

FEMSA Corporate Policy

Human and Labor Rights

Last updated: July 2024
Review date: June 2026

A pregnant woman with long brown hair, smiling, wearing a black blazer over a dark top. She is holding a red spiral-bound notebook with the text 'Somos FEMSA' in white. She is standing next to a glass door with a metal handle. The background is a blurred office interior.

FEMSA

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Scope

This FEMSA Corporate Policy is of mandatory observance and compliance for FEMSA and all of its Employees.

The Human and Labor Rights regulatory framework applied to suppliers is contained in the FEMSA Supplier Guiding Principles, which were developed based on the FEMSA Code of Ethics and Corporate Policies.

Policy

At FEMSA, we recognize that Human and Labor rights are the set of prerogatives based on human dignity, the effective realization of which is essential for the integral development of the person.

Respect for Human Rights

1. We respect the Human and Labor Rights of our Employees, having as a fundamental principle the respect for human dignity above any other business consideration.

Regulatory Compliance

2. We comply with international labor standards, labor and social security legislation and any other related legislation, as well as with individual and collective contracts, agreements, conventions or labor covenants in the countries where we operate.

Freedom of Association and Trade-Union Freedom

3. We respect employees' right to freedom of association, freedom of unionization and collective bargaining, as well as the right to form or join a union, voluntarily and freely, without fear of reprisal or intimidation.
4. We respect the autonomy, institutionality, internal administration and ancestry that trade union organizations have with their members.
5. We attend to collective labor relations with legitimate trade union organizations that affiliate and represent the Employees.

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No forced labor

6. We prohibit any employment relationship that is not voluntarily agreed upon and reject any form of unpaid work, servitude, slavery, or mandatory retention of documents as a condition of employment.

No to child labor

7. We support the elimination of child labor and comply with the relevant local legislation on the employment of minors.

No to discrimination

8. We maintain work environments free from discrimination, we make no distinction, exclusion, restriction or preference that is not objective, rational nor proportional, and which has a purpose the obstruction, restriction, reduction or nullification of the acknowledge and exercise of the human rights and freedom for any reason, including origin, race, marital status, age, opinion, gender, creed, tribe, association or affiliation to a union, ethnicity, social or economic class, pregnancy, gender identity, sexual orientation, health condition, disability or nationality.

Inclusive environment

9. We acknowledge diversity as a strength within our work teams, so we promote an inclusive work environment in which there is equitable access to development opportunities and space to add value from their characteristics and diversities.

No to harassment, violence, and bullying

10. We encourage dignified and respectful treatment of Employees, and therefore we reject, condemn, prohibit and punish all types of harassment, violence and bullying.

Occupational health and safety

11. We place the physical and mental integrity and safety of our employees above all economic and operational considerations, thus facilitating safe and healthy work environments.

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Definitions

For the purposes of this Corporate Policy, the following terms will have the meanings established herein, both when used in singular or plural.

Business Unit, business segment with its own objectives that groups several companies controlled by FEMSA. Business serving other segments of FEMSA's business are considered as Business Unit.

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

Ethics Committee, a body formed by a representative of Human Resources, Internal Audit, Legal, Finance and the Chief Legal Compliance Officer FEMSA or the Compliance Officer of the corresponding Business Unit, which ensures compliance with FEMSA Code of Ethics, ensures the dissemination, understanding and use of both FEMSA Code of Ethics and FEMSA Ethics Line and guidance in dealing with reports, questions and concerns received in the Ethics Line.

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

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

FEMSA Ethics Line, is the formal mechanism that is used by Directors and Employees, as well as by Third Parties with whom FEMSA has any relationship in the development of its operations, to report any non-compliance and/or possible risk of non-compliance of FEMSA Code of Ethics, FEMSA Corporate Policies, and other Internal Regulations, as well as to address any doubts or concerns.

Internal Regulations, FEMSA Code of Ethics, FEMSA Corporate Policies, corporate standards, corporate procedures, operating policies, operating standards, operating procedures, work regulations, and any other internal document authorized by management to have such effect.

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References

To complement compliance with this Corporate Policy, Employees must also consult the following Internal Regulations:

01.01.1 Code of Ethics

02.01.1.1 Justice, Inclusion, Diversity and Equity

Corrective measures

The non-compliance of this Corporate Standard will be subject to corrective measures. The severity of such measure will depend on the seriousness and impact of the non-compliance, which may include the Employee dismissal, regardless of filing a complaint with the competent authorities, as the case may be, in accordance with the applicable legislation.

When there is any doubt about the existence of a breach of this Corporate Standard, the corresponding Ethics Committee will proceed to assess whether the breach materialized and, where appropriate, to validate and assess the seriousness and impact of the breach in accordance with the available evidence before the corrective measure is imposed to the potential offender.

With the organizational support that is deemed necessary, the corrective measures will be determined and applied in accordance with the procedure established by the FEMSA Ethics Committee.

If a breach occurs or is presumed to occur, it must be reported immediately through the FEMSA Ethics Line.

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Approval, compliance and updates

This document has been approved by FEMSA's CEO and by the Business Units' CEOs.

The functional areas responsible for the human resources at FEMSA and its affiliated businesses must:

- Ensuring the application and compliance of this corporate policy,
- Establishing necessary controls and continuously monitoring them to prevent any risk of non-compliance, and
- Reviewing and, if necessary, updating this corporate policy to ensure its relevance considering the diverse situations within our business and the environment in which we operate.