

Anti-corruption

FEMSA's Corporate Policy

FEMSA

A decorative graphic on the right side of the page consists of a grid of squares, each divided diagonally from the top-left to the bottom-right. The triangles are filled with three colors: a dark red, a medium red, and a grey. The pattern is arranged in a way that creates a sense of depth and movement, starting from the bottom-left and extending towards the top-right.

Anti-corruption

POLICY

At **FEMSA**, we conduct business practices in accordance with the law, in an honest and ethical manner, with zero tolerance for Bribery, rejecting and fighting any act of corruption.

1. To ensure compliance with local laws and regulations in the countries where we operate, we carry out fair and transparent business practices and prevent and discourage Bribery and extortion.
2. We reject any kind of Bribery of Public Officers.
3. As Employees, in our activities inside and outside FEMSA or on behalf of FEMSA, either directly or through a third party, we do not participate in acts of corruption, therefore:
 - We do not order, authorize, or promise to engage in corrupt practices,
 - We do not induce anyone to engage in corrupt practices, and
 - We do not conspire in their performance.
4. We ensure that relations with external agents, suppliers, consultants, Public Officers and other intermediaries are always justified in terms of business and are conducted exclusively on the basis of respect, integrity, transparency and professionalism.



Anti-corruption



- 5.** In our agreements, contracts and arrangements, we set forth anti-corruption clauses to prohibit corrupt acts and illegal practices, as well as to require compliance with all applicable laws by our outside agents, suppliers, consultants and other intermediaries with whom we interact. We carry out more detailed audits/reviews of external agents, suppliers, consultants and other intermediaries with whom we interact, and who are considered to be high risk. In the event of any suspected breach of law, including acts of corruption, the relevant Chief Legal Compliance Officer is notified immediately.
- 6.** We do not authorize compensations to third parties if there are signs or the appearance that a Bribe will be paid to a third party, or by such third party.
- 7.** We have the necessary controls to ensure that, directly or indirectly, no money, gifts, advantageous conditions, salaries, trips, commissions or Anything of Value is received, given, paid, offered, promised or authorized in the name of FEMSA or in a personal capacity to obtain any Advantage or Undue Benefit of any kind. All gifts, hospitality, travels or Entertainment must comply with the policy established for that purpose.

Anti-corruption

- 8.** We do not make donations (including sponsorships), either in a personal capacity or on behalf of FEMSA to obtain or retain business or to gain an Advantage or Undue Benefit to the company. Any contribution that FEMSA makes must be permitted under applicable law, made to a community or a bona fide organization and in accordance with the guidelines set forth in the "Donation Policy". A detailed review must be carried out by FEMSA's Legal Department to confirm that the donation complies with the laws and criteria established for the granting of donations and does not directly or indirectly benefit a Public Officer.
- 9.** Political contributions made by us must not be made in exchange for obtaining an Advantage or Undue Benefit and must be made in accordance with the requirements established by local laws in the countries in which we operate, as well as with established internal procedures.
- 10.** We maintain control systems and accounting and administrative recording procedures to prevent and detect illicit payments or payments of a corrupt nature. All payments and transactions are recorded in a complete, correct and timely manner.
- 11.** Prior the acquisition of an interest in a third party, by means of a partnership, merger or acquisition, we ensure and document that the third party generally complies with this policy prior to its acquisition.
- 12.** We establish and carry out training and communication plans, under the responsibility of the corresponding Chief Legal Compliance Officer and with the support of Human Resources from the corresponding Business Unit, aimed at preventing and raising awareness of acts of corruption to guarantee a culture of compliance with the law.



Definitions

For purposes of these policies, the following terms shall have the meanings set forth herein, when used in both the singular and plural form:

Advantage or Undue Benefit, any benefit or favorable situation improperly sought, obtained or withheld through the action, intervention or omission of a private individual or Public Officer

Anything of Value, includes any type of tangible or intangible benefit that has value for the individual, the Public Officer, including his relatives, companies, affiliates, friends or other entities linked to him/her, for example: cash, contributions in kind, product, cash equivalents (gift cards, etc.), advantageous conditions, gratuities, bonuses, discounts, favors, benefits, salaries, commissions, loans, gifts, prizes, food and beverages, political contributions, donations (institutional or charitable), offers of employment, promises of future employment, any type of concession in a contract, product or service, or any other form of compensation.

Bribery, is any payment, delivery, offer, promise or authorization, directly or indirectly, of any amount of money, Gifts, services, travel, commissions or Anything of Value, to any private individual, Public Officer or equivalent (including Relatives), to obtain an Advantage or Undue Benefit.

Business Unit, this is the segment of the business that groups several companies controlled by FEMSA. Businesses serving other segments of FEMSA's business are included as a business unit. Each business unit is usually headed by a CEO. Example: FEMSA Trade, Coca-Cola FEMSA, FEMSA Strategic Business, FEMSA Services, Xpertal.

Employees, unionized and non-unionized workers in FEMSA's companies.

Entertainment, artistic, cultural, recreational, sporting, and musical events, including, but not limited to, passes and tickets, among others.

FEMSA, *Fomento Económico Mexicano, S.A.B. de C.V.* including all Subsidiaries.

FEMSA Code of Ethics, a document that contains FEMSA's ethical principles, unifies criteria and establishes a common reference framework that gives direction for acting in an integral manner, it is also a useful work tool that guides correct and value-driven decision-making.

Definitions

FEMSA Corporate Policies, a set of policies and standards that are authorized by Chief Executive Officer FEMSA, or by the Board of Directors, accordingly, to indicate the minimum guidelines that Business Units must follow.

FEMSA Ethics Line, is a formal mechanism that is used by Officers and Employees, as well as by third parties with whom FEMSA has a relationship in the development of its operations, to report any breach and/or possible risk of breach of FEMSA's Code of Ethics and FEMSA Corporate Policies, as well as to address any doubts or concerns.

Gift, is Anything of Value, tangible or intangible, that is given free of charge to one or more people or organizations.

Indirectly, the use of any means, mechanism or person to carry out the prohibited conduct, including through outside agents, consultants, advisers or any other type of intermediary.

Public Officer, includes, but is not limited to, any person who holds a job, position or commission in (i) any branch, level or constituency of government (including the legislative, executive or judicial branches, whether at the municipal, state, federal or national level); (ii) an autonomous public body; (iii) a company with state participation; (iv) a public international organization; or (v) a political party. The term also includes any candidate for public office.

www.femsa.com

FEMSA Corporate Policies
Monterrey, N.L. México
May 2020

All rights reserved. No part of this document
may be reproduced, in any form or by any means
without the prior written permission of FEMSA.

FEMSA