FEMSA

Sustainability-Related Financial Disclosures

2025

Fomento Económico Mexicano, S.A.B. de C.V.

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1. Entity Profile

1.1 Entity Development

Fomento Económico Mexicano, S.A.B. de C.V. and its subsidiaries ("FEMSA," the Company) were incorporated under Mexican law on May 30, 1936, for a term of 99 years. This term may be extended indefinitely by resolution of the Company's shareholders. FEMSA is a public Company incorporated as a *Sociedad Anónima Bursátil de Capital Variable* ("S.A.B. de C.V."), and it is the holding Company of a group of companies and subsidiaries with operations in:

1. the beverage industry through Coca-Cola FEMSA,
2. the retail industry through the Proximity Americas Division, the Proximity Europe Division, the Fuel Division, and the Health Division,
3. Spin, where we leverage the competitive advantages and strong market position of our businesses to build innovative digital solutions in the financial services industry.

1.1.1 Main Activity

We are a leading Company participating in the following businesses:

Coca-Cola FEMSA

Production, distribution, and marketing of beverages under some of Coca-Cola's registered trademarks in Mexico, Guatemala, Nicaragua, Costa Rica, Panama, Colombia, Venezuela[1], Brazil, Argentina, and Uruguay. As of December 31, 2025, FEMSA indirectly owned Series A shares representing 47.2% of Coca-Cola FEMSA's equity capital (56.0% of Coca-Cola FEMSA's equity capital with full voting rights); and The Coca-Cola Company ("TCCC") indirectly owned Series D shares representing 27.8% of Coca-Cola FEMSA's equity capital (32.9% of Coca-Cola FEMSA's equity capital with full voting rights). Series L shares, with limited voting rights, represented 15.6% of Coca-Cola FEMSA's equity capital, and Series B shares represented the remaining 9.4% of Coca-Cola FEMSA's equity capital (the remaining 11.1% of Coca-Cola FEMSA's equity capital with full voting rights).

Spin: focused on building innovative digital solutions in the financial services industry to address the financial needs of our customers and business partners through an efficient and comprehensive value proposition.

Proximity Americas Division

Operation of small-box retail chains in Mexico, Colombia, Peru, Chile, Brazil, and the United States, mainly under the "OXXO" brand and gas stations in the United States.

Proximity Europe Division

Operation of two main businesses, retail and foodvenience, managed by Valora through its brand portfolio (k kiosk, cigo, ServiceStore DB, U-Store, Brezelkönig, Frittenwerk, BackWerk, Ditsch, Press & Books, avec, Caffè Spettacolo) located in Switzerland, Germany, Austria, Luxembourg, and the Netherlands.

Fuel Division

Fuel service stations, motor oil, lubricants, and car care products under the "OXXO GAS" brand, with operations in Mexico.

Health Division

Operation of pharmaceutical service centers and related operations in Chile, Colombia, and Ecuador, mainly under the "Cruz Verde," "Fybeca," and "Sana Sana" banners, and in Mexico under several banners such as "YZA," "La Moderna," and "Farmacon."

Other Businesses

Bara: a proximity grocery business whose value proposition is based on a low-cost model that offers consumers a selection of national and private-label products at the most competitive prices.

1. Investment in Coca-Cola FEMSA Venezuela, S.A.

2. Basis of Presentation

2.1 Statement of Compliance

FEMSA's S1 and S2 Regulatory Compliance Report in accordance with IFRS has been prepared under the IFRS Sustainability Disclosure Standards (IFRS Sustainability), issued by the International Sustainability Standards Board (ISSB).

Additionally, in preparing this report, the disclosure topics included in the Sustainability Accounting Standards Board's (SASB) standards, which are now integrated into the IFRS Foundation's ISSB framework, were consulted and considered.

2.2 Measurement and Presentation Basis

2.2.1 First Year of Adoption of the Sustainability Disclosure Standards (IFRS S) and Transition Reliefs

FEMSA is reporting under the IFRS Sustainability Disclosure Standards for the first time. This includes disclosures as of December 31, 2025, for the annual reporting period ended.

- IFRS S1 - General Requirements for Disclosure of Sustainability-Related Financial Information.
- IFRS S2 - Climate-Related Disclosures.

The IFRS Sustainability Disclosure Standards provide transition relief for the first annual reporting period in which the standards are applied. FEMSA applied the following transition reliefs in accordance with these standards:

- IFRS S1:E3 and S2:C3, to not disclose comparative-period information in the first reporting year.
- IFRS S2 C4(b), to not disclose Scope 3 greenhouse gas emissions.

2.2.2 Connectivity with Financial Statements

This report has been prepared by FEMSA and should be read in conjunction with the Company's consolidated financial statements, which are prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). This report covers a 12-month period, corresponding to the year ended December 31, 2025, and is aligned with the reporting period of the related consolidated financial statements. Reading both documents together provides a complete and consistent view of the Company's financial position, results, and cash flows, as well as the risks, opportunities, and strategies related to sustainability and climate. This linkage helps ensure the consistency and relevance of the information presented to primary users of general purpose financial reports.

For a better understanding of the reporting entity boundary, see in the financial statements Note 1, "Company Businesses," which describes the operational and geographic scope of the Entity's activities, and Note 4, "Business combinations and disposals," which details changes in the Entity's structure, including acquisitions, divestitures, and other relevant changes. This connectivity between financial information and sustainability and climate information strengthens the quality, usefulness, and transparency of this report for primary users.

2.2.3 Presentation of Financial Information

The Company's consolidated financial statements and the sustainability-related financial information disclosed in this report are presented in millions of Mexican pesos ("Ps.") and are rounded to the nearest whole number, unless otherwise indicated.

2.3 Business Model and Value Chain

The scope of our business model and the key relationships across our value chain, both upstream and downstream, are described below:

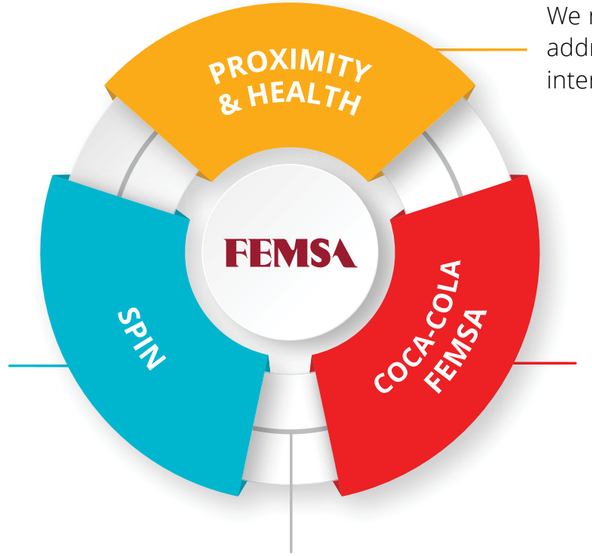
		Description	Geographic location
Upstream Value Chain	Main suppliers	Raw materials for the production of Coca-Cola portfolio products	Mexico, Latin America
		Business partners for selling products in stores and locations	Mexico, Latin America, USA
		Water and electricity	Mexico, Latin America, Europe, USA
		Property, plant, and equipment	Mexico, Latin America, Europe, USA
	Transportation	Shipping of raw materials to plants	Mexico, Latin America
		Delivery of products to distribution centers and stores	Mexico, Latin America, Europe, USA
Downstream Value Chain	Distributors	Products are shipped from distribution centers to various points of sale	Mexico, Latin America, Europe
	Customers	Retail, customers who visit points of sale to purchase products	Mexico, Latin America, Europe, USA

2.3.1 Business model's scope

FEMSA

We reach our customers and consumers by addressing their needs through frequent interactions and broad geographic reach.

We are evolving our financial and digital ecosystem, built on data and analytics, to transform the lives of millions of people and become a driver of inclusion in Mexico.



We produce, market, sell, and distribute beverages, generating economic value and promoting a sustainable future.

STRATEGIC PRIORITIES

Sustained, solid growth | **Becoming digital** | **Balancing the risk-return profile**

2.3.2 Value chain's scope

Our business model is structured around our three business verticals (Proximity & Health, Coca-Cola FEMSA, and Spin), each with specific value chains, but integrated under a shared vision of maximizing long-term value creation while contributing to the well-being of the communities in which the Company operates.

Taken together, our operations span 18 countries and rely on a broad network of employees, suppliers, and strategic partners that enable business continuity and scalability.

At Coca-Cola FEMSA, the value chain spans from sourcing key inputs, to manufacturing, distribution, and commercialization of products. This is supported by 56 production plants and 256 distribution centers (both owned and third-party) that enable the Company to service millions of points of sale and end consumers.

In the retail segment, we operate more than 30 thousand stores and customer touchpoints across the Americas and Europe, as well as fuel stations and specialized health formats, which enable us to interact with millions of consumers every day.

These operations are complemented by digital platforms and financial and commercial services that serve tens of millions of active users, integrating with the physical experience and strengthening the value proposition.

On a consolidated basis, the Group's value chain can be understood as a series of different but interrelated phases. It begins with sourcing and managing suppliers of inputs, goods, technology, and services. This is followed by production and transformation processes, carried out directly in the case of Coca-Cola FEMSA or through distribution, storage, and retail operations in the case of our proximity and health businesses.

Subsequently, the primary and secondary distribution phases support the efficient movement of products through distribution centers, logistics routes, and digital channels, and culminate in commercial interaction with end customers through an extensive network of points of sale, fuel service stations, specialized formats, and digital platforms, as well as post-consumption activities.

2.4 Materiality Analysis

The materiality analysis is an essential process for identifying and prioritizing the risks and opportunities most relevant to FEMSA, and represents an assessment made by management. The objective of this process was to identify information on sustainability-related risks and opportunities that could reasonably affect FEMSA's prospects, as well as influence the decisions of the primary users of the Company's general-purpose financial reports, which include the consolidated financial statements and the sustainability information presented in this report.

Process for Identifying Material Risks and Opportunities

To identify material sustainability- and climate-related risks and opportunities, a structured methodology was applied, combining qualitative and quantitative analyses aligned with industry best practices. This report only includes sustainability-related risks and opportunities that could reasonably influence cash flows, the ability to obtain financing, or the cost of capital. To determine this, FEMSA evaluated three main elements:

- the likelihood that the event could occur;
- the potential impact if it were to materialize; and
- the relative importance of the information regarding the risk and opportunity.

This assessment's findings were organized into a matrix that made it possible to allowed for the visualization and prioritization of risks and opportunities with the capacity to influence the achievement of FEMSA's objectives.

Thresholds were established to determine this, including elements that present a higher probability or a more significant impact for FEMSA's primary stakeholder group. All risks and opportunities that exceeded the established threshold were defined as material.

For more details on the process, see section 3.3 Risk Management of this report.

2.5 Sustainability Resilience Analysis

FEMSA strengthens the resilience of its strategy and business model by implementing mitigation measures and promoting actions aligned with its sustainability- and climate-related priorities, including both physical and transition climate considerations. These efforts focus on reducing exposure to identified risks and enhancing operational continuity across the entire value chain.

Together, the Company's preventive measures reflect how sustainability and climate considerations are integrated into operational planning and execution, reinforcing our ability to adapt to changing conditions and strengthening the long-term resilience of our strategy and business model.

FEMSA established three time horizons, grouped by decade, in line with strategic planning and corporate, national, and international mitigation commitments. These are detailed in section 2.6.1.1 of this report.

2.6 Climate Resilience Analysis

2.6.1 Inputs and assumptions used in the climate resilience analysis

FEMSA conducted a climate scenario analysis as part of its resilience assessment for climate-related risks, supported by S&P Global Climanomics® tool which is aligned with the guidelines of the Intergovernmental Panel on Climate Change (IPCC). The tool is based on CMIP6 (Coupled Model Intercomparison Project, an initiative of the World Climate Research Program – WCRP), which is used in the IPCC's Sixth Assessment Report (AR6).

The information used for this analysis was developed through working sessions with different teams, such as the Sustainability, Risk, Finance, and Insurance teams that participated according to the needs of each phase. The goal was to assess FEMSA and its businesses' exposure to different climate-change and economic-decarbonization scenario pathways.

During the 2025 fiscal year, FEMSA's assets were evaluated to determine the Modeled Average Annual Loss associated with certain physical risks, establishing a baseline for evaluating the resilience of the business to climate change.

The analysis showed that FEMSA's resilience to climate risks varies according to the nature and operational flexibility of each business. In Proximity (OXXO), the ability to reconfigure and redistribute points of sale, with close to 1,000 store openings per year, provides strong agility to respond to changing climate conditions and shift operations toward less-exposed areas. In contrast, Coca-Cola FEMSA, our beverage business, has less flexibility due to the characteristics of its manufacturing assets and the capital-intensive nature of its plants and production lines. However, its diversified presence across multiple countries and climates contributes to a strong capacity to adapt at the portfolio level. For the rest of the businesses, geographic dispersion, a variety of operating formats, and the ability to optimize supply chains enable the gradual integration of strategic adjustments based on the risks identified in each scenario.

FEMSA maintains a solid financial position, with access to traditional and sustainable financing, investment programs, and risk-management mechanisms that enable the Company to respond to the effects identified in the climate scenarios. The Company's businesses have the flexibility to redirect part of their CAPEX and OPEX toward adaptation measures, as well as to capitalize on emerging opportunities.

FEMSA's operating structure enables different options for asset reconfiguration depending on the type of business. In Proximity, the continuous opening, and ongoing renovation of stores provide the flexibility to redistribute operations, explore the reuse of equipment or materials, and implement a wide range of improvements, such as energy-saving measures and the adoption of cleaner energy sources. In other operations, where manufacturing and logistics rely on more asset-specialize and less mobile infrastructure, and where growth is not as accelerated as in Proximity, there are also established processes to modernize equipment, strengthen critical infrastructure exposed to physical risks, and, when necessary, upgrade, dismantle, or replace assets at the end of their useful life. Asset management is progressively incorporating climate-related criteria to guide adaptation-focused investments.

Current and planned investments in renewable energy, electric mobility, operational efficiency, water infrastructure, and technological modernization directly contribute to reducing climate exposure and strengthening FEMSA's structural resilience. Projects and indicators related to renewable energy, route optimization, emissions reduction, water efficiency, and water management support mitigation efforts and help prepare the business for potentially stricter regulations. Likewise, ongoing investments in new regions, store formats, distribution centers, and monitoring technologies enables the gradual integration of adaptation criteria into decisions related to expansion and asset renewal, generating both operational and financial benefits over the long term.

2.6.1.1 Input data used in the analysis

The analysis used for assessing climate-related physical and transition risks was structured around four Representative Concentration Pathways (RCPs) projected to 2100—RCP 2.6, 4.5, 7.0 and 8.5—complemented by the IPCC's Shared Socioeconomic Pathways (SSPs). These SSP-RCP combinations represent contrasting futures in terms of mitigation efforts, climate policies and economic growth:

- **Low Scenario (RCP 2.6/SSP1-2.6):** High mitigation; net-zero emissions by 2050; global temperature increase of between 1.3 and 2.4 °C by 2100; aligned with the Paris Agreement.
- **Medium Scenario (RCP 4.5/SSP2-4.5):** emissions stabilize through 2050 and decline thereafter; temperature increase of between 2.1 and 3.5 °C by 2100.
- **Medium-High Scenario (RCP 7.0/SSP3-7.0):** Limited mitigation; emissions double by 2100; temperature increase between 2.8 and 4.6 °C; characterized by low international cooperation.
- **High Scenario (RCP 8.5/SSP5-8.5):** High-inaction scenario; emissions triple by 2075; temperature increase between 3.3 and 5.7 °C by 2100; associated with fossil-fuel-intensive growth.

The four selected scenarios cover a broad and contrasting range of mitigation pathways and global warming trajectories, allowing the assessment of the business's exposure under both orderly transition conditions and scenarios of climate inaction or delay. This diversity ensures a comprehensive and robust evaluation of corporate resilience.

The analysis considered both physical risks, acute and chronic, as well as transition risks, the latter limited to those related to climate policies and carbon-pricing mechanisms, given their relevance to the operation and competitiveness of the Business Units.

The Low Scenario (RCP 2.6/SSP1-2.6) was selected as a reference because it is aligned with the Paris Agreement (2015), reflecting a high-mitigation pathway consistent with the global objective of limiting temperature increases to 1.5°C-2°C and with international decarbonization commitments.

FEMSA prioritizes the Medium Scenario (SSP2-4.5) as its central view for risk assessment and management, using it as the baseline for evaluating exposures and informing resilience planning.

The IPCC's SSP-RCP scenarios were considered the most appropriate due to their scientific validity, comparability, and international alignment with regulatory and financial frameworks (ISSB, TCFD, NGFS). Their range of assumptions regarding emissions, temperature, and climate policies enables an accurate evaluation of FEMSA's exposure and vulnerability under various levels of physical and transition impacts. In addition, they reflect geographic contexts relevant to FEMSA's operations and facilitate the integration of quantitative variables into financial and risk analyses.

FEMSA established three time horizons, grouped by decades, in line with strategic planning and corporate, national, and international mitigation commitments. Each of these horizons is used in the assessment of sustainability- and climate-related risks:

- **Short term (2025 - 2029):** Period that aligns with the remaining timeframe of the corporate goal-setting process developed in 2020 and publicly disclosed in 2021, with strategic objectives set through 2030.
- **Medium term (2030 - 2039):** Intermediate reference point for assessing climate-related risks and opportunities (R&O), considering technological, regulatory, and market evolution.
- **Long term (2040 - 2049):** Looking toward 2050, the horizon by which the objectives of the Paris Agreement and national long-term mitigation targets are expected to be achieved, allowing the assessment of the structural resilience of the business model amid cumulative changes and systemic transitions.

The Company uses a time horizon of 1 to 5 years for its financial projections. However, in line with IFRS sustainability disclosure requirements, and given the long-term nature of sustainability- and climate-related risks and opportunities, the Company has established the time horizons described above for the purposes of this report.

These time horizons reflect the periods over which sustainability- and climate-related risks and opportunities could reasonably be expected to materialize, significantly affecting the Company's strategy, business model, cash flows, or access to financing.

The climate resilience analysis considered multiple climate scenarios and time horizons and was based on the assets and declared values for the 2026–2027 corporate insurance period. This included owned and leased property across the categories of Real Estate, Machinery and Equipment, and IT Equipment, covering the main Business Units and ensuring consistency between the climate assessment and the Company's Organizational risk-management structure.

The Company maintains an "all-risk" insurance policy that covers properties (owned and leased), machinery and equipment, inventories, and losses caused by business interruption. The policy covers damages caused by natural disasters—including hurricanes, hail, and earthquakes—and damage resulting from human actions such as explosions, fires, vandalism, and civil unrest. The Company also carries a cargo insurance policy that covers damages to goods in transit Additionally, we have a liability insurance policy that covers damages related to our products. These policies are renewed annually and reflect additions, disposals, and changes across the geographies where we operate.

The evaluation included assets from OXXO in Mexico, Peru, Chile, and Colombia; Caffenio; Bara; Doña Tota; OXXO Gas; pharmacies in Mexico, Chile, Colombia, and Ecuador; as well as their distribution centers and plants, including the five plants of the Valora business. It also included Coca-Cola FEMSA's plants and distribution centers. Altogether, this analysis covers assets across 15 countries and approximately 99% of the assets reported in the three categories considered for the insurance period. This scope provides the Company with reasonable and sound input data for the analysis. Due to data availability, the study does not include Valora stores in Europe, OXXO USA, OXXO Brazil, inventories, potential gross profit losses, or transportation equipment.

2.6.1.2 Key Assumptions Used in the Climate-Scenario Analysis

The climate resilience analysis assumes full compliance with existing climate, environmental, and energy legislation across all jurisdictions where FEMSA operates, without considering deviations in enforcement.

The scenario analysis also incorporates high-level macroeconomic and market assumptions regarding the pace and stringency of climate policy evolution, the progression of physical risks, and the resilience of resources and infrastructure—including water availability, energy reliability, and the robustness of existing assets to withstand climate-related stress—while also accounting for potential effects on operating costs.

The analysis considers the differentiated effects of climate scenarios at regional and national levels, including relevant regulatory variables such as potential carbon-pricing mechanisms.

Regarding energy use and mix, the analysis assumes that FEMSA's energy matrix will remain unchanged, with no new sources or combinations beyond those currently in use. There are also no additional targets considered beyond those set in 2020 and publicly disclosed in 2021 towards 2030. Therefore, projections for alternative fuels or additional electrification or self-generation schemes are not included in the analysis.

Finally, it is assumed that FEMSA operates with currently available technologies, without incorporating emerging innovations or significant technological shifts beyond incremental operational improvements, thereby avoiding the attribution of effects driven by hypothetical technological transformations.

2.6.2 Assumptions, Judgments, and Uncertainties

This report has been prepared using all reasonable information available as of the publication date, incorporating data from past events, current conditions, and well-founded projections of future conditions.

Past Events

- **Historical Carbon Footprint**

  FEMSA's Scope 1 and Scope 2 emissions have followed a consistent trend since 2022, with levels remaining generally steady or declining despite the Company's continued business expansion. In the case of Scope 2 emissions, both market-based and location-based figures reflect the positive impact of increased procurement of renewable-electricity and energy-efficiency initiatives.

CO_2 Emissions (Metric Tons of CO_2 Equivalent)	2025	2024	2023
Total CO_2eq Emissions	**1,297,726**	**1,353,370**	**1,348,982**
Scope 1 (direct)	912,301	947,831	914,557
Stationary sources	399,354	434,285	444,209
Mobile sources	512,947	513,546	470,348
Scope 2 (indirect)			
Market based	385,425	405,539	434,425
Location based	1,142,180	1,221,332	1,167,415
Emissions intensity (tons of CO_2eq per $PS. million)	**1.6**	**1.7**	**1.9**

- **Climate Change Impacts**

  Our resilience was put to the test in 2024. In Brazil, we responded to the floods that affected the state of Rio Grande do Sul, always prioritizing the safety of our employees and their families, as well as community support. Similarly, in response to Hurricane John in Acapulco, Mexico, we provided support to employees and their families while preserving their jobs during the repairs required to ensure operational continuity. For more information on the financial impacts on FEMSA, please refer to Note 2.5 of the 2025 Consolidated Financial Statements.

Previous Initiatives

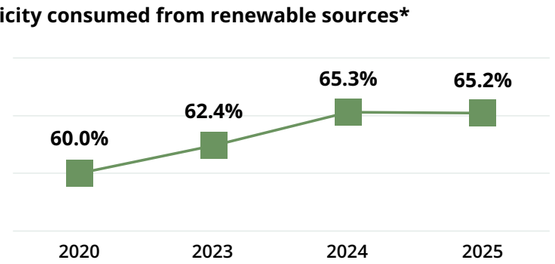
FEMSA has embedded energy efficiency as a structural pillar of its climate strategy for more than two decades. At OXXO Mexico, part of FEMSA's Proximity Division, a specialized energy savings team was established in 2004, marking the beginning of a systematic approach to managing energy consumption across its operations. Since then, at least 35 energy efficiency measures have been implemented, including the assessment and modernization of store infrastructure and equipment, as well as the gradual adoption of clean energy sources. This strategy is built on two key operating principles: the continuous reduction of energy consumption and the gradual increase of renewable energy use. In performance terms, these efforts have resulted in a cumulative reduction of nearly 40% in energy consumption per store over the past 15 years.

Reasonable Expectations for the Future:

- One of FEMSA's objectives is for all our Business Units to maintain and strengthen their carbon footprint inventories, while also defining and implementing emissions reduction plans. To date, two of our three business verticals already have emissions reduction targets in place: Coca-Cola FEMSA and Proximity & Health, while SPIN is in the process of defining its own. These objectives include specific targets set for 2030 and 2035, depending on the nature and operating profile of each business vertical.

- For nearly 20 years, FEMSA has worked to integrate renewable energy use and energy efficiency practices into our daily operations. As part of this commitment, our goal is to source 85% of the electricity used in our operations from renewable sources by 2030. As of year-end 2025, 65.2% of our total electricity consumption came from renewable sources.

Electricity consumed from renewable sources*



2.6.2.1 Assumptions

- **Frequency and intensity of extreme climate events**

  In preparing the information related to physical climate risks, the Company assumes that the frequency and intensity of certain extreme climate events, including heatwaves, heavy precipitation, droughts, and tropical cyclones, could continue to change over time, in line with the latest scientific evidence. This assumption is based on the findings of the IPCC Sixth Assessment Report (AR6), which notes a growing body of evidence regarding observed changes in such events and their attribution to human influence. However, given the complexity, regional variability, and level of uncertainty associated with these projections, the Company considers them a relevant factor for its risk management and strategic planning.

- **Changes in average temperatures**

  The sustained increase in average temperatures and the greater frequency and intensity of extreme heat events, widely documented by the IPCC AR6, are altering energy demand patterns and putting pressure on electricity generation and distribution infrastructure. For the retail and beverage sectors, where electricity consumption is a critical input for maintaining operating conditions in plants and distribution centers, as well as comfortable conditions in our stores, these climate-related changes result in increased energy demand for cooling or heating, greater exposure to power outages, and potential increases in energy costs. In this context, increases in electricity prices, supply disruptions, or energy shortages, resulting from extreme climate events, higher demand, or transition policies, may increase operating costs.

2.6.2.2 Measurement uncertainty

- **Climate scenario analysis**

  Climate resilience analysis is subject to a high level of measurement uncertainty, derived in part from the use of external climate and risk modeling information based on complex climate models and assumptions aligned with the scientific evidence of the IPCC AR6. The financial loss estimates used in the external tool are based on scientific literature and publicly available technical reports, which, in some cases, present data limitations, require the adaptation of information across asset types, or are based on limited evidence. While the assumptions and approaches used are supported by the best available information, there remains a risk of variability and uncertainty in the estimated results. As the first climate risk assessment, the analysis includes a degree of uncertainty associated with data granularity, availability, and treatment. In Proximity Mexico and Americas, for example, the scale of operations, which includes more than 25,000 stores, made it necessary to group assets by geographic areas to model climate exposure. Evaluating each store individually would have entailed a very high level of operational complexity and resource expenditure. Additionally, there are uncertainties related to the spatial resolution of climate models, the lack of homogeneous information on urban microclimates and local variations, and the need to incorporate assumptions regarding business continuity, replacement costs, and future infrastructure conditions. These uncertainties will continue to be refined as FEMSA progresses year after year toward more detailed asset- and business-level analyses, as the quality of the analysis and the Company's institutional efforts continue to evolve.

3. Main Content

3.1 Governance

Governance is a fundamental component in the management of sustainability- and climate-related risks and opportunities. FEMSA has a solid structure, as well as clear processes and responsibilities that make it possible to oversee, assess, and to these risks and opportunities respond in a timely manner, ensuring their integration into our strategy, risk management, and decision-making.

The following provides information on the bodies and functions responsible for the oversight and management of sustainability- and climate-related risks and opportunities, the degree of involvement of the Board of Directors and senior management, as well as the mechanisms used to monitor compliance with targets and track sustainability- and climate-related performance.

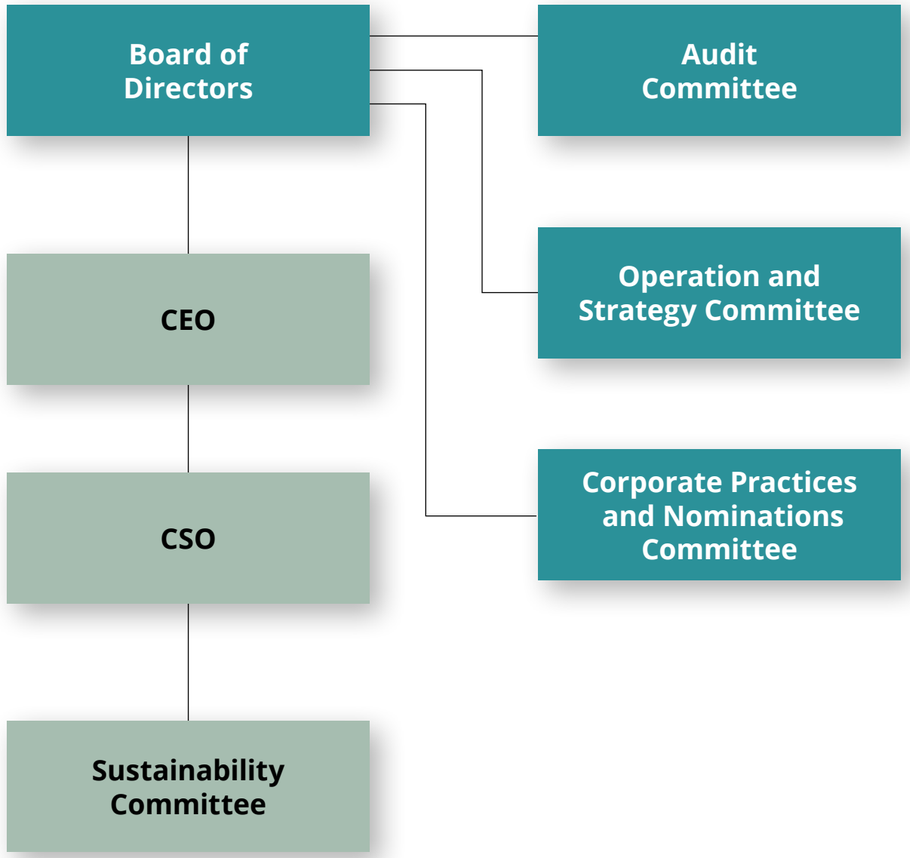
In preparing the required governance disclosures, unnecessary duplication of the disclosures required by IFRS S1 was avoided. Consequently, this report presents a consolidated governance disclosure that covers both sustainability- and climate-related risks and opportunities. In other words, the governance information is presented in a single section, in accordance with IFRS S1 and S2 requirements.

FEMSA recognizes that strong governance is essential to ensure responsible operations, generate long-term value, and address sustainability- and climate-related risks and opportunities. The Company's corporate governance has been strengthened over time to enable it to respond to environmental risks and opportunities and growing social needs. Through active leadership and best practices, sustainability has become part of the Board of Directors' vision, laying the foundation for the future we seek to build.

Within the regulatory framework, FEMSA has public commitments regarding sustainability- and climate-related matters set forth in the Code of Ethics, which is approved by FEMSA's Board of Directors, as well as in the Corporate Policies, which are approved by FEMSA's Chief Executive Officer. The Code of Ethics, along with certain policies, such as the Sustainability, Environment, and Community Commitment Policy, are available to all our stakeholders on FEMSA's website under About FEMSA – Corporate Governance.

Sustainability Governance Structure

Review and recommend approval of the Company's:



- Business risk management and internal control systems, including those related to sustainability.

- Strategic plan, aiming to create economic, social and environmental value.
- ESG goals.

- Health and Safety, Human Rights, Culture, Social Impact and Social Development goals.

- Chair the Sustainability Committee
- Oversee the assessment and mitigation of climate and sustainability risks.
- Approve the governance policies on sustainability matters.

- Define the long-term sustainability vision and strategy.
- Lead the identification and assessment of climate risks and sustainability risks.
- Define sustainability governance policies and mechanisms for their compliance.

- Define and strengthen FEMSA's Sustainability strategy
- Establish and monitor goals
- Monitor risks and the strategy for managing climate change and sustainability risks and opportunities (People, Planet and Community)
- Follow up and monitor climate-related issues and mitigation and adaptation strategy.
- Report to the Board of Directors on progress in the management and compliance of the strategy, including its goals, as well as relevant risks and opportunities for sustainability and climate.

3.1.1 Board of Directors

The Board of Directors oversees the progress of the Sustainability Strategy, including progress on key performance indicators and public targets, sustainability- and climate-related risks and opportunities, results from international ESG (Environmental, Social, and Governance) rating agencies, among other matters. In addition, these topics are also reviewed and monitored within the Audit Committee, the Operations and Strategy Committee, and the Corporate Practices and Nominations Committee, respectively.

The Board of Directors is supported by committees, which are working groups that analyze issues and provide recommendations to the Board of Directors with respect to their respective areas of responsibility. Executive officers interact periodically with these committees to address administrative matters. Each committee has a secretary who attends meetings but is not a member of the committee.

The bylaws stipulate that the Board of Directors shall meet at least once every three months, at the end of each quarter, to discuss our operating results and progress in the achievement of strategic objectives. In addition, our Board of Directors may also hold extraordinary meetings.

The Chairman of the Board leads efforts to meet our sustainability and climate commitments by overseeing matters related to the pillars that are part of the sustainability strategy. For this purpose, the Chairman is supported by the Sustainability Committee.

3.1.2 Audit Committee

The Audit Committee supports the Board of Directors by carrying out activities to ensure the integrity, reliability, and transparency of the Company's financial information. Some of its main supporting functions are:

- Verifying and validating ESG information and, when appropriate, recommend its approval to the Board, ensuring that external data and reports are accurate, complete, and aligned with applicable standards.
- Monitoring sustainability-related risk control and mitigation systems, including environmental, social, and governance risks.
- Evaluating and recommending the approval of auditors or certifiers that support reporting required by competent authorities (CNBV, SEC), in addition to overseeing relations with them.

The Committee formally meets on a quarterly basis and holds any additional meetings as needed.

To comply with regulations, Committee members attend various training courses throughout the year on topics such as internal control, risk management, cybersecurity, Environmental, Social, and Governance matters, regulatory compliance, financial information, and auditing.

3.1.3 Sustainability Committee

The Sustainability Committee is made up of executives from all Business Units, as well as executives from corporate functional areas. The goal is to ensure diverse representation of the businesses, demographics, and nationalities that exist within the Company. Its purpose is to support the Board of Directors in proposing and executing the design of the ESG strategy, plan, and objectives, as well as implementing the Board's mandates. This Committee meets quarterly to provide guidance on, update, and oversee the implementation of the Sustainability Strategy.

Some of this Committee's responsibilities are:

- Continuously strengthening FEMSA's Sustainability strategy.
- Setting and tracking established goals.
- Monitoring sustainability- and climate-related risks and opportunities, and the associated Risk Management strategy (People, Planet, and Community).
- Following up on and monitoring climate-related risks and adaptation strategy mitigation.
- Reporting to the Board of Directors about progress regarding the management and execution of the strategy, including its targets, as well as the Company's relevant sustainability- and climate-related risks and opportunities.

Sustainable governance within the Company is led by the Sustainability Department, which seeks to strengthen collaboration among the different businesses and stakeholder groups, ensuring more effective and aligned implementation of the Sustainability Strategy. The department's responsibilities include:

- Defining FEMSA's long-term sustainability vision and strategy, as well as that of all its Business Units.
- Leading the identification and evaluation of sustainability- and climate-related risks, managing them across FEMSA and its Business Units.
- Defining Sustainability governance policies, including verification mechanisms across FEMSA and its Business Units, as well as assessing best practices in corporate governance.

The Sustainability Department reports directly to the Chief Executive Officer and leads the Governance and Environment, Fundación FEMSA and Social Value teams.

3.1.4 Compensation

FEMSA has a Corporate Practices and Nominations Committee, which issues its opinion on the compensation packages or total compensation of FEMSA's Executive Chairman and Chief Executive Officer, as well as the policies for the appointment and comprehensive compensation of FEMSA's Key Executives or those of its subsidiaries.

Achieving FEMSA's sustainability- and climate-related goals is only possible through the collective effort of all our governing bodies, executive management, subsidiaries, and employees.

FEMSA's CEO, FEMSA's Chief Sustainability Officer, FEMSA's Director of Sustainability Strategy and Energy, and Coca-Cola FEMSA's CEO have performance metrics directly related to the integration and execution of sustainability within the overall business strategy, referred to as Critical Factors. Successful compliance with these Critical Factors contributes, in different percentages, to their annual performance-based variable compensation.

3.2 Strategy

Climate- and sustainability-related risks and opportunities

Climate Change

Transition Risk

Time Horizon: Long term

Exposure to regulatory, economic, technological, and market changes that drive decarbonization, including carbon pricing, new climate and sustainability disclosure requirements, and changing customer and investor expectations, which could result in failure to meet emissions targets, delays in timely investment in low-carbon technologies, or limitations in the availability or technical and economic feasibility of the technologies and raw materials, or other inputs needed to achieve those targets.

FEMSA's assessment considers how these dynamics vary across regions and markets, identifying geographies with greater exposure to transition pressures related to regulatory developments, market expectations, and energy system conditions. Transition-related risks are primarily concentrated in the Company's own operations and in the value chain categories that support its decarbonization targets. Within FEMSA's direct footprint, exposure is linked to fuel consumption, thermal energy consumption, electricity sourcing, and fleet operations.

Transition-related risks across the business model and value chain are primarily associated with regulatory and policy developments, market and stakeholder expectations, technological transition pathways, the availability and cost of inputs, and the timing and execution of decarbonization investments.

Potential Impacts

- Increased operating costs: Increases driven by carbon pricing, both directly and indirectly across the value chain, or by energy costs.
- Investment and operations: Higher CAPEX and OPEX associated with technological conversion and the adoption of low-carbon technologies, including risks related to the availability, maturity, and feasibility of these technologies.
- Achievement of targets and commitments: Risk of failing to meet disclosed targets and emerging regulatory requirements, with potential penalties increasing financial costs, stakeholder friction, or reputational damage.

Mitigation actions

- Strengthen decarbonization performance through continued investment in energy efficiency programs, electrification of thermal processes, and modernization of high-efficiency refrigeration technologies using refrigerants with lower Global Warming Potential (GWP).
- Accelerate renewable electricity sourcing across different territories through long-term power purchase agreements, on-site generation, and collaboration with suppliers to achieve the Company's targets and reduce exposure to energy market volatility.
- Reduce value chain emissions by deepening supplier engagement, expanding the adoption of product-level emission factors, and strengthening the quality of Scope 3 data under the GHG Protocol.
- Expand low-carbon mobility and fleet optimization strategies, including electrification, alternative fuels, dynamic routing, telemetry, and eco-driving, to mitigate fuel cost risks and logistics-related emissions.

Physical Risks

Time Horizon: Short, medium, and long term

Exposure to acute and/or chronic physical climate risks, such as heat stress, extreme temperatures, droughts and water stress, and flash floods, may affect people (safety and productivity), operational continuity, product quality, assets and infrastructure, as well as the availability of critical raw materials such as water or agricultural inputs in the regions where we operate.

The analysis considers geographic concentration, assessing regions and countries with greater exposure to acute and chronic climate risks. This perspective helps distinguish locations where heat extremes, flooding, or water stress may require stronger resilience measures and influence decisions related to asset protection, process conditions, and supply continuity over time.

Potential impacts

- Operational continuity and infrastructure: Full or partial shutdowns and operational adjustments resulting from extreme temperatures, flooding, or other natural phenomena related to climate change across our value chain.
- Anticipated Financial Impacts: higher insurance premiums and more restrictive coverage conditions due to extreme weather events.
- Employee health, safety, and productivity: Greater incidence of heat stress in manufacturing plants and distribution operations, which may increase the risk of workplace accidents or reduced productivity.
- Water availability: Additional pressure from drought and water stress in relevant basins, with associated financial impacts.
- Critical inputs: Reduced agricultural yields of key ingredients due to droughts or flooding.
- Increased operating costs resulting from greater energy use to maintain our stores and pharmacies at appropriate temperatures.

Mitigation actions

- We strengthen site-level resilience through ongoing physical risk assessments, including annual water risk assessments, five-year source vulnerability assessments, and risk-specific assessments for heat stress, droughts, and flooding.
- We are equipped with a FEMSA Emergency Fund, a support mechanism to respond to natural and social disasters that may arise in some of our geographies. It is designed to provide immediate and effective support both to our employees and communities during times of crisis that go beyond the scope and response capacity of the Business Units.
- We implement specific adaptation measures at highly exposed facilities, such as infrastructure reinforcement, drainage improvements and flood protection, heat mitigation technologies, and continuity protocols to safeguard people, assets, and production stability.
- We improve water resource resilience by advancing localized water management plans, improving efficiency in water-intensive processes, and collaborating with suppliers and communities to secure long-term water availability.
- We integrate physical risk considerations into operational planning and capital investment decisions to ensure that infrastructure, equipment, and distribution networks are designed to withstand acute and chronic climate risks.
- We strengthen workforce protection and operational continuity through heat stress monitoring, flexible shift schedules, safety training, and preventive maintenance programs tailored to evolving temperatures and extreme weather conditions.

Climate action targets, metrics, and performance

Cross-industry metrics

Scope of GHG emissions reporting

The Entity quantifies its greenhouse gas emissions in accordance with the guidelines of the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol). The reporting scope for GHG emissions covers what is set forth in our business model.

In the context of greenhouse gas (GHG) emissions, operational control refers to the methodology for accounting for emissions generated by operations under the Company's operational control.

Organizational boundary

FEMSA applies the (operational) control approach to establish our Organizational boundary for greenhouse gas emissions disclosures. We believe the use of the (operational) control approach to be the most appropriate method for measuring our GHG emissions because it allows us to take action in implementing our Sustainability strategy.

To establish the operational boundary, the entities, activities, and operations under FEMSA's control are first identified. This process consists of determining those areas where we have the authority to implement operating policies and procedures.

Operational boundary

The emissions included in this report represent at least 90% of the Company's revenues. Certain recently acquired retail operations, such as OXXO Brazil and Delek US Holdings, are not included in the emissions or other information due to their recent incorporation.

These are reported as direct greenhouse gas emissions from sources that are owned or controlled by FEMSA, that is, Scope 1 GHG emissions, as well as indirect GHG emissions associated with the consumption of purchased energy, such as electricity, steam, heating, or cooling, which are generated outside FEMSA's operational boundaries but consumed by the Company.

Any additional emissions generated in the value chain of these entities, assets, and operations are considered as Scope 3 emissions.

The relevant portion of GHG emissions from entities, assets, and operations in the value chain over which FEMSA does not have operational control is considered as part of Scope 3 emissions.

Greenhouse gas emissions

The Entity's GHG emissions are disclosed below:

CO_2 Emissions (tons of CO_2eq)	2025
Total CO_2e Emissions	**1,297,726**
Scope 1 (direct)*	912,301
Stationary sources	339,354
Mobile sources	512,947
Scope 2 (indirect)	
Market-based	385,425
Location-based	1,142,180
Emissions intensity (tons of CO_2e/Ps. millions)	**1.6**

FEMSA's Carbon Footprint

SCOPE 1 EMISSIONS

Direct GHG emissions from sources owned or controlled by an Organization:

- boilers
- backup generators
- Company-owned vehicle fleet
- refrigerant gases

SCOPE 2 EMISSIONS

Indirect GHG emissions derived from the purchase of electricity and steam:

- offices
- stores, pharmacies, and fuel service stations
- plants (bottling and food manufacturing)
- distribution centers

Assets vulnerable to physical risks

Drought

Regarding physical risks associated with droughts, the Aqueduct tool was used as the baseline, through which it was calculated that 13% of the buildings assessed are located in a Medium-High drought risk level (0.6-0.8), while the remainder are located in medium or low risk levels.

As a complement, the financial impact analysis carried out with Climanomics under the SSP2-4.5 scenario shows that, although drought is a relevant physical risk with the potential to intensify, particularly in the long term, the estimated relative risk for the assets assessed remains below 5% of asset value across all time horizons and sites analyzed.

Extreme temperatures

This initial financial impact analysis, conducted with the support of Climanomics under the SSP2-4.5 scenario, shows that the physical risk associated with extreme temperatures is relevant and has the potential to intensify in the short, medium, and long term.

In the short term, the analysis estimates that 94% of the value of the assets assessed presents a relative risk of less than 5% of asset value attributable to extreme temperatures. However, this proportion declines as the time horizon advances: in the medium term it falls to 76%, and in the long term it continues to decline to 66%, reflecting greater exposure to and materiality of the risk over time. Even so, this initial analysis shows that no assets with material financial vulnerability associated with extreme temperature risk were identified.

The calculation of financial impact is primarily associated with estimates related to higher operating expenses derived from the intensified use of cooling equipment and systems to maintain optimal conditions for employees and assets in the face of rising temperatures, degradation of heating, ventilation, air conditioning equipment, and costs related to reduced labor productivity.

Transition

Based on internal climate risk assessments, the Company estimates that <1% of the total value of its assets could be exposed to risks related to the long-term transition under the medium-term climate risk scenario, reflecting regulatory developments, technology adoption requirements, market expectations and potential changes in the availability and cost.

Entity-specific targets and metrics

■ Increase renewable electricity supply (85% by 2030)

Related physical risk	Extreme temperatures
Description of the target, including whether it is quantitative, absolute, or intensity-based	▪ To consume 85% renewable electricity across all our operations ▪ It is a quantitative, intensity-based target / % ▪ It represents FEMSA's commitment to renewable energy consumption across the Organization and to a transition toward a low-carbon economy
Part of the Entity to which it applies	Information aligned with the sustainability-linked bond that includes Coca-Cola FEMSA Venezuela and the Company with the exception of Proximity Europe, OXXO Brazil and OXXO USA
Metric used to set the target	% of total electricity from renewable sources
Period over which the target applies	2030
Base period	2019
Milestones or interim reviews	65% by 2025
Progress toward the target in the reporting period	65.2%

■ Total water consumption in cubic meters (m^3)

Related physical risk	Water stress
Description of the target, including whether it is quantitative, absolute, or intensity-based	▪ Total water withdrawn from all sources ▪ It is a quantitative, absolute metric
Part of the Entity to which it applies	The entire Company
Metric used to set the target	Total water consumption in m^3
Progress toward the target in the reporting period	47,067,414

Neutral water balance across our operations, with priority given to areas facing water risk

Related physical risk	Water stress
Description of the target, including whether it is quantitative, absolute, or intensity-based	▪ To achieve Neutral Water Balance across our operations, with priority given to areas facing water risk ▪ It is a quantitative, absolute target based on achievement ▪ It represents a strategic commitment to offset the volume of water consumed in operations through interventions that restore, recharge, or improve water availability in the basins where we operate, or through initiatives aimed at ensuring equitable and safe access to drinking water, adequate sanitation services, and hygiene practices
Part of the Entity to which it applies	The entire Company
Metric used to set the target	Neutral Water Balance across our operations, with priority given to areas facing water risk. = Water offset / water withdrawal in water-stressed areas
Period over which the target applies	2030
Base period	2025
Progress toward the target in the reporting period	70%

Energy consumption in GJ per million Mexican pesos in sales

Related risk or opportunity	Extreme temperatures
Description of the target, including whether it is quantitative, absolute, or intensity-based	▪ To improve our energy intensity in the our daily activities, measured by energy consumption per million Mexican pesos in sales ▪ It is a quantitative, intensity-based target ▪ It represents FEMSA's commitment to lower energy consumption across the Organization and to the responsible use of resources in the conduct of our operations
Part of the Entity to which it applies	The entire Company
Metric used to set the target	Energy consumption in GJ per million Mexican pesos in sales
Progress toward the target in the reporting period	23GJ/million Mexican pesos in sales

Climate risk perspective on financial impact

Based on the assessments conducted by the Company, none of the identified impacts related to physical and transition climate risks were considered financially material during the reporting period.

Derived from the management of sustainability risks at FEMSA, it was determined that the risks of Water, Circular Economy and Consumer Preferences are risks that fall mainly on the beverage business at Coca-Cola FEMSA, therefore the risks, potential impacts, mitigation actions, targets and metrics of this Business Unit are described below.

Water

Water is a priority sustainability-related topic for Coca-Cola FEMSA, given its relevance to operational continuity and long-term resource resilience across its territories. Coca-Cola FEMSA has established internal targets to manage water-related risks and opportunities linked to water availability, water quality, and watershed health.

Time Horizon: Short, medium and long term

Risk of water restrictions, limitations, or shortages arising from water stress in operating areas, regulatory changes, supply disruptions, limited water availability, infrastructure deficiencies, or negative stakeholder perceptions regarding Coca-Cola FEMSA's use of water, within an environment of continually evolving environmental and water resource regulation.

Water-related risk exposure varies significantly across Coca-Cola FEMSA territories and operations, driven by differences in basin conditions, local regulatory dynamics, and the sensitivity of specific geographies to physical climate pressures. These variations create distinct concentration patterns along the value chain, where certain regions and assets face higher levels of vulnerability.

This concentration is most evident in Coca-Cola FEMSA's bottling plants, which depend directly on access to reliable and good-quality water. As a result, these facilities represent the core areas of water-related exposure and the primary focus for risk monitoring, operational planning, and long-term resilience efforts.

Potential impacts

- Operational disruption or inability to operate due to water scarcity or restrictions.
- Increased operating costs associated with sourcing alternative water supplies.
- Achievement of targets and commitments: Risk of failing to meet disclosed targets and emerging regulatory requirements, with potential sanctions, stakeholder friction, or reputational damage.
- Impacts on suppliers: Disruption to the production of agricultural input suppliers resulting from water scarcity.

Mitigating actions

Water-related opportunities and mitigation actions are integrated into strategic and investment decisions overseen by the Board and its Committees. Their governance approach ensures that capital allocation, operational planning, and long-term resilience efforts prioritize projects that enhance water efficiency, strengthen basin conditions, and reinforce regulatory compliance across Coca-Cola FEMSA's footprint. This alignment between strategic oversight and operational action helps translate sustainability priorities into concrete, value-driving initiatives.

These actions and opportunities are primarily concentrated in bottling plants, where water dependency is highest and where efficiency gains, technological upgrades, replenishment initiatives, and watershed interventions generate the greatest impact. As a result, Coca-Cola FEMSA's mitigation strategy focuses on improving plant-level performance and advancing basin-level resilience, while complementary opportunities—such as innovation, community initiatives, and nature-based solutions—extend the benefits across the value chain.

Key actions include:

- Strengthening operational water efficiency through Water Use Ratio (WUR) improvements, deployment of efficiency technologies, and site-level action plans that support long-term water-use management, reducing operating costs and regulatory risks.
- Enhancing basin-level water resilience by scaling replenishment projects and nature-based solutions that restore, conserve, and protect local watersheds.
- Reinforcing water-risk governance through annual water risk assessments, five-year source vulnerability assessments, and the implementation of water management plans across all bottling plants to ensure early identification and mitigation of water-availability and quality risks.
- Advancing global water stewardship practices by implementing Alliance for Water Stewardship (AWS)-aligned priority plans, participating in collective action initiatives such as the UN's CEO Water Mandate, and collaborating with communities and authorities to strengthen shared water security.
- Improving water-quality protection and compliance through responsible wastewater treatment, expanded reuse solutions, and investments in tertiary treatment and rainwater harvesting to reduce operational vulnerability and regulatory exposure.

Our water targets, metrics, and performance

Coca-Cola FEMSA has defined formal internal targets to strengthen its water performance and reinforce long-term water security:

- **Improve operational water efficiency (Water Use Ratio, WUR)**
  Coca-Cola FEMSA aims to achieve a Water Use Ratio (WUR) of 1.26 liters of water used per liter of beverage produced during 2026, reflecting its commitment to improving operational efficiency and strengthening long-term water stewardship. Coca-Cola FEMSA's goal is the same as described for the Sustainability Linked Bond in the Final Prospectus Supplement for the certificados bursátiles KOF 21L issued in the Mexican Stock Exchange.

  Coca-Cola FEMSA's WUR performance has improved steadily over time. As of August 2024, Coca-Cola FEMSA its interim target with a WUR of 1.36, demonstrating continued progress toward its 2026 target of 1.26. In 2025, the WUR reached 1.35. Additionally, nine bottling plants have already surpassed the 2026 target, reflecting sustained efficiency gains across Coca-Cola FEMSA's footprint.

  WUR is a proprietary metric that expresses the liters of water used per liter of beverage produced. Its calculation incorporates operational inputs aligned with SASB standards—specifically FB-NB-140a.1 for water withdrawal and FB-NB-000.A for total production volumes—to ensure consistency and comparability with industry practices. During the reporting period, Coca-Cola FEMSA recorded 30,482 ML of total water withdrawal and 22,499 ML of beverage production.

- **Replenish 100% of water used in finished products at an aggregate level and 100% of water used in finished products and production processes at each priority location**
  Coca-Cola FEMSA aims to return 100% of the water used in finished products to nature and communities at an aggregate level by 2035. Coca-Cola FEMSA tracks progress using the metric percentage of water used in finished products on an aggregate level returned to nature and communities. This target guides the design and deployment of replenishment projects and collective water actions aligned with basin needs.

  In priority locations[1], Coca-Cola FEMSA aims to return 100% of water used in finished products and production processes to nature and communities within the same local basin by 2035. Coca-Cola FEMSA tracks this target through the metric percentage of total water used in each priority location returned to nature and communities. This location-based ambition reflects the focus on strengthening water resilience where water constraints may pose heightened sustainability-related risks to operations and communities.

  Coca-Cola FEMSA also continued advancing replenishment actions that contribute to its 2035 targets. Nature-based solutions implemented to date have supported watershed protection, restoration, and conservation initiatives. Replenishment results for 2025 are not reported, as final data remains subject to assurance, validation and aggregation processes led by The Coca-Cola, reflecting the co-investment nature of most projects and reliance on third-party partners. Coca-Cola FEMSA applies the proportionality mechanism, as these data are not available at date of publication without due cost or effort.

To support the implementation of its water targets, Coca-Cola FEMSA assesses and manages water-related risks through structured internal processes. Coca-Cola FEMSA conducts a Water Risk Assessment (WRA) annually across its bottling plants to evaluate water accessibility, availability, quality, and potential impacts. All of Coca-Cola FEMSA's bottling plants have a water management plan and are evaluated annually through this WRA process. In addition, Coca-Cola FEMSA performs a Source Vulnerability Assessment every five years across all water sources to strengthen long-term resource planning and risk mitigation.

Coca-Cola FEMSA also reinforces site-level implementation through priority stewardship plans aligned with the Alliance for Water Stewardship (AWS) Standard. In 2023, Coca-Cola FEMSA joined the UN Global Compact CEO Water Mandate, strengthening its alignment with global water stewardship expectations and supporting collective action to advance water resilience in vulnerable basins.

Water risk and opportunities financial impact perspective

Coca-Cola FEMSA also considers whether water-related factors could reasonably be expected to affect its financial position, performance, or cash flows. Based on the assessments performed, no current or anticipated water-related impacts have been identified that would be considered material.

Water scarcity and additional regulations on water supply or use could adversely impact our business. Water scarcity or a deterioration in the quality of available water sources in our territories or in our supply chain, even if temporary, may result in increased production costs or capacity constraints, negative publicity, a loss in consumer confidence and may potentially lead to impairment of its cash-generating units.

Water-related initiatives and efficiency measures are incorporated into Coca-Cola FEMSA's regular financial planning processes, and any associated expenditures remain within expected investment levels. Accordingly, no material water-related financial impacts have been identified at this time.

1. Company manufacturing plant locations that, based on a multifactorial assessment of water stress, social context and business dependencies, have been defined as priorities for water replenishment projects.

Finally, in accordance with IAS 36 Impairment of Assets, Coca-Cola FEMSA incorporates sustainability- and climate-related factors into its impairment assessments of cash-generating units. Consistent with IFRS S1 and IFRS S2, management evaluates whether such matters could reasonably be expected to affect Coca-Cola FEMSA's financial performance and reflects when relevant, these considerations in the assumptions applied in its valuation models.

Packaging and Circular Economy

Packaging and circular economy are priority sustainability-related topics for Coca-Cola FEMSA, given their relevance to resource efficiency, waste management, regulatory and market expectations, and the long-term resilience of Coca-Cola FEMSA's business model. Coca-Cola FEMSA has established internal targets to manage sustainability-related risks and opportunities associated with packaging materials, post-consumer waste, and circularity across its territories.

Time Horizon: Short, medium, and long term

Risk arising from regulatory changes or shifts in consumer preferences regarding packaging materials, including packaging management and recovery, the availability and cost of recycled raw materials, operational challenges, and potential restrictions at points of sale.

Packaging-related exposure varies across Coca-Cola FEMSA's operations, influenced by differences in regulatory environments, market dynamics, infrastructure maturity, and the availability of collection and recycling systems in each geography. These conditions shape how packaging-related sustainability considerations manifest along the value chain, generating distinct concentration patterns where certain markets, operational segments, and downstream interactions face heightened vulnerability—particularly in regions with evolving waste, extended producer responsibility (EPR), and circularity regulations.

This concentration is most evident in collection centers, recycling facilities, and consumer-facing downstream activities, where performance depends heavily on the capacity and reliability of external infrastructure and partnerships. As a result, these areas represent the core focus for monitoring, operational planning, and long-term resilience efforts, guiding how Coca-Cola FEMSA prioritizes investments, advances circular-economy initiatives, and supports value-chain collaboration to strengthen recovery and recycling outcomes.

Potential impacts

- Regulatory or fiscal changes that may limit, disincentivize, or prohibit the use of certain types of packaging.
- Increased costs related to raw materials, collection operations, and recycling activities.
- Loss of sales resulting from shifts in consumer preferences and commercial limitations driven by regulations or customer requirements.
- Achievement of targets and commitments: Risk of failing to meet disclosed targets and emerging regulatory requirements, with potential sanctions, stakeholder friction, or reputational damage.

Mitigating actions

Packaging-related opportunities and mitigation actions are embedded in strategic and investment decisions overseen by the Board and its Committees. This governance approach ensures that capital allocation, sourcing strategies, and long-term circular-economy initiatives prioritize recycled-content availability, regulatory compliance, recovery performance, and value-chain collaboration. By integrating forward-looking considerations—such as anticipated changes in waste and extended producer responsibility regulations—the Board aligns operational execution with Coca-Cola FEMSA's long-term commitments to sustainable packaging and resource circularity.

These actions and opportunities are primarily concentrated in collection centers, recycling facilities, and downstream interactions with consumers, where infrastructure reliability, recovery systems, and market conditions have the greatest influence on packaging performance. As a result, Coca-Cola FEMSA's mitigation strategy focuses on strengthening collection and recycling capabilities, expanding circular-economy partnerships, and enhancing material recovery across markets, while complementary opportunities—such as innovation, redesign, and community engagement—extend the impact across the value chain.

Key actions include:

- Strengthen circular packaging systems by expanding PET-collection infrastructure, scaling the SUSTENTAPET network, and investing in recovery partnerships.
- Promote the use of recycled content and reduce virgin-material dependency through investments in rPET sourcing, packaging redesign for higher recyclability, and optimization of preform and bottle specifications.
- Advance packaging efficiency and material reduction through lightweighting initiatives, performance-based design adjustments, and operational improvements that reduce resin use and minimize waste generation.
- Accelerate progress toward zero-waste operations by deploying the Zero Waste program across bottling plants and distribution centers, improving segregation practices, and strengthening material recovery and revalorization efforts.
- Support long-term circularity through capital allocation for recycling technologies, partnerships with local recyclers, and investments in collection and processing capacity—including initiatives like the recycling plant PLANETA in Mexico—to enhance supply stability and regulatory compliance.

Our packaging and circular economy targets, metrics, and performance

Coca-Cola FEMSA has defined three formal internal targets to strengthen circularity across its packaging value chain and reduce waste generation and disposal:

- **Increase PET bottle collection (70–75% by 2035)**
  Coca-Cola FEMSA aims to collect 70–75% of the equivalent PET bottles introduced to the market each year (by weight) by 2035. Progress toward this goal is measured through the percentage of equivalent PET placed on the market annually that is collected. This target strengthens Coca-Cola FEMSA's broader circularity agenda by enhancing recovery rates, expanding collection infrastructure, and reinforcing partnerships that promote circular business models.

  In 2025, Coca-Cola FEMSA continued implementing actions to advance packaging circularity, strengthen post-consumer collection, and reduce operational waste sent to landfill. During the reporting period, Coca-Cola FEMSA collected 123,842 tons of PET, representing a collection rate of 35%, supporting its long-term goal to collect 70–75% of equivalent PET bottles introduced to the market (by weight) by 2035.

- **Increase recycled PET content in primary packaging (30–35% by 2035)**
  Coca-Cola FEMSA aims to achieve 30–35% recycled PET (rPET) content in its primary packaging by 2035. Coca-Cola FEMSA monitors progress through the percentage of rPET incorporated into primary packaging each year. This target supports the transition toward a circular packaging system by strengthening recycling markets, reducing demand for virgin PET, and promoting responsible material sourcing.

  In 2025, Coca-Cola FEMSA continued implementing actions to advance packaging circularity, strengthen post-consumer collection, and reduce operational waste sent to landfill. Coca-Cola FEMSA also incorporated 93,650 tons of recycled PET, from a total footprint of 351,723 tons of PET in single-use primary packaging, representing 27% rPET content in line with SASB FB-NB-410a.1, reinforcing progress toward its 30–35% rPET target by 2035.

- **Divert operational waste from landfills (100% by 2030)**
  Coca-Cola FEMSA aims to divert 100% of operational waste from landfills by 2030. Coca-Cola FEMSA tracks this target through the metric percentage of operational waste diverted from landfills. This target supports Coca-Cola FEMSA's focus on improving waste segregation, recovery, and revalorization practices across its operations.

  Coca-Cola FEMSA approach also includes the deployment of the Zero Waste program, which establishes standardized criteria, operational controls, and verification processes to reduce waste generation, increase material recovery, and prevent landfill disposal across operations, supported by third-party certification where applicable.

  In operational waste management, Coca-Cola FEMSA's progress toward diverting 100% of operational waste from landfills reached 99% in 2025, reflecting ongoing efforts to strengthen waste segregation, recovery, and disposal practices across Coca-Cola FEMSA's footprint. Coca-Cola FEMSA also continued advancing its Zero Waste approach, with certifications to its bottling plants and distribution centers.

  The methodology used to measure this metric is aligned with the FEMSA's Sustainable Bond Framework, supporting consistency with externally communicated sustainability commitments and financing instruments.

  Coca-Cola FEMSA advances its packaging and circular economy targets through a structured management approach supported by defined programs, operational standards, and strategic partnerships. Packaging optimization initiatives—such as lightweighting, material redesign, and engineering improvements developed with The Coca-Cola Company—enhance bottle and preform performance, resin efficiency, and overall packaging functionality, monitored through internal technical reviews. Coca-Cola FEMSA also continues strengthening circular solutions that improve recyclability and collection systems across markets.

  Capital allocation remains central to this strategy, funding sustainable-packaging innovation, production-line optimization, and the expansion of collection and recycling infrastructure, including the SUSTENTAPET network across all of the Coca-Cola FEMSA's countries.

Packaging and circular economy risks and opportunities financial impact perspective

With respect to packaging, Coca-Cola FEMSA assesses whether packaging-related factors could reasonably affect its financial position, performance, or cash flows. Based on the assessments performed, no current or anticipated packaging-related impacts have been identified that would be considered material. Anticipated effects, despite the uncertainty inherent in their assessment, are described in the Potential Impacts section above.

The transition toward higher recycled-content packaging, including expected cost differentials, has been incorporated into Coca-Cola FEMSA's financial planning processes, and related expenditures remain within anticipated investment levels. Gross margins have not been materially impacted as a result of the use of recycled resin, and no material impacts are expected across Coca-Cola FEMSA's operations in the near term.

Consumer Preferences

Consumer preferences are evolving rapidly across Coca-Cola FEMSA's markets, shaping how people choose beverages based on taste, price, convenience, health, and wellness considerations, and the availability of trusted product information. Coca-Cola FEMSA views this evolution as both a sustainability-related opportunity and a risk, as it influences Coca-Cola FEMSA's ability to remain relevant to consumers, maintain brand trust, comply with changing regulatory expectations, and support long-term business resilience.

Time Horizon: Short, medium, and long term

Risk arising from changes in consumer preferences and regulations related to the product portfolio and its ingredients, including the effects of labeling schemes, taxes, quotas, and fiscal measures aimed at influencing consumption for public health reasons.

Consumer-preference-related risks and opportunities vary across Coca-Cola FEMSA's territories and operations, driven by differences in market conditions, consumer behavior, and local regulatory environments. These variations create distinct concentration patterns along Coca-Cola FEMSA's value chain, where certain categories, channels, and segments are more exposed to shifts in taste, affordability expectations, convenience needs, health and wellness motivations, and demand for trusted product information.

Potential impacts

- Increase in costs due to product reformulation affecting profitability.
- Taxes or other fiscal measures on beverages due to their ingredients and the resulting financial impacts on costs and sales.
- Impacts on the profitability or perception of the product portfolio due to labeling schemes or warning statements.

Mitigating actions

Consumer-preference-related opportunities are integrated into strategic and operational decisions overseen by the Board and its Committees. This governance approach ensures that portfolio evolution, transparency efforts, responsible marketing practices, and product integrity initiatives support long-term relevance, strengthen consumer trust, and reinforce business resilience across Coca-Cola FEMSA's markets.

These opportunities are primarily concentrated downstream, where consumer behavior, portfolio relevance, and communication practices directly influence purchase decisions, brand trust, and long-term demand. As a result, actions related to portfolio evolution, transparent product information, and responsible marketing represent the core areas where consumer-preference-driven opportunities can generate the greatest strategic and commercial impact.

Key actions include:

- Strengthen transparency and consumer trust by maintaining clear, compliant, and regularly updated product information across all jurisdictions, supported by internal and external verification of labeling and ingredient disclosures.
- Reinforce responsible marketing practices through strict adherence to the Responsible Marketing Policy, safeguards to prevent exposure of minors, and compliance with local regulatory frameworks such as the PABI Code (Código de Autorregulación de Publicidad de Alimentos y Bebidas) and school-beverage guidelines.
- Enhance portfolio resilience by accelerating innovation in reduced- and no-sugar beverages, reformulations, and portion-size options that respond to evolving health, wellness, and regulatory trends, capturing new market segments and increasing market share.
- Maintain high standards of product integrity through robust quality-management systems, cross-market governance processes, and consistent validation of nutritional and ingredient information.
- Monitor evolving consumer expectations and regulatory developments across markets to guide portfolio evolution, mitigate sugar-related and selective-tax risks, and support long-term brand relevance and trust.

Our consumer preferences priorities, monitoring approach, and implementation focus

Coca-Cola FEMSA manages consumer preference-related risks and opportunities through three core priorities. Each priority reflects a combination of internally defined commitments and external regulatory expectations across Coca-Cola FEMSA's jurisdictions, supporting trust, consistency, and consumer protection across its territories.

- **Informed decisions**

  Coca-Cola FEMSA promotes informed consumer choices by providing clear and accessible product information and maintaining alignment with labeling and disclosure requirements across its markets. This priority is embedded in Coca-Cola FEMSA's way of doing business and supports Coca-Cola FEMSA's sustainable growth model by strengthening transparency and trust with consumers. Coca-Cola FEMSA assesses progress by overseeing how labeling and product information standards are adopted and revised to comply with changing regulations, utilizing both internal evaluations and external audits to support this process.

  To support informed decisions, Coca-Cola FEMSA aligns its consumer information practices with country-level labeling requirements across its jurisdictions. Coca-Cola FEMSA has implemented front-of-pack labeling frameworks across its territories, including regulatory approaches in Uruguay (2018), Mexico (2020), Brazil (2020), Colombia (2021), and Argentina (2022). Coca-Cola FEMSA also maintains internal and external review processes for ingredient declarations and nutritional information to support the reliability and clarity of consumer-facing disclosures.

- **Responsible marketing**

  Coca-Cola FEMSA promotes responsible marketing practices that reflect its commitments to consumer trust and ethical commercial conduct, while also aligning with local regulatory requirements and industry expectations. This priority is embedded in its way of doing business and supports its sustainable growth model by strengthening how it engages with consumers across channels and occasions. Coca-Cola FEMSA tracks this priority through the integration of its Responsible Marketing Policy into its internal processes, including compliance monitoring and the reinforcement of safeguards designed to protect minors and other potentially vulnerable audiences.

  To reinforce responsible marketing, Coca-Cola FEMSA embeds safeguards aligned with its Responsible Marketing Policy and applies specific practices to reduce the risk of inappropriate marketing exposure to minors. Coca-Cola FEMSA prohibits advertising to children under the age of 13 and restrict promotional marketing activities for ready-to-drink alcoholic products. In Mexico, Coca-Cola FEMSA follows the Code of Self-Regulation of Food and Beverage Advertising for Children (PABI Code) and adheres to school beverage guidelines established by The Coca-Cola Company to promote responsible practices across marketing channels and consumption environments.

- **Highest quality**

  Coca-Cola FEMSA reinforces product integrity and consumer confidence through a focus on quality and the reliability of the product information it provides. This priority is embedded in its way of doing business and supports its sustainable growth model by strengthening consistency in product quality, compliance, and consumer trust across markets. Coca-Cola FEMSA tracks this objective through quality management practices and governance mechanisms that support the review, validation, and consistency of product ingredients and nutritional information across jurisdictions.

  To respond to evolving consumer preferences, Coca-Cola FEMSA continues to expand its portfolio of reduced- and no-sugar beverages, supporting portfolio resilience and aligning with health-related trends and regulatory developments across markets. The continued growth of reduced- and no-sugar offerings strengthens revenue diversification, reinforces brand positioning, and helps mitigate risks associated with changing consumer expectations and sugar-related regulation. In this same direction, 30% of Coca-Cola FEMSA's 2025 sales volume was composed of reduced- or no-sugar beverages, reflecting Coca-Cola FEMSA's ongoing expansion of beverage options aligned with evolving lifestyles.

  In 2025, Coca-Cola FEMSA continued strengthening its consumer-centered approach to portfolio development and consumer trust by advancing transparency, reinforcing responsible marketing controls, and maintaining product integrity across its markets. Coca-Cola FEMSA continued monitoring regulatory changes and implementing labeling updates across jurisdictions, supported by verification processes that contribute to the clarity and consistency of consumer-facing product information.

Consumer preferences financial impact perspective

Coca-Cola FEMSA evaluates the potential financial effects of consumer-preference dynamics and related regulatory developments. Based on current assessments, no material financial impacts have been identified arising from changes in consumer preferences or from current or anticipated regulatory measures, including excise taxes.

Any associated costs are managed through Coca-Cola FEMSA's commercial and portfolio strategies and remain within expected operating levels, without materially affecting Coca-Cola FEMSA's financial position, performance, or cash flows.

Finally, in accordance with IAS 36 Impairment of Assets, Coca-Cola FEMSA incorporates its best estimate of the impact of consumer -preference dynamics and potential impacts of excise taxes in the expected compound annual growth rate (CAGR) as part of its impairment assessments of cash-generating units. Consistent with IFRS S1 and IFRS S2, management evaluates whether such matters could reasonably be expected to affect Coca-Cola FEMSA's financial performance and reflects when relevant, these considerations in the assumptions applied in its valuation models.

3.3 Risk Management

At FEMSA, we use a structured process to identify, analyze, prioritize, and monitor sustainability- and climate-related risks and opportunities. These processes are an integral part of our overall risk management system and are aligned with our internal corporate Risk Management policy, which applies across all FEMSA businesses and was approved by FEMSA's Chief Executive Officer and the Audit Committee of FEMSA's Board of Directors.

The processes and policies FEMSA uses to identify and assess sustainability-related risks are described in section 3.3.4 of this report. The risk assessment process incorporates qualitative and quantitative factors and considers the nature, likelihood, and magnitude of potential risks.

FEMSA manages the risks that could affect our operations and those of our subsidiaries in a comprehensive manner through our Enterprise Risk Management system: SIGER (Integrated Risk Management System). This system provides a robust and consistent methodological framework to identify, assess, and mitigate risks that may affect our business model, the Company's resilience, and our operational continuity in the short and long term. Likewise, its cross-functional application throughout the Company's businesses ensures the integration of sustainability criteria into strategic planning, operational management, and financial oversight.

We maintain a risk management process that operates continuously and across the entire business group. This process combines a structured annual assessment with ongoing monitoring that incorporates regulatory developments, market conditions, operating performance, and environmental and social factors that may influence our activities.

Although each Business Unit conducts its own annual assessments, these assessments are complemented by additional reviews driven by new regulatory provisions, relevant operating situations, or early signs of emerging trends and/or risks. This dynamic and cross-functional approach allows us to maintain an updated view of the risks that could affect the Company's performance and strengthen our capacity for anticipation and response in both the short and long term.

Identified risks are assessed and prioritized using through defined criteria in a standardized manner under the SIGER methodological framework. This approach includes a consistent definition of potential impacts and probabilities, as well as the use of standardized metrics that allow risks to be assessed in a comparable and proportionate manner across the different Business Units.

This information is reported, as appropriate, to the governance bodies, including the Sustainability Committee and the Audit Committee, supporting coordinated oversight, risk assessment, and alignment among sustainability, climate, and enterprise risk management processes. The information reported enables management to monitor changes in risk exposure, assess the effectiveness of mitigation- and opportunity-related actions, and understand the implications for operations, strategy, and financial performance.

For more information on the governance bodies responsible for oversight and ongoing monitoring of sustainability- and climate-related risks, please refer to the section 3.1 Governance of this report..

3.3.1 Double materiality analysis

While the Company applies a double materiality assessment to identify a broad range of sustainability topics and associated impacts, risks, and opportunities, only sustainability- and climate-related risks and opportunities that are financially material to primary users, in accordance with IFRS S1 and IFRS S2, are included in these sustainability-related financial disclosures.

FEMSA applies a structured double materiality methodology that assesses both impact materiality and financial materiality. This methodology evaluates each topic based on scope, scale, likelihood, magnitude of financial effects, and possible irreversibility. These criteria are applied consistently across all topics and are supported by stakeholder engagement, regulatory analysis, peer benchmarking, and internal performance data, as well as compared against internationally recognized disclosure frameworks—CSRD, TCFD, SASB, and GRI—and validated against the expectations of institutional investors, ESG raters, and standard market assessment methodologies.

The results of the double materiality assessment directly inform the identification and prioritization of sustainability- and climate-related risks and opportunities under the IFRS Sustainability Standards. Sustainability-related topics such as climate change preparedness and response to its impacts, responsible water use, and watershed protection are used as inputs to classify and assess transition and physical risks within SIGER.

The double materiality assessment is based primarily on stakeholder engagement processes and trend analysis, which support the assessment of both impact and financial materiality. The results of this assessment are subsequently reviewed and aligned with the Company's risk management process to determine the final set of risks and material priorities reflected in governance, strategy, and disclosures. This relationship supports consistency across material sustainability impacts and dependencies.

Through this process, six sustainability topics were identified in 2025, each including a defined set of risks and opportunities (35 risks and 7 opportunities). This assessment serves as a foundation for determining the sustainability- and climate-related issues that must be integrated into corporate strategy, risk management processes, and the corresponding disclosures. For each material topic, the associated risks identified through the double materiality assessment are incorporated into the ERM matrix either as risks or as risk factors, as appropriate, and are assessed through the SIGER methodological framework.

Climate-related topics identified through the assessment are then reflected in the enterprise risk matrix and analyzed in depth by using a complementary external climate risk assessment tool that models exposure under multiple scenarios and time horizons. This ensures consistent treatment of risks associated with climate change and facilitates alignment with the impacts and/or exposures generated, leading to optimized response plans for climate-related risks.

FEMSA plans to review and update its double materiality assessment periodically, approximately every three to five years, or sooner if significant changes in the operating environment or risk profile require reassessment. Updates to the double materiality assessment are incorporated into future sustainability- and climate-related disclosures, ensuring that changes in social impacts, regulatory expectations, or exposure to climate-related risks are reflected over time.

3.3.2 SASB metrics for the sector

FEMSA has identified and considered industry-based metrics applicable to its business models and activities. To do so, we carried out a direct review of the SASB Standards, now part of the IFRS Foundation. Given that FEMSA has a variety of businesses across different industries, applying indicators for each of them would not clearly reflect the reality of the business. Therefore, FEMSA opted to consider Company-specific indicators.

3.3.3 Scenario Analysis

We use scenario analysis as a forward-looking tool to support the identification and assessment of sustainability- and climate-related risks under different plausible future conditions, with the support of an external platform, as described in our section 2.6 Climate Resilience of this report.

3.3.4 Analysis of the Nature, Likelihood, and Magnitude of Risks

The nature, likelihood, and magnitude of the impact of sustainability- and climate-related risks are analyzed through the consistent application of the corporate risk management methodology, which is uniformly applied across all Business Units, ensuring strict consistency with the global risk management framework and policy. In this process, qualitative and quantitative approaches are incorporated to determine how the identified risks could affect operational continuity, financial performance, the Company's strategic position, and its resilience over time based on comparable and standardized criteria.

All sustainability- and climate-related risks identified through this assessment are incorporated into the Risk Matrix, either as individual risks or as risk factors. The assessment of sustainability- and climate-related risks is directly integrated into corporate priorities by aligning it with the Sustainability Framework and the results of the double materiality analysis.

3.3.5 Risk prioritization

Sustainability- and climate-related risks are identified and managed under the corporate SIGER enterprise risk management framework, applying the same criteria, procedures, and tolerance levels defined for strategic, operational, financial, and compliance risks. This approach ensures the standardized application of a common methodological structure, making it possible to analyze risks of different natures under a consistent standard, strengthen their comparability, and support their prioritization based on previously established metrics and assessment criteria. Accordingly, the classification and relevance of risks are determined based on their potential impact and likelihood of materialization on operations and business results, regardless of their underlying cause.

The results of the assessment of sustainability- and climate-related risks are systematically incorporated into analysis forums, as well as into formal risk reports and strategic planning cycles. This integrated prioritization makes it possible to focus management attention and resource allocation on risks considered most material and strengthens the connection among sustainability considerations, enterprise risk oversight mechanisms, and long-term value creation.

3.3.6 Ongoing monitoring of risks

Sustainability- and climate-related risks are managed on an ongoing basis by each functional risk owner by implementing various controls as an integral part of the Company's Enterprise Risk Management System, SIGER, using the same governance structures, review cycles, methodologies, and reporting mechanisms applied to other risks. This controls-based approach makes it possible to monitor changes in risk exposure, assess the effectiveness of mitigation actions, and respond in a timely manner to evolving internal and external conditions, while remaining aligned with established risk management and oversight processes.

Climate-related risks are monitored as part of our functional areas' processes, with particular focus on developments in regulation and public policy, market dynamics, technological evolution, and environmental conditions that may affect operations, assets, supply chains, or access to critical resources such as water. This monitoring enables timely adjustments to mitigation strategies, operational planning, and investment allocation as risk conditions evolve. This approach strengthens the Organization's capacity to anticipate, manage, and respond proactively to emerging risks over time.

3.3.7 Changes in risk processes compared with the previous period

During the reporting period, we improved the processes for identifying, assessing, and monitoring sustainability- and climate-related risks, with the aim of strengthening their integration into SIGER, addressing emerging regulatory expectations, and reflecting the growing relevance of climate factors to the business. The actions implemented expanded the scope and analytical depth of existing procedures, increased their methodological consistency, and strengthened their forward-looking focus, thereby consolidating the Organization's ability to anticipate, manage, and respond more effectively to emerging and continuously evolving risks.

The improvements implemented aimed to strengthen the integration of sustainability and climate change considerations into the corporate risk management processes by clarifying the distinction between climate transition risks and physical risks and strengthening the link between the results of the risk assessment, the enterprise-wide risk matrix, and the risk monitoring and/or mitigation processes. These updates allow for a more uniform and systematic assessment of sustainability- and climate-related risks across all Business Units, while preserving consistency with the Company's overall risk management framework.

3.3.8 Identification and assessment of opportunities

3.3.8.1 Processes to identify, assess, prioritize, and monitor opportunities

We identify, assess, and monitor sustainability- and climate-related opportunities through processes integrated into our enterprise risk management, strategic planning, and business development activities. These processes are designed to leverage opportunities that may improve operational efficiency, strengthen resilience, reduce costs, support revenue growth, or improve access to capital, while aligning with our long-term strategy and sustainability priorities.

The identification of sustainability- and climate-related risks and opportunities is based on the Company's double materiality assessment, through which six priority topics and eight areas of opportunity were identified, one of these topics is linked to Climate Change. Sustainability- and climate-related opportunities are identified through cross-functional inputs that consider regulatory trends, market dynamics, technological developments, environmental conditions, and changing stakeholder expectations.

In addition, the Company regularly benchmarks itself against industry best practices, external ESG evaluations and ratings, as well as relevant market and sustainability trends, to identify emerging opportunities and areas for continuous improvement in sustainable performance. The opportunities identified are assessed using qualitative criteria to evaluate their potential strategic relevance, feasibility, and long-term value creation potential.

During 2025, sustainability- and climate-related opportunities were also assessed from a risk-based perspective, considering the potential risks associated with failing to leverage identified opportunities and integrating this perspective into the enterprise risk management process.

3.3.8.2 Use of climate scenario analysis

Climate scenario analyses are used as a forward-looking input to inform the identification of sustainability- and climate-related opportunities under different plausible future conditions. By considering alternative climate, regulatory, market, and technology pathways, scenario analysis helps identify areas where strategic, operational, or investment decisions could create value or strengthen resilience in the short, medium, and long term. Scenario analyses are applied at the local geographic level, allowing for the assessment of risks and opportunities in relation to local conditions, asset characteristics, and operating contexts. We use the same scenarios and methodologies described in the data inputs section that were used in the analysis for this report.

Transition scenarios highlight opportunities associated with decarbonization pathways, such as energy efficiency, renewable energy adoption, low-carbon technologies, circular economy initiatives, and access to sustainable financing. Physical climate scenarios help identify opportunities linked to adaptation and resilience, including investments in climate-resilient infrastructure, water efficiency and replenishment initiatives, supply chain diversification, and operational adjustments in response to changing environmental conditions. The insights generated through site-level scenario analyses are considered, along with other internal and external inputs, in the assessment of sustainability- and climate-related impacts, risks, and opportunities, including those reviewed as part of the Company's double materiality assessment.

3.3.9 Reporting of risks and opportunities within the enterprise risk management framework

Information on sustainability- and climate-related risks and opportunities is reported through the governance model established by SIGER, using the same reporting channels, formats, and governance processes applied to other risks. This information is reflected in risk reporting results, including updates to the enterprise risk matrix.

This information is reported, as appropriate, to the governance bodies, including the Sustainability Committee and the Audit Committee, supporting coordinated oversight, risk assessment, and alignment among sustainability, climate, and enterprise risk management processes. The information reported enables management to monitor changes in risk exposure, assess the effectiveness of actions related to mitigation and opportunities, and understand the implications for operations, strategy, and financial performance.

Risk management is disclosed for sustainability and climate risks while avoiding the duplication of information.

In preparing the disclosures regarding the anticipated financial effects of material risks and opportunities, we use all reasonable and supportable information available to us as of the reporting date, provided that doing so does not involve undue cost or effort. In addition, we adopt an approach that is proportionate to our skills, capabilities, and available resources in preparing such information.

4. Subsequent Events

No transactions, events, or conditions have taken place or occurred between the end of the reporting period and the authorized issuance date of this document that would need to be disclosed in this sustainability report.

5. Index

Glossary

ALLIANCE FOR WATER STEWARDSHIP (AWS)
An internationally recognized standard that guides site- and basin-level water stewardship practices, including collective action and water-risk mitigation.

CARBON PRICING (INTERNAL / SHADOW PRICE ON CARBON)
A notional price (USD per metric ton of CO_2e) applied internally to investment decisions to incorporate carbon-related financial implications and prioritize low-carbon initiatives.

CAPEX
Capital Expenditure. Resources used by the company for investments related to the acquisition, improvement, or extension of the useful life of tangible and intangible fixed assets.

CIRCULAR ECONOMY
A system focused on reducing waste and keeping materials in use through recycling, reuse, lightweighting, and design for recyclability—central to Coca-Cola FEMSA's packaging strategy.

CLIMANOMICS® (S&P GLOBAL CLIMANOMICS®)
A climate-risk analytics platform that models physical and transition climate risks using CMIP6 projections and hazard-vulnerability methodologies to estimate potential financial impacts at the asset level.

CLIMATE SCENARIO ANALYSIS
A forward-looking assessment of climate-related risks using plausible future pathways (e.g., SSP and CMIP6 scenarios) to evaluate potential transition and physical impacts.

CMIP6 (COUPLED MODEL INTERCOMPARISON PROJECT PHASE 6)
A scientific ensemble of global climate models used in the IPCC's Sixth Assessment Report. Coca-Cola FEMSA uses CMIP6-based projections—via the S&P Global Climanomics® platform—to assess physical climate risks, water availability, and operational continuity.

CSRD (CORPORATE SUSTAINABILITY REPORTING DIRECTIVE)
A European Union regulatory framework that significantly expands mandatory sustainability reporting requirements for companies operating in or listed within the EU. CSRD introduces detailed disclosure expectations on environmental, social, and governance (ESG) topics and requires reporting to be prepared under the European Sustainability Reporting Standards (ESRS), with external assurance. Although CSRD does not apply directly to Coca-Cola FEMSA, it influences global reporting expectations and alignment across multinational groups.

DOUBLE MATERIALITY
A structured assessment that evaluates (i) the Company's impacts on society and the environment and (ii) the financial effects of sustainability- and climate-related matters on the Company's performance, position, or prospects.

ENTERPRISE RISK MANAGEMENT (ERM)
Coca-Cola FEMSA's integrated framework for identifying, assessing, prioritizing, and monitoring risks—including sustainability- and climate-related risks—across the organization.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)
A set of non-financial factors relating to environmental, social, and governance matters that may give rise to risks or opportunities affecting an entity's financial performance, position, and future prospects.

GHG PROTOCOL (GREENHOUSE GAS PROTOCOL)
A globally recognized greenhouse gas accounting standard that provides methodologies for measuring and reporting emissions, including carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O), aggregated as carbon dioxide equivalent (CO_2e), across Scopes 1, 2, and 3.

GLOBAL WARMING POTENTIAL (GWP)
A measure that expresses the warming impact of a greenhouse gas relative to CO_2 over a defined time horizon. Used to convert emissions to CO_2 equivalent (CO_2e).

GRI (GLOBAL REPORTING INITIATIVE)
A widely used global sustainability reporting standard focused on an organization's impacts on the economy, environment, and society. GRI Standards emphasize impact materiality and are often used to complement investor-focused frameworks like IFRS S1 and S2. While the IFRS Standards prioritize financial materiality, GRI serves as a broad reference point for stakeholder-oriented sustainability disclosures.

ISSB (INTERNATIONAL SUSTAINABILITY STANDARDS BOARD)
The global body under the IFRS Foundation that issues the IFRS Sustainability Disclosure Standards (including IFRS S1 and S2).

IPCC (INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE)
The United Nations scientific body that assesses climate change research and provides authoritative reports, including the widely recognized Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs). IPCC findings shape regulatory expectations, scenario analysis practices, and climate-risk methodologies used in IFRS S2 and global risk-management frameworks.

MATERIAL FINANCIAL INFORMATION / FINANCIAL MATERIALITY
Information is financially material if sustainability- or climate-related matters could reasonably be expected to influence Coca-Cola FEMSA's financial performance or prospects.

NGFS (NETWORK FOR GREENING THE FINANCIAL SYSTEM) CLIMATE SCENARIOS
Scenarios developed by central banks and supervisors used to assess macro-financial implications of different climate-transition pathways.

OPEX
Operational Expenditure. Resources used by the company in its day-to-day operations for the functioning of the business.

PABI CODE (MEXICO)
The Self-Regulation Code for Food and Beverage Advertising to Children, referenced as part of responsible marketing practices.

PLANETA (PLANTA NUEVA ECOLOGÍA DE TABASCO, S.A. DE C.V.)
A joint venture recycling facility in Mexico that processes PET. Its emissions footprint is reflected mainly through Scope 3, given that Coca-Cola FEMSA purchases recycled PET (rPET) from this operation.

REPLENISHMENT (WATER REPLENISHMENT)
Actions that return volumes of water to nature or local communities through conservation, restoration, or community projects.

RPET (RECYCLED POLYETHYLENE TEREPHTHALATE)
Recycled PET resin used in beverage packaging to reduce dependency on virgin plastic and associated emissions.

SASB (SUSTAINABILITY ACCOUNTING STANDARDS BOARD)
Sector-specific disclosure standards consulted for the non-alcoholic beverages industry to help identify financially relevant sustainability topics and indicators.

SHARED SOCIOECONOMIC PATHWAYS (SSP), CMIP6, AND IPCC CLIMATE SCENARIOS
A set of standardized climate pathways combining socio-economic assumptions with projected warming outcomes. Coca-Cola FEMSA uses SSP-based scenarios—via the S&P Global Climanomics® platform—to assess transition and physical climate risks.

SUSTENTAPET
Coca-Cola FEMSA's PET collection network operating across its territories to strengthen post-consumer recovery and support packaging circularity targets.

TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES)
A globally recognized framework (now embedded into IFRS S2) covering governance, strategy, risk management, and metrics & targets for climate-related disclosures.

TRANSITION RISKS
Risks arising from regulatory, market, technological, and stakeholder changes associated with the transition to a low-carbon economy (e.g., carbon pricing, disclosure rules, low-carbon technology availability). These can affect cost structure, investments, margins, and the achievement of emissions targets.

VALUE CHAIN (UPSTREAM/DOWNSTREAM)
Upstream activities include sourcing of raw materials, ingredients, packaging, and inbound logistics. Downstream activities include distribution, customer equipment, retail environments, consumer use, and end-of-life packaging processes.

WATER USE RATIO (WUR)
A key water-efficiency metric: liters of water used per liter of beverage produced. Managed through operational improvement plans and supported by annual Water Risk Assessments and Source Vulnerability Assessments.

Independent Limited Assurance

Sustainability-Related Financial Disclosures

Independent external auditor's assurance report

To the Board of Directors of Fomento Económico Mexicano, S.A.B. de C.V.

Scope
We have been engaged by Fomento Económico Mexicano, S.A.B. de C.V. and Subsidiaries (the "Company") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the Company´s sustainability related financial disclosures (the "Subject Matter") contained the Company's Sustainability-Related Financial Disclosures for the period from January 1 to December 31, 2025 (the "Report").

We also have performed limited assurance, in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised)", on the selected sustainability performance indicators within the table referred to as "Annex A - selected sustainability performance indicators" on appendix section of the Integrated Annual Report; our report dated March 25, 2026 expressed unmodified limited assurance conclusions thereon.

Other than as described in the preceding paragraphs, we did not perform assurance procedures on the remaining information included in the Integrated Annual Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by the Company
In preparing the Subject Matter, the Company applied the International Financial Reporting Standard ("IFRS") Sustainability Disclosure Standards as issued by the International Sustainability Standards Board ("ISSB") (Criteria).

Company's responsibilities
Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Mancera, S.C. ("Mancera")'s responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the ISAE 3000 (Revised)", and the terms of reference for this engagement as agreed with the Company on December 1, 2025. This standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and the ethical requirements in accordance with the "Código de Ética Profesional del Instituto Mexicano de Contadores Públicos" ("IMCP Code"), and) have the required competencies and experience to conduct this assurance engagement.

Mancera also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed
Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability related financial disclosures and related information, and applying analytical and other appropriate procedures.

Our procedures included:
- Inquired of personnel to understand the business and reporting process.
- Inquired of key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period.
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria.
- Undertook analytical procedures of the data and made inquiries of management to obtain explanations for any significant variances we identified.
- Identified and tested assumptions supporting calculations.
- Tested, when applicable, on a sample basis, underlying source information to check the accuracy of the data.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion
Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Company´s sustainability related financial disclosures for the period from January 1 to December 31, 2025, in order for it to be in accordance with the Criteria.

C.P.C. Alejandro Ceceña Magallón
Audit Partner
Mancera, S.C.
A Member Practice of Ernst & Young Global Limited
San Pedro Garza García, N.L.
March 25, 2026

FEMSA

Sustainability-Related Financial Disclosures

2025

Fomento Económico Mexicano, S.A.B. de C.V.