

I. BACKGROUND

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

To this end, we have decided to formalize our principles in a program that ensures the application of the same standards in all our operations and categories, to identify and conduct business with organizations that comply with standards consistent with the Vendor Code of Sustainability to ensure that they extend them across their supply chains.

To comply with sustainable provision policies and standards, we at Coca-Cola FEMSA have developed the KOF Guiding Principles consisting of the 16 Principles we use to evaluate our vendors and supply and service contractors.

II. SCOPE OF APPLICATION

Coca-Cola FEMSA supply chains encompass numerous sectors, industries, and geographies, which means that our vendors face diverse conditions in terms of their environmental and social responsibilities. Therefore, we developed the KOF Guiding Principles for Vendors to establish the minimum expectations that all Coca-Cola FEMSA vendors must meet. For us, a sustainable vendor is someone committed to this vision and accepts the challenge of improving the world we live in: we are counting on you.

III. IMPLEMENTATION

Implementation of the Guiding Principles is coordinated by Coca-Cola FEMSA and conveyed to all vendors. Programs are used, when necessary, to raise awareness of specific behaviors and actions that could result in a breach of sustainability standards.



IV. DESCRIPTION OF THE KOF GUIDING PRINCIPLES

Labor Rights

1. Child Labor

Vendors vendor must comply with the minimum age of employment established in the corresponding local and domestic laws.

2. Forced Labor and Freedom of Movement

All forms of physical abuse of employees and forced or compulsory labor are prohibited; therefore, all relationships between vendors and employees must be voluntary in nature. The use of forced or compulsory labor, servitude, conscription, or any form of human trafficking is strictly prohibited, as is requiring employees to relinquish their identity papers, passports, or work permits as a condition of employment. Employees have the right to leave the workplace upon finishing their shifts and to quit their job.

3. Freedom of Association and Collective Bargaining

Vendors shall respect the will of their employees and their right to association and union membership. Vendors must also respect institutional integrity, internal administration, image, and the influence that union organizations have with their members, and, they must respect the representation, integrity, and dignity of union leaders. There must be equal consideration for all management and general employees.

4. Discrimination and Harassment

Vendors will not discriminate against any individual based on their place of origin, race, marital status, age, political opinion, gender, faith, association to a tribe, union membership, social or economic status, family situation, pregnancy, language(s) spoken, sexual orientation/identity, disability, illness, nationality, or migratory status, in accordance with the legislation in each country. They must also condemn, prohibit, and report all forms of harassment both inside and outside the workplace.

5. Work hours and compensation / adequate standard of living

Vendors are expected to acknowledge their employees' need to have a balance between work and free time. Vendors must comply with applicable local and domestic laws concerning work hours and overtime. Vendors must offer their employees' salaries and benefits that meet the applicable legal minimum standards, and they must give them at least one day off per week.

6. Health and Safety in the Workplace

Vendors must ensure that the workplace is safe, hygienic, healthy, and free of accidents and injuries to the extent possible. Vendors must, at a minimum, comply with all applicable local and domestic legislation and regulations related to health and safety at the workplace.



7. Human Capital Wellness and Development

Vendors must promote practices that favor a balance between work and time for employees, allowing them to spend with family and ensuring their physical and mental well-being. They must also develop actions to create a healthy work environment and have a training program developed based on the identification of needs.

8. Claims Reporting Mechanisms

Vendors must provide their employees with a mechanism to report their claims without fear of reprisal and ensure that concerns are resolved in an appropriate and timely manner.

THE ENVIRONMENT

9. Environmental Impact and Compliance

Vendors must conduct their operations to ensure compliance with all applicable environmental laws and regulations, as well as:

- Have a system of continual environmental improvement.
- Mitigate environmental impacts regarding the use of energy, water, and waste.
- Protect biodiversity to conserve the natural areas used as the source for their raw materials.

COMMUNITY TIES

10. Commitment to communities

Vendors must show their organizational commitment to engaging with communities responsibly, ensuring mutual benefit, and developing relationships that promote economic, social, and environmental development.

ETHICS AND VALUES

11. Legal Compliance

FEMSA adheres to all applicable laws, regulations, and ordinances at the local, national, and international levels of the areas in which it operates. This is the minimum standard accepted by FEMSA for vendors with whom it does business. In situations where there is no law or regulation that covers a specific situation, FEMSA expects its vendors to operate according to the FEMSA Guiding Principles.

12. Anticorruption

Act with integrity, avoiding all corrupt practices. Vendors must not extend, accept, or agree to gifts, advantageous conditions, salaries, trips, commissions, or any other form of compensation meant to influence a business decision. Moreover, they must not give or receive undue advantages or benefits of any kind, nor carry out any practice involving bribery or extortion in relation to their clients, suppliers, financial institutions,



concessionaires, contractors, companies, authorities, government representatives, or any other person or entity with whom they conduct business.

13. Fair Competition

Vendors must respect all applicable antitrust and competition rights in countries in which they operate. They must act according to the principles of free and legal competition. Vendors must reject the misinterpretation, concealment, or manipulation of privileged information. Coca-Cola FEMSA prohibits any mutual agreements with competitors with respect to pricing, market distribution, or other efforts to restrict competition. Fair competition includes the protection and preservation of information and the privacy of the intellectual property.

14. Fiscal Integrity

Vendors must comply with their tax obligations based on applicable local and national laws.

15. Anti-Money Laundering

Vendors must comply with everything stipulated in the anti-money laundering regulations throughout the world, in accordance with the laws in force in the countries in which they operate.

16. Conflicts of Interest

Vendors must inform the company if any of the company's advisors, directors, or employees have a financial interest in the vendor's business, or are first, second, or third-degree relatives, by blood or marriage.

17. Privacy and Intellectual Property

Vendors must obtain, process, protect, and preserve information and third party intellectual property rights in a responsible and ethical manner and in accordance with applicable local and national laws.

