we operate	21.2	% of recycled input materials
302-1	Energy consumption within the organization		4,514	Millions of MJ total energy consumption
			2,295	Millions of MJ in fuels
			2,132	Millions of MJ in electricity consumption
			87	Millions of MJ in steam
302-3	Energy intensity	All countries where we operate	4.49	Liters of beverage produced per mega joule
303-1	Water withdrawal by source	All countries where we operate	33.4	Billions of liters
			73.0	% ground water
			25.0	% municipal water
			2.0	% surface water
305-1	Direct GHG emissions (scope 1)	All countries where we operate ¹	136,412	Tons of CO ₂ equivalent
305-2	Energy indirect GHG emissions (scope 2)	All countries where we operate	140,114	Tons of CO ₂ equivalent

GRI	Name of performance indicator	Scope	Information reported	Unit
305-4	GHG emissions intensity	All countries where we operate	13.63	grams of CO ₂ equivalent / liter of beverage
	Water discharge by destination	All countries where we operate	92.5	% of discharge into own wastewater treatment plant
			7.5	% of discharge into local wastewater treatment plant
	Total tons of waste recycled and generated	All countries where we operate	152	Thousands of tons of generated waste
			144	Thousands of tons of recycled waste
	Number of suppliers assessed under The Coca Cola Company guiding principles	Argentina, Brazil, Colombia, Costa Rica, Guatemala, Mexico, Panama and Venezuela	197	Suppliers
	Number of suppliers assessed under FEMSA supplier guiding principles	Costa Rica, Mexico, Nicaragua, Guatemala y Brazil	538	Suppliers
	Number of suppliers with developing business capabilities	Mexico and Costa Rica	120	Suppliers
	Number of new hires	All countries where we operate	18,649	New hires
	Average hours of training	All countries where we operate	44	Average hours of training per employee
			36.0	% of unionized
			62.0	% of administrative staff
			2.0	% of directors and managers
	Lost time injury rate	All countries where we operate ¹	1.17	Number of cases per 100 employees
	Lost workdays from injury rate	All countries where we operate ¹	26.97	Number of cases per 100 employees
	Fatalities imputable to the company	All countries where we operate ¹	8	Fatalities
	General illness index	All countries where we operate ¹	73.2	Number of cases per 100 employees
	Lost days due to general illness	All countries where we operate ¹	523.2	Lost days per 100 employees

GRI	Name of performance indicator	Scope	Information reported	Unit
	Number of employees receiving regular performance and career development reviews	All countries where we operate	20,466	Employees
412-1	Operations that have been subject to human rights reviews or impact assessments	All countries where we operate	19	Total number of plants evaluated
			30	% of our plants
413-1	Operations with local community engagement, impact assessments, and development programs	All countries where we operate ⁱⁱⁱ	45	% of manufacturing facilities

ⁱ Does not include third-parties

ⁱⁱ Does not include vehicle fleet emissions

ⁱⁱⁱ Includes manufacturing facilities only, except Venezuela



Coca-Cola FEMSA

ANNEXES

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