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# Quality of Life in the Company



» We are a company whose objective is to create socio-economic value, supporting every person's right to employment as well as their integral development, supporting activities that lead toward the common good.

Our commitment to social responsibility begins with our associates and their families. We believe that a healthy and respectful work environment leads to teamwork and is vital to the success of the company.

In 1910, FEMSA was the first Mexican company to offer health services, housing loans and a savings fund to its associates.

**The major aspects that comprise quality of life at FEMSA are: Health, Education, Housing, Training, Culture and Recreation**

## Our Actions

- Sociedad Cuauhtémoc y Famosa (SCYF) operates through 79 associations and 9 recreational centers in Mexico, and an affiliated association in Buenos Aires (SKOFBA), fostering the integral development of its members.
- Clínica Cuauhtémoc y Famosa (CCYF) operates 38 centers, offering specialized occupational healthcare services and promoting preventive healthcare awareness among its members in Mexico.
- 3,205 houses built and 8,000 housing loans granted by FEMSA as of 2004.
- FEMSA employs 174 people through its Program for Workplace Integration of People with Different Abilities.
- As a result of the quality of life in the workplace offered by FEMSA, the average level of seniority in the company in Mexico is 5.8 years.
- \$130 million pesos were invested in training in 2004.
- At FEMSA we offer an environment that promotes the integral development of our 88,217 employees.

# SCYF: Our social development system

## SCYF promotes the integral development of members and their families



The Sociedad Cuauhtémoc y Famosa (SCYF) has played a significant role in FEMSA's history, as the institutional framework for the social development of FEMSA companies. It is through this organization that the company promotes and fosters the Quality of Life of its personnel and their families, through services and benefits that seek to transmit higher values, instilling a work ethic and savings, developing a human philosophy in the workplace and building a leadership school.

SCYF originated in 1918, when workers all over Mexico were suffering the effects of the shortage of employment and widespread disease that followed in the wake of the Mexican Revolution. Among the workers and management of Cervecería Cuauhtémoc there arose the idea of an association dedicated to encouraging savings and improving the quality of life of its members and their families.

The association based its development on six principles:

- Work
- Savings
- Equality
- Democracy
- Unity
- Liberty

Thus, SCYF became a motor for the integral development of the company's employees and their families. Long before Mexican law began to obligate companies to provide health services and housing to their workers, the FEMSA companies were already offering these benefits.

Making use a variety of tools and programs, SCYF puts into practice FEMSA's system of social development, based on a balance of the essential areas in the integral growth of the human being. This same system, adapted to specific cultures and local customs, is implemented in the countries in which FEMSA now operates.

## SCYF Benefits System

» "Bien SCYF" development system

**Economic benefits:** Savings and loans.

**Education:** Scholarships and schools.

**Leisure:** Sporting, cultural and recreational activities.

**Legal services:** Consulting and legal aid.

## Health comes first: Clínica Cuauhtémoc y Famosa

A concern for health has been a constant since the beginnings of Cervecería Cuauhtémoc. As early as 1910, the company offered vouchers for medical services to its associates and their families. This practice gradually evolved into the founding of Clínica Cuauhtémoc y Famosa (CCYF) in 1945 in Monterrey, Mexico.

At the present day, CCYF operates 38 centers that offer specialized occupational health services promoting preventive care awareness amongst its members.

The excellence of its services has been recognized by both private and government institutions. In 1998, for example, it received the Nuevo Leon Quality Award, and in 2004 it obtained Mexico's National Quality Award, granted by the Ministry of Economy.



» CCYF offers high-quality healthcare services



» Cuauhtémoc y Famosa Hospital in Monterrey, Mexico

The excellence of the services offered by the **Cuauhtémoc y Famosa Hospital** has been recognized by both public and private institutions

## Awards Received by Cuauhtémoc y Famosa Hospital

- 1998** Nuevo Leon Quality Award.
- 2001** Recognition by the Nuevo Leon Quality Association in the area of healthcare.
- 2003** Best performance in emergencies, intensive care, diagnosis and treatment, intra-hospital infections committee, and quality control.
- 2004** Mexico's National Quality Award.



» Housing development provided by PAVITAC to our personnel



## Houses for all

In 1906 Cervecería Cuauhtémoc began a program to provide housing for its workers, long before the existence of Mexico's National Workers' Housing Institute (INFONAVIT). This led to the formation of Patrimonio de la Vivienda de los Trabajadores Asociación Civil or PAVITAC, in March 1972, which is a financial institution for managing and granting housing loans as well as real-estate services to all of FEMSA's associates.

PAVITAC ensures that the terms and rates available to FEMSA associates is the best in the market.

With the contributions of the companies, and due to a wise use of resources, PAVITAC built more than 1,880 houses between 1972 and 2004 and assigned 8,000 loans for the purchase, renovation and mortgage payments of family homes.

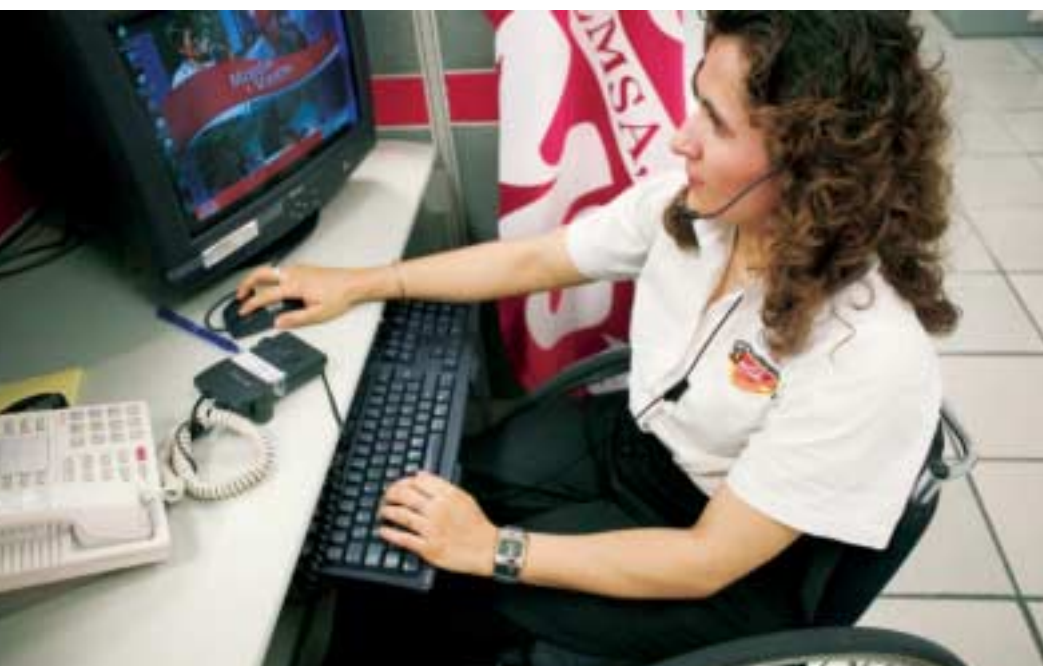
**FEMSA has built  
3,205 houses and  
granted more than  
8,000 housing loans**

## Equal opportunities

FEMSA believes that all human beings deserve the opportunity to grow and develop, without discrimination of any kind. As a result, as of 2001 the Program for Workplace Integration of People with Different Abilities was implemented. In collaboration with the federal government's Integral Family Development System (DIF) and the Ministry of Labor, a pre-evaluation process of candidates is carried out, in

order to closely identify compatibility between different abilities and limitations as compared to the functions and requirements of a given job position.

Three years after launching this Program, results have been satisfactory, in regard to obtaining jobs for people with different abilities, reaching 174 jobs at year's end, 2004.



» Coca-Cola FEMSA customer service center

## Wellbeing and the workplace environment

**More than \$130 million pesos were invested in training in Mexico during 2004**

In addition to the benefits derived from SCYF with its health and housing programs, FEMSA offers other services that complement the development and wellbeing of its associates.

people received training through more than 11,100 courses designed in accordance with the needs of each company. Major Mexican educational institutions backed many of these.

### Social benefits

The company recognizes service attitude of all associates through a range of benefits exceeding those established by Mexican labor legislation.

Because of this quality of life in the work environment, the average level of seniority of FEMSA employees in Mexico is 5.8 years.

### Continuous training: synonym of integral development

For FEMSA, training is the motor of development. Due to this, in 2004, more than \$130 million pesos were invested in employee training programs in Mexico alone. During the year, more than 37,600

### Safety: a right and a shared responsibility

Decisions on behalf of company collaborator's health and safety are implemented through the Occupational Health and Safety Management System (SASSO). The objective of the system is to detect, analyze and mitigate illnesses, accidents, ergonomic factors and conditions external to the company that could affect personnel, as well as to create an awareness of preventive health and the importance of industrial safety. The results have been highly satisfactory. During 2004, only 1.81 person-days per 100 workers were lost due to workplace accidents, compared to an estimated rate of 2.1 for companies affiliated to the Mexican Social Security Institute (IMSS).

» Cultural activities for the development of children



## Retirement: a just recognition

In addition to contributing to its personnel's economic security and peace of mind, FEMSA's Retirement Pension Plan constitutes a recognition of, and reward for, the loyalty, perseverance and hard work demonstrated during an employee's years of service.

## Harmonious labor relations

FEMSA's relationships with trade unions are based on open and constant communication, always searching for shared interests and objectives, encouraging institutional negotiations to detect and solve problems, with the common good as the main concern.



» Retired employees in the SCYF Recreational Center in Monterrey, Mexico

## Recognitions

- One of the “Best Companies to Work for in Mexico” 2002, awarded by the Great Place to Work Institute and the Mexican business magazine *Expansión*.
- “Best Employers of Latin America 2004”, awarded by Hewitt Associates and the magazine *América Economía*.
- “Leader in business and social responsibility”, awarded by the Hay Group, management and human resources consultant and the Latin-American magazine *Gestión*.
- FEMSA Comercio, Coca-Cola FEMSA and FEMSA Insumos Estratégicos were honored with certification as Socially Responsible Companies 2005, by the Mexican Center for Philanthropy (CEMEFI).