



Social Responsability Report

2014

We grow together

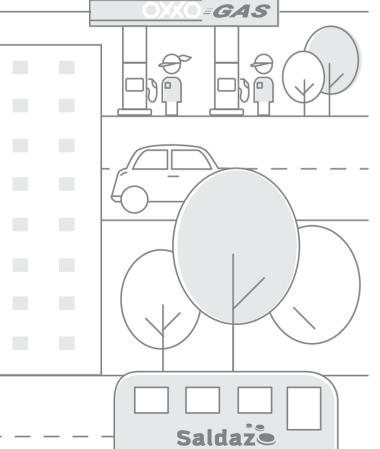


We grow together









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• that • MATTER

The "Cuauhtemoc Principles" is a set of personal principles and concepts written under his supervision. Don Eugenio Garza Sada ensured that all his peers and collaborators would learn and practice them.

These principles represent the essence of values which are today a fundamental part of the FEMSA Culture. In this special occasion, we want to share them with those who, like Don Eugenio, seek to transcend, generating value.

Cuauhtemoc principles

Today, more than ever before, it is crucial to combine every person's will and contribution to create a better community. Now more than ever Mexico needs values such as the ones preached by Don Eugenio Garza Sada during his life with his example, which he defended until his death: respect, honesty, commitment, congruity, willingness, courage, human quality, solidarity, and participation.

His actions transcended creating value for the community through the creation of enterprises and institutions such as FEMSA and Tecnológico de Monterrey, but his greatest legacy, which heightens his memory through time, is his philosophy and his principles. Let us live these values individually, let us make them transcend conveying them to our loved ones so together we can build the Mexico we all want

I. Recognize the merits of others

II. Control your temper

III. Never make fun of others

IV. Be polite

V. Be tolerant

VI. Be punctual

VII. I. If one is vain, hide vanity

VIII. Be honest

IX. Let others express themselves

X. Be concise

XI. Cleanse your vocabulary

XII. Enjoy work

XIII. Recognize the value of manual labor

XIV. Keep the company's interest in mind

XV. Consider analysis above inspiration or intuition

XVI. Dedication towards work

XVII. Be humble

Dear friends:

The best way to grow is by doing it together.

For FEMSA Comercio, social responsability represents the opportunity to do things better and transcend through service, not only commercial but social. This is why we adopted an active role as change agents for a positive transformation of the communities where we operate, with the support of our people and our partners.

What happens behind the counter in our stores is a value chain of which we are proud. When our clients leave our store satisfied, they take along the effort and commitment of a team that stands out for their talent, leadership, and originality. Yes, it is a matter of offering quality products and services with fair prices, but we only achieve this at the same time that we develop our people, and by participating through different actions in the communities we serve and are part of.

"Respect for human dignity is above any economic consideration" is one of many teachings from Don Eugenio Garza Sada and which we mainly focus on at FEMSA Comercio. Our people are what we care for and value the most in our work culture.

In 2014 we achieved important development goals; in this space I share part of what we mainly feel proud of regarding the work we carry out: the way in which we have innovated the services we provide, making our clients' lives more practical, optimizing their time, and contributing in the development of their communities.

Identifying and satisfying our customers' needs is our priority, and doing it through an impeccable service attitude is our passion. The development of each business unit in FEMSA Comercio stems from the effort of men and women committed to their work and environment; individuals who are willing to innovate, grow, and develop to build a better country. This is the attitude we foster in our people which is translated into actions that support social and personal development, objectives as relevant as our business strategy.

In 2014, we introduced the formal financial system to a large number of Mexicans by welcoming Saldazo into the market, a debit card linked to a savings account. The convenience to acquire the card in any OXXO store and the ease of use it offers created great acceptance for Saldazo; more than one million individuals along the country opened an account in 2014

We are convinced that sharing our values encourages the development of our people at FEMSA Comercio as well as those we serve. We constantly seek to create the best team to work, and in 2014 we generated more than six thousand new jobs, reaching more than 111,500 families in Mexico and Colombia. The commitment to develop our collaborators integrally so they can improve in all their dimensions is strong and permanent.

Growing within our communities is contributing to them; therefore, we endorse programs with concrete actions and dedicate part of our earnings to community actions nation-wide. We team with collaborators, clients, authorities, organizations and other entities in the private sector to promote, together, different social and environmental programs which deploy specific strategies.

Being socially accountable is everyone's commitment. Year after year, our customers' willingness and employee's availability in the stores, improve the quality of life of thousands of people. In 2014, through the OXXO Rounding-off Program, our customers benefited 224 institutions with a total collection of 100.2 million MXN that will contribute to improve the quality of life of those who need it the most.

The Good Neighbor program is one of our flagship efforts that enables us to grow together with the communities where we operate. During 2014, with an investment of 21.5 million MXN, we carried out a total of 364 community actions, including the restoration of public spaces, environmental culture actions, and sports programs. Likewise, we joined the talent of our collaborators, families and friends with more than 18 thousand participations in 206 volunteer activities.

Of course, also committed with the environment, in 2014 we planted more than six thousand trees and introduced the new plastic bag in our OXXO stores, which incorporates 20% recycled material. The use of this new bag is equivalent to annual recycling of more than 52 million PET bottles, among other interesting ecology results. Likewise, we highlight the Automated Intelligent System and Energy Control which operates in 78% of our stores. In addition, we innovated the packaging of our Delixia products substituting the use of cardboard into thermoformed plastic, material with a lower environmental impact, saving 26 tons of carton during 2014.

We strive to be better and compete as a business, but we do it hand by hand with social responsibility. The improvement of our communities, as well as the development of our local and national suppliers are always within our growth plans. While our mission and vision drive us into serving our customer needs, our values guide us in doing it always better, creating social, environmental, and economic value.

We will continue to share our efforts, results, and achievements publicly as we advance. We invite you to read this report, complying for the first time the standards of the Global Reporting Initiative G4 Guide. Likewise, all FEMSA Comercio collaborators would like you to share with us suggestions and proposals to strengthen our strategy in regards to social accountability in order to be even better prepared to face the challenges we are now working on and those that the future will bring.

Eduardo Padilla Silva Chief Executive Officer FEMSA Comercio





About FEMSA Comercio

A glance inside a socially responsible enterprise



Who are we?

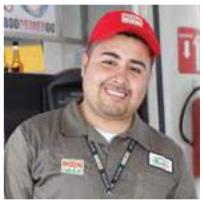
FEMSA Comercio was founded in 1978 in Monterrey, México with the opening of our first OXXO Store, the largest retail store chain in Latin America. Since then we have grown adding new businesses in all the states in Mexico. We are part of the lifestyle of millions of individuals, because we are interested

in providing a broad offering of products and services that can be useful and practical in their daily life. We satisfy our customers' daily needs in a courteous, fast, practical, and reliable way; creating economic and social value for the consumers, collaborators and suppliers, and developing replicable networks of retail businesses, in small formats.

FEMSA Comercio is a proudly Mexican enterprise which has expanded to new markets in Mexico and Colombia, creating its history based on a humanistic work culture and rooted values since its origins. We have diversified our operations with the acquisition of different business units, leader in their fields, adding more than 111,525 individuals to our work team. Together, we are able to bring our products and services to more than 10 million customers in order to make their day easier.

The company is part of FEMSA, business that started operations in Monterrey in 1890. FEMSA is a leader enterprise participating in the beverage industry also, operating Coca-Cola FEMSA, the largest public bottler for CocaCola products in the world and, in the beer sector, as the second largest share holder for Heineken, one of the leading beer industries in the world, with presence in more than 70 countries. The company stands out supported by a Strategic Business area comprised by FEMSA Logística, Imbera and ptm®. In 2014, its business units served more than 350 million people in 10 countries: Argentina, Brazil, Colombia, Costa Rica, Philippines, Guatemala, México, Nicaragua, Panama, and Venezuela.









Our business units

FEMSA Comercio operates different small chains including retail stores, gas stations, discount stores, drugstores, and restaurants within the fast-service arena. Operations in these stores are possible due to the efficiency of a network comprising distribution centers, production, and service enabling our points of sales to remain successful and competitive.

OXXO / Is our largest store chain in the small format with more than 35 years of experience and 12,812 stores located along México and 41 in Bogotá, Colombia. More than 35 years from its foundation, OXXO nowadays stands out as the largest retail store chain, more profitable and with the greatest growth in Latin America. OXXO's value proposition is satisfying our customers' daily needs, being always near them.

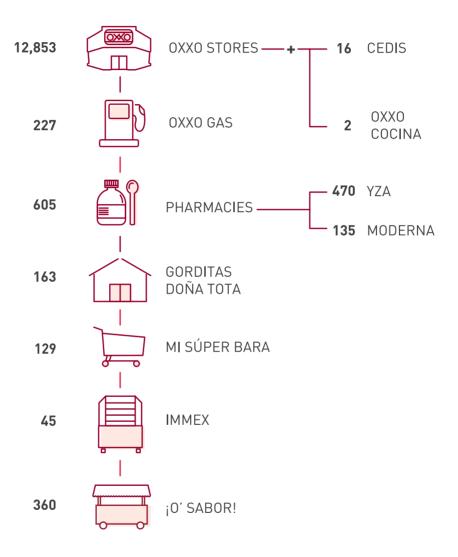
The OXXO commercial concept offers a series of conveniences: closeness, easy access, speed, purchasing comfort, 24-hour schedules in many cases, and access to 28 exclusive quality brands such as Andatti, Delixia, Bitz and Del Marquéz, amongst others. In addition, OXXO provides innovating services such as selling mobile air time, purchasing bus transportation tickets, and recharging public transportation cards just to mention a few.

| OXXO Pillars | What distinguishes us | |
|--------------|---|--|
| Close | Attention and quality services | |
| Empathetic | Closeness and trust | |
| Reliable | Service efficiency and speed | |
| Practical | Extended attention schedule | |
| Innovative | Product and service assortment and supply | |
| Whimsical | Comfort and easy access in store | |
| | Trained personnel and willing to help | |
| | Competitive prices | |











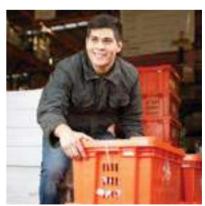
OXXO CEDIS / Is a chain of 16 distribution centers and 12 transfer points strategically distributed along Mexico. This logistic platform ensures effective, flexible and efficient product supply in time and form to the point of sale. It strengthens the value proposition of other business units in the locations where they operate, establishing collaborative relations with customers, suppliers, and service providers.



OXXO Cocina / Is a network of food producing centers facilitating the practical food proposition in our OXXO stores, concentrating on Delixia, the store brand products. With them, we offer assortment, innovation, and quality to our consumers. OXXO Cocina has two work centers located in the states of Baja California and Quintana Roo, where, in total, there are more than 143,000 items produced every week, delivered to more than 2,500 stores through our Distribution Centers and FEMSA Logística.



IMMEX / Is a marketing enterprise for products and services, serving the needs of retail and fast food market in a fast, flexible and profitable way. IMMEX comprises three business lines: general merchandise, market development, and telephony and services. Currently IMMEX is integrated by 45 work centers across the country.





Mi Súper Bara / Is a discount store chain which has a wide variety of products and exclusive brands available for the consumers at affordable prices. Currently, it has 129 stores operating in the states of Aguascalientes, Guanajuato and Jalisco.



OXXO GAS / Is our gas service stations group. It distinguishes for offering value added service, focusing on honesty, speed, and attention, and efficient and quality service for our customers, who recognize us and place their trust in us. We serve more than 270,000 customers and enterprises per day through a network of 227 service stations in the states of Nuevo León, Coahuila, Tamaulipas, Aguascalientes, Guanajuato, Michoacán, San Luis Potosí, Querétaro, Jalisco, Yucatán, and Quintana Roo.



Farmacias Moderna / Is a leader chain in the state of Sinaloa, with operations also in Baja California. It contributes to improve the quality of life of our customers through 135 stores providing solutions and counseling for personal, family wellness and, health care of course.



Farmacias YZA / Is a leader chain in the Southeast of Mexico dedicated to marketing medications, fragrances, and general purpose items. Currently, it has 470 stores in Campeche, Quintana Roo, Tabasco, Veracruz, Chiapas, and Yucatán

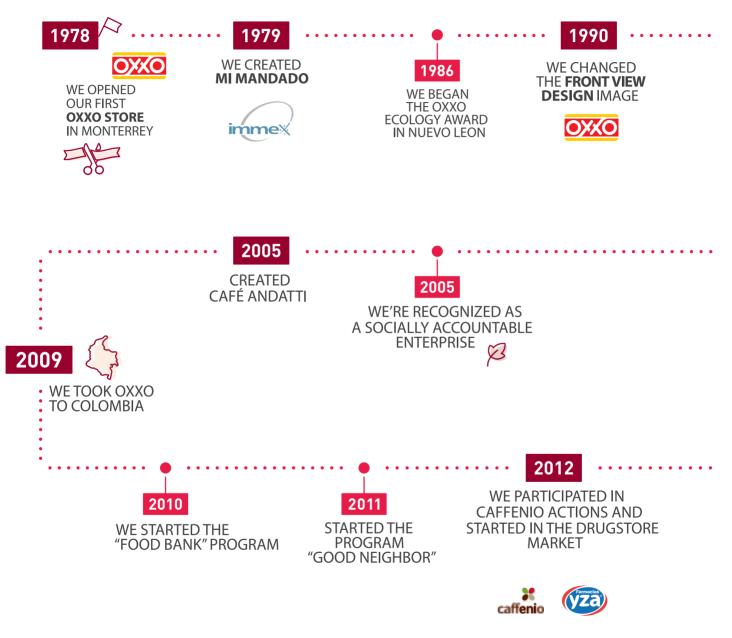


Gorditas Doña Tota / It is a chain leader in typical Mexican food within the fast food services. Satisfies our customers' cravings through excellent quality products and service in convenient points of sales for the consumers. There are currently 163 Gorditas Doña Tota restaurants in Mexico

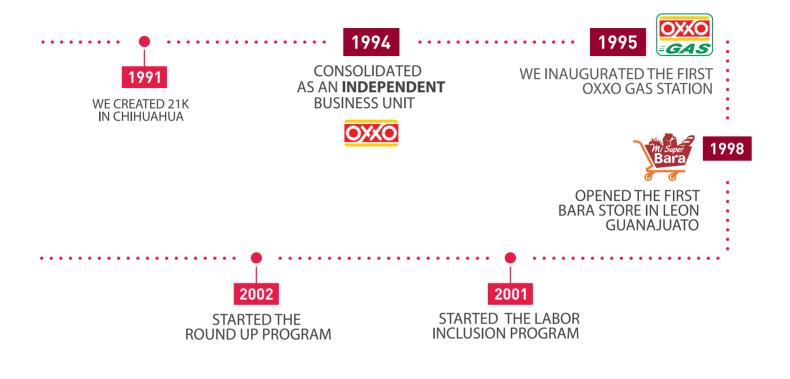


¡O' Sabor! / It is our hot food concept, distinguished for its offering in tacos and tortas prepared at the moment. The assortment of our foods is generated from the taste and consumption habit in each region where this business unit operates, currently in more than 360 stores, complementing the value proposition within our OXXO stores, distributed in 11 states of the country. With ¡O' Sabor!, we differentiate with the quality and freshness of our products and certified, engaged and motivated personnel, ensuring attachment to cleanliness and hygiene standards.

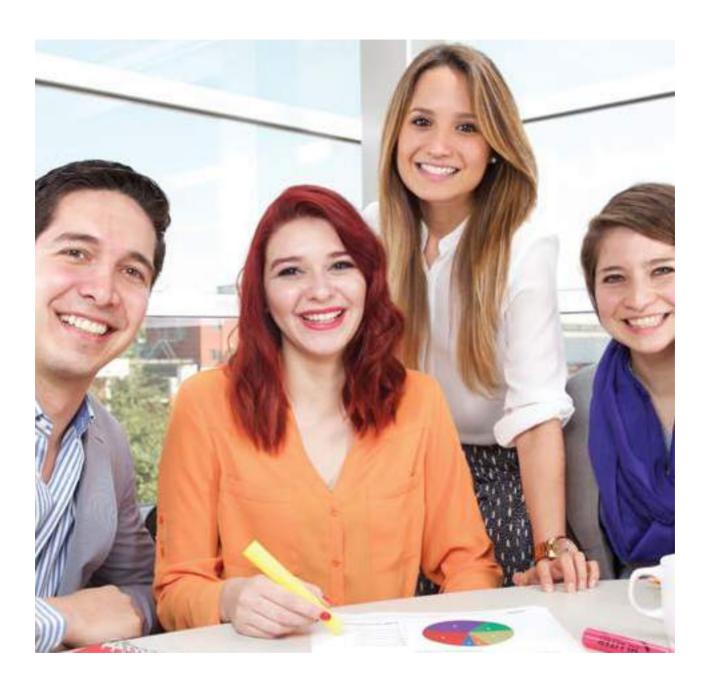
Evolution of FEMSA Comercio

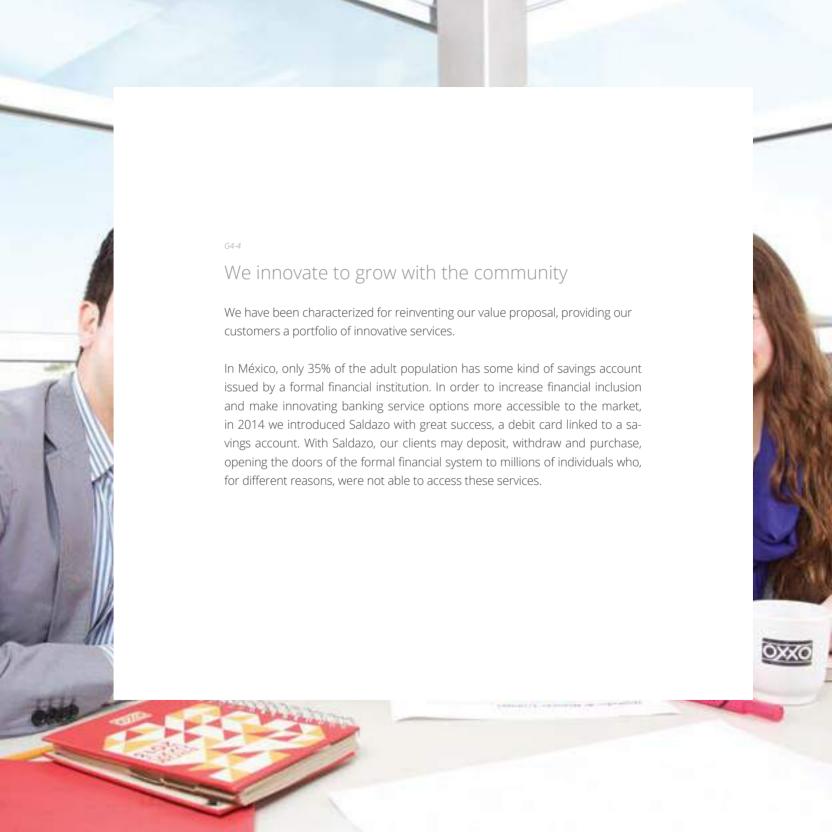


- Evolution of buisness
- Evolution of Social Responsibility









The Saldazo debit card can be acquired in any of our OXXO stores with a cost of \$30.00 MXN and basic requirements. Among the advantages it offers, there is a greater convenience while decreasing the use of cash, the ease in making deposits, withdrawals and purchases in OXXO and other enterprises affiliated to Visa, as well as enjoying special promotions.

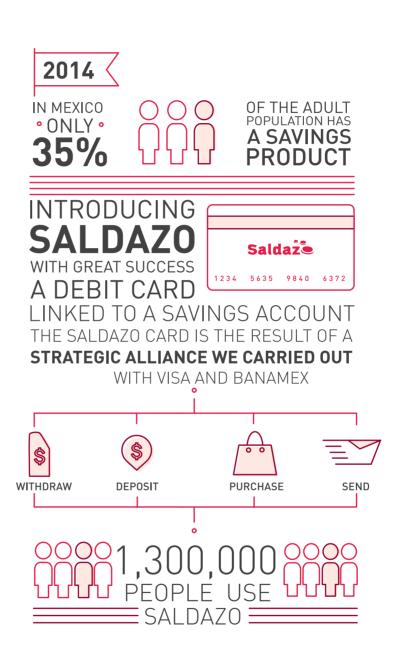
It is also possible to make deposits for another cardholder with it, making it easier to transfer money at a national level. For clients who already have a bank account, Saldazo enables them the use of a second account, simple and safe, to operate minor expenses and OXXO promotions. The Saldazo card is the result of a strategic alliance we carried out with Visa and Banamex, in which joining efforts and innovating, we were able to understand the challenges of the non-banking population and design a service, unique in its type in the country, to facilitate access to financial services.

Since its launch, Saldazo has achieved great acceptance among our clients and more than 1.3 million people already have their account, enjoying the benefits during the first year of operations. The challenge for the future is making Saldazo an instrument which adds economic and social value to a larger number of people in the communities where OXXO operates.









A broad service portfolio

In OXXO we have started a journey of innovation to satisfy our customers' needs while providing solutions that optimize their time and simplify purchasing products and services.

The goal we have established is having the most complete financial product and service offer in our industry. This includes correspondent offices, ATM availability, money transferring, and the launch of products which contribute with banking services, such as the Saldazo card.

Currently, we are a correspondent office for six banking institutions. This means that with each OXXO store that operates, we bring along a large number of financial services closer to the communities. Opening a new OXXO store translates into a greater convenience for our customers who find a friendly and nearby place where they can carry out their financial transactions. For other communities, the arrival of an OXXO store also means access to multiple bank offices which were not present before in these areas. Concentrating the transactions of different banking institutions in only one cashier enables us to provide not only greater convenience for the people, but also promoting banking services in the country, making financial services available for them.

Regarding ATM availability, in Mexico, one out of every ten devices are located at an OXXO store. In addition, in 2014 we introduced the national money transfer service, benefiting our customers with one of the lowest rates in the market. In 2015 we will also participate in transferring money from the United States









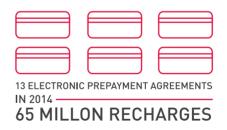




Through our network of 12,812 OXXO stores in Mexico, we have become one of the main payment receivers in the country. Our platform enables more than 600 organizations so they can be more competitive using a payment platform which is present at a national level that enlarges their market considerably. We process around 50 million receipts per year for small, medium, and large enterprises as well as government institutions. This structure includes payments for home services, credits, Internet purchases, and tax payment, among others.

Our customers also enjoy solutions at the store including purchasing bus tickets and gift cards, just to mention a few. During 2014 we processed the purchase of more than 500,000 bus tickets from 11 bus lines, covering the complete process of route selection, schedules, seats, and payment for this service. Finally, OXXO has established agreements for electronic pre-payment for urban transportation, supporting modernization of this industry and the development of transportation in the country. During 2014 we provided urban transportation users more than 65 million recharges, without commission for them.





We want to do it better

The trust that shareholders, employees, customers and other stakeholders place on FEMSA Comercio is supported by the responsible management of our business, that is, a set of structures, processes, and governance bodies and surveillance integrated by executives with high professional and moral standards.

As part of FEMSA, we meet the standards and regulations applicable for enterprises listed in the Mexican Stock Exchange and New York Stock Exchange (NYSE), including the Securities Market Law and recommendations of the Corporate Best Practices Code from the Corporate Coordinating Counsel in Mexico, as well as the Sarbanes-Oxley Act. In addition, FEMSA publishes sustainability reports under the GRI G4 standards and is part of the Mexican Stock Exchange and Dow Jones Sustainability Index.

The corporate practice at FEMSA Comercio adheres to the highest ethical and behavior principles. We develop our operations under reliability and transparency schemes, guided by our Ethics Code, which we openly share with our stakeholders through the FEMSA web page.

As members of the community, our commitment is taking care of each other. In OXXO, besides selling, we promote an environment of respect and legality. We generate processes, protocols, policies, and training programs to meet the alcohol rules and regulations.









Beyond meeting each one of the regulatory aspects, we deploy a tough strategy to put into practice the culture of lawfulness among our collaborators at work centers, operations and service offices. This strategy includes onboarding modules, courses and communication campaigns.

The OXXO stores have visible signage in accesses and inside, highlighting our commitment with responsible alcohol and cigarette selling. Collaborators and store leaders receive continuous training and have permanent access to tools which enable them to verify our policy on this matter. In order to complement our efforts, we align to the standards and programs implemented by our industry at a national level and maintain close communication with the authorities.

We emphasize compliance of regulations unique to our industry. For example, we promote the culture of responsible selling and we follow it. We practice the FEMSA Comercio values respecting the Policy related to Alcoholic Beverage Selling. All our stores selling alcoholic beverages and cigarettes must have a current license or permit, respecting the selling hours and minimum age for consumption. Hagámoslo bien (Let´s do it right) is an initiative from multiple sectors in society promoted in Nuevo León by COPARMEX, with the purpose of strengthening and living the culture of lawfulness in all fields. FEMSA Comercio joined it, since 2013, to develop these values in our people and our communities, living the culture of lawfulness in each one of the actions we carry out.







Social Responsability

Creating a brighter tomorrow for more people

Finding new ways to do it right

We are on the right track, step by step. Our interest to contribute in the positive transformation of the communities led us, in 2012, to participate in the design of the FEMSA Sustainability Strategy, behavioral axis of the business units to define clear goals, and measure progress and objective compliance in this matter.

As part of the design of the FEMSA Sustainability Strategy and to define the focus topics, there were interviews carried out to organization executives and processes and internal documents were reviewed containing relevant elements related with our trajectory and social accountability actions on operational, social and environmental topics. We add the external point of view maintaining dialogue sessions with FEMSA stakeholders and their business units, where opinions regarding the relevant issues were explored in order to see if they must be included in our strategy. Likewise, the study incorporated the results of the benchmark analysis which identified the best practices from leading enterprises in this field

As a result of this exercise, FEMSA Sustainability Strategy includes and organizes its focus topics into programs and initiatives related to social responsibility of the organization which are guided by three core areas, each one of them with three action areas. In this Social Responsibility Report we submit the results of our activities going in depth particularly in the four areas identified as priority for FEMSA Comercio, that is, high materiality, which establishes the guidelines to be agents of change, generating more value for our stakeholders, and develop competitive advantages.

These four fields are: culture and values, community development, energy and waste and recycling. Two additional topics are relevant in this moment in our organization and are included in this report: collaborators' training and development and the development of a sustainable supply chain.



Estrategia de Sostenibilidad FEMSA



Our stakeholders

Establishing a relationship of permanent dialogue and continuous work with our stakeholders, fundamental requirement for the compliance of our business objectives and, simultaneously, for taking care of our planet and generating economic and social value in those communities that comprise our area of influence.

All our business units have people collaborating and responsible for serving our stakeholders, ensuring we listen to their concerns, opinions and suggestions and implementing actions to create a closer relationship through process improvements, products and services. In addition, each one of our work centers, as well as in corporate, we have a social accountability committee in charge of the execution of initiatives and the corresponding programs in this field.

A way to boost the positive effect of our social and environmental accountability programs is through alliances that open the possibility for process optimization and impact multiplication. Joining efforts with different business, social, and environmental disciplines, amongst others, adds value to each one of our initiatives



STEAKEHOLDERS

- **ACADEMICS**
- **FEMSA SHAREHOLDERS**
- **CLIENTS AND** COSUMERS
- COLLABORATORS AND FAMILY
- COMMUNITIES

- GOVERNMENT
- **MEDIA**
- PRODUCT AND SERVICE SUPPLIERS
- CIVIL SOCIETY **ORGANIZATIONS**
- BUSINESS **ORGANIZATIONS**









What matters to you, matters to us

During the past three years, among with FEMSA, we have carried out dialogue sessions with stakeholders where external sustainability experts participate, as well as suppliers and collaborators from our business units. In these meetings we hear opinions regarding FEMSA Sustainability Strategy and the topics considered most relevant for our future. The participants' contributions have been considered for the elaboration of this report.

Our customers have two dialogue mechanisms which help us improve the service we offer constantly: OXXO Escucha (OXXO Listens) and ATIENDA.

OXXO Listens / It is an open communication channel for customers and the community in general, through which we receive feedback about the opportunity areas detected in the services offered in our stores. The information gathered supports the work system and incorporates functions the customers perceive as value. During 2014, we received and solved 54,833 requests, suggestions or complaints from our customers, which were solved in 3.4 days as an average.

ATIENDA/ It is our service desk to provide support to store personnel in topics related with management, maintenance, marketing, operations, patrimonial protection, and human resources. Personnel in the stores have this service 24/7 during 365 days in the year to ensure the best service for our customers, operating in an optimum manner. During 2014, a total of 3,000,070 reports were generated, which were solved in an average time of 12.64 days.

The channels open for customers and stakeholders are:

Page web: www.oxxo.com

Email: atencionaclientes@oxxo.com

Facebook: www.facebook.com/OXXOTiendas Twitter: @Tiendas_OXXO, @OXXO_Escucha

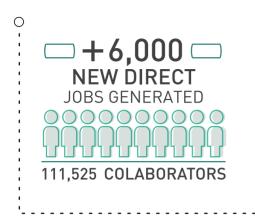
Telephones: 01 800 ATN OXXO | 01 800 ATN BARA



This is how we are doing

We plan our actions and review them constantly. Our target audience only expects the best from us, which implies we must plan and verify the activities supporting our social accountability. Following, we submit a summary of the actions we have carried out, with general indicators of their results along the latest three years:

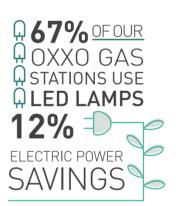
| Performance Indicators Summary | 2012 | 2013 | 2014 |
|---|----------|----------|---------|
| Our People | | | |
| Jobs created | - | 12,621 | 6,961 |
| Collaborators integrated through Labor Inclusion Program | 619 | 527 | 496 |
| Students in Commercial Business Administration Career at Instituto OXXO | 204 | 181 | 328 |
| Students graduated from OXXO Institute (cumulative) | 14 | 14 | 51 |
| Accident rate per 100 workers | 5.2 | 5.0 | 4.4 |
| General disease rate per 100 workers. | 27.4 | 23.0 | 22.5 |
| Our Community | | | |
| Community activities in the Good Neighbor Program | 260 | 325 | 364 |
| Students participating in OXXO Ecology Award | 248,000 | 250,000 | 184,000 |
| Volunteer actions | 9,289 | 11,662 | 18,272 |
| Community activities implemented by our volunteers | 126 | 234 | 206 |
| Economic participation in Round-off Program | \$122.20 | \$129.00 | \$100.2 |
| Organizations supported by Round-off Program | 239 | 254 | 224 |
| Economic participation of Food Banks Program (million MXN) | \$7.45 | \$10.26 | \$13.5 |
| Families supported per month through Food Program (basic food package SEDECO) | 325 | 448 | 630 |
| Our Planet | | | |
| OXXO Stores with Automated Intelligent System and Energy Control | 76% | 78% | 78% |
| CEDIS with Automated Intelligent System and Energy Control | 83% | 87% | 88% |
| Administrative Offices with Automated Intelligent System and Energy Control. | = | 17% | 22% |
| Reduction in energy consumption (kw/h regarding base year of 2009) | 10% | 14% | 16% |
| Greenhouse effect gases prevented (tons of CO2, regarding base year) | 18,867 | 34,213 | 19,311 |
| Plastic, paper, cardboard, metals, wood, organic waste, and recycled materials (tons) | 5,686 | 11,518 | 10,076 |
| Wood pallets recycled (pieces) | 89,137 | 112,656 | 153,881 |
| Trees we maintain at OXXO stores, OXXO GAS Stations, and Edison Polygon | 9,252 | 11,140 | 15,992 |

























2[™] YEAR BEST PRACTICE

EDISON POLYGON

□COMMUNITY OUTREACH□









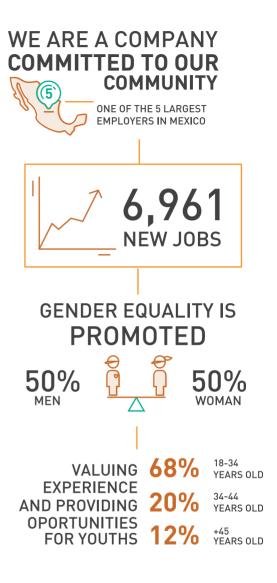
Our people, our greatest success

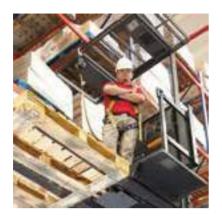
Our people and our values distinguish us. The development of each FEMSA Comercio business unit is the result of the effort of women and men committed with their work and environment; individuals who are willing to innovate, develop and grow to make their communities a better place to live.

We employed 111,525 people in Mexico and Colombia. Convinced that our values enable us to create the best work team, our people focus each effort towards better results. This is why those of us working at FEMSA Comercio are the strategic pillars of the company.

Since OXXO began its operation in 1978 we have committed to promote talent and personal and professional development of one of our team members and at the same time, to be prepared to face the fast changes in a globalized world. Along with development agendas, training programs, and leadership guides, we maintain a constant dialogue to design strategies that promote their integral development and their potential.

We go beyond offering employment: we focus on promoting our people's ideas and initiatives, we offer broad opportunities for training and we build a solid organizational structure giving feedback and enabling people to achieve excellence in performance of their responsibilities, while their career is strengthened. This is possible due to a safe working atmosphere and the promotion our collaborators' wellbeing, supported by competitive social benefits. The commitment of being one of the most important employers in Mexico is as important as the privilege it provides us. During 2014, in FEMSA Comercio we





grew with 6,961 new collaborators, equivalent to 1% of the formal jobs created in Mexico and registered at IMSS. The arrival of this new talent motivates us to continue creating a diverse and inclusive work atmosphere.

Compensation and Benefits

Our collaborators are compensated according to competitive amounts in the industries and locations where we participate and receive benefits, provisions (own employees) and incentives according to their performance during the year, apart from seasonality or duration of their agreement. For instance, in the case of OXXO:



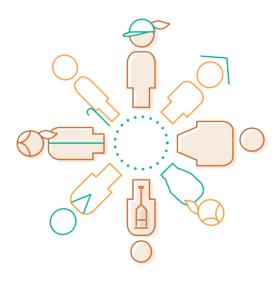


| | Commission agent | Employee |
|---|---------------------|----------|
| Technical training and personal education | / | / |
| Insurance for Full medical expenses | | |
| (collaborator and spouse) | ~ | |
| Social security | Opcional | / |
| Life insurance | ~ | ~ |
| Funerary expenses (collaborator and family) | ~ | ~ |
| Scholarships (collaborator and family) | ~ | / |
| Savings fund | ~ | ✓ |
| Retirement plan | ~ | |
| An accounting firm is assigned to provide support and orientation | ~ | |

Diversity makes us stronger

Diversity in our people is a value which enriches our work teams, enabling them to continuously develop their ability for understanding and responding to different challenges the company faces every day. In FEMSA Comercio, being diverse becomes an essential characteristic to achieve productivity and competitiveness.

Being one of the key sources of employment in the country leads us to strengthen our commitment with the community, having more and more opportunities for fair jobs available, to be capitalized by more people. In order for this to happen, constant search, attraction and retention of the best talent is required constantly. Our personnel selection processes are based on equal opportunities, under principles of non-discrimination, gender equality, inclusion of disabled individuals, respect for race, age, religion, ethnicity, sexual orientation and in search for socio-cultural integration. Likewise, collaboration of different generations in our work force strengthens our development plans.







Labor inclusion

Each person integrated in a work team represents an opportunity for growth and development; for this reason, we strive to remain as a national reference in terms of human resources management and social accountability.

In FEMSA Comercio, through the Labor Inclusion program created in 2001, hiring disable people and elderly individuals is promoted with equal opportunities

People with disability

The collaborators with disability provide a great value to FEMSA Comercio: the example of their effort, attitude, commitment and dedication inspires us, and their integration strengthens the atmosphere in our work centers. Currently, 333 of our collaborators have some kind of disability, being the collaborators with motor and intellectual disability the ones with the largest number of positions, followed by those with visual, auditive and language disability. We feel proud having them as a fundamental part of our teams; their participation and excellent work highlights the importance to continue our training processes, awareness and development focused on attracting, serving, and retaining this sector of the population.

In 2012, in an effort to simplify inclusion, the first Labor Training Center Led by OXXO was opened, in the state of Nuevo León, a space simulating the operation of our OXXO stores to provide training and education to people with intellectual disability. Among the skills that the students develop through their programs, we find customer service, and knowledge, handling and product displacement. During 2015 we will work in replicating the center in different places in the country, amongst them the city of Mérida, Yucatán.

Elderly

In FEMSA Comercio, 1,135 elderly people play a key role in the company, providing years of cumulative experience, engagement, safety and leadership to our work teams. Each one of them is a key part in the company, since they strengthen integration and support of the team they are part of.

Social and labor rehabilitation

In order to boost an appropriate process of reintegration into society and the work field, in agreement with the association Renace A.B.P. we promote employment in our enterprise for people who have been involved only once in a prosecution process. Through the Social and Work Reintegration Program, we support the activities of this association which has the mission of working in the construction and continuous improvement of a legal system with a human approach, available to all citizens.

Inclusive Company Award

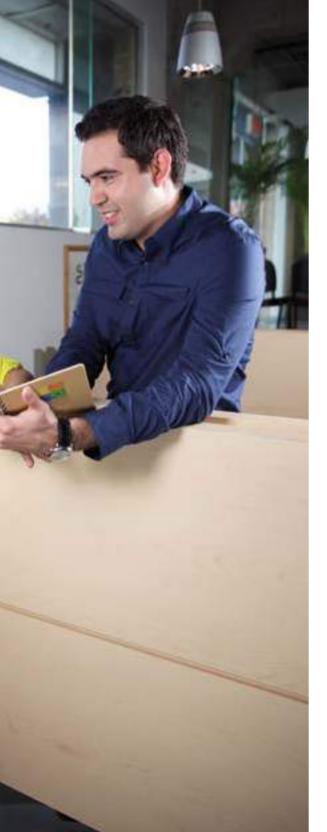
Joining actions is Excelling. In 2014, 143 OXXO stores achieved for the fifth year the Gilberto Rincón Gallardo Inclusive Company Award, granted by the Ministry of Labor and Social Welfare. The recognition highlights the actions we carry out to incorporate collaborators in a vulnerable situation into the active economy, as well as our corporate inclusion policy.

172 STORES STORES STORES

2012 2013 2014

GILBERTO RINCON GALLARDO





Culture and values, always ready, always there

FEMSA Comercio values and organizational culture drive us not only into doing things right, but always going beyond. We have guidelines, processes, and organizational culture policies which help us to communicate and transfer our values inside the organization, to our customers, and the communities where we operate. Our organizational culture and values have been an essential part of the business operation since its creation, becoming later in what we now know as the FEMSA Comercio Social System.

The purpose of this system is to establish the guidelines that contribute to strengthen and give continuity to our working culture. It includes from the most basic features of our organizational identity, such as mission, vision and values, to specific matters which distinguish our operation and contribute to carry out an impeccable execution of our responsibilities, and evaluate our performance objectively and compensate the results appropriately.

We always seek to transmit good values and positive habits amongst our people; without a doubt, the Ethics Code for collaborators is in the foundation of FEMSA Comercio Social System. Thus, it is possible to concentrate on offering the best service to clients, suppliers, authorities, communities and internal work teams. Likewise, the system establishes clear rules for a better decision making in topics related to occupational health and safety, the environment, and operations.

As the company expands, we work to adapt the new business units to the culture and values of FEMSA Comercio Social System. We advance with the support of human resources, as facilitators of tools and processes, and with the commitment of the team leaders and collaborators, who assume their role. We learn altogether: while our business units and collaborators adopt the culture and values of the company, we take care of its autonomy, and its own identity.

Mission, Vision and Values

The mission, vision and values at FEMSA Comercio are a strategic pillar of FEMSA Comercio Social System. Our people's work, as well as the company operation, are based on them to achieve success and transcend.

Mission

Satisfying our clients' daily needs in a courteous, fast, practical, and reliable manner; creating economic and human value in society (consumers, collaborators, suppliers, and shareholders), developing applicable networks for retail businesses, in small groups, who support our beverage business.



Vision

To keep being the chain with the largest number of stores in Latin America.

Core Values

Integrity, respect for people, simplicity, team work and sobriety are our core values. These values will always be above the economic benefit; these are a group of permanent beliefs and behaviors of our organization which guarantee a favorable interrelation for the best enterprise performance and total human development.



Business values

Passion for service, renovation, orientation on the trade, and leadership are our business values. These values are qualities which all FEMSA Comercio collaborators must develop and have in order to meet our mission, vision and business objectives. The higher the level in the organization, the greater the demand for compliance



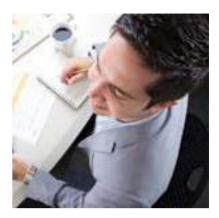
One team

Identify and satisfy our customers and consumers' needs is our priority. Doing it through an impeccable service attitude is our passion. At FEMSA Comercio we are all one and, in order to work as one team, we insist in learning the operation of the company in-depth and continuously connecting our collaborators with our operations.

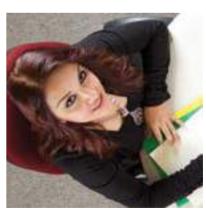
Through the Express Program and the Adopt a Store or Adopt a Station Program, the internal communication channels allow us to become aware of our operations, to better understand our clients' point of view, and our peers leading the stores, and as a result, to empower them to offer all our consumers a more pleasant purchasing experience.

This program follows an on-line course designed specifically to updating our team in regards to the dynamic product and service portfolio we offer. Likewise, they have the opportunity to practice what was learned, joining the work team in all our operations during a work shift carrying out tasks related with daily work. Together, this experience enables them to analyze, observe and live the operation to innovate in the design of solutions, processes, and tools which help us in giving a better service and thus, become essential for the development of our business.

Always being ready is part of our culture and, mainly, a responsibility we adopt as a team in all the levels of the organization. Through the "Adopt a Store or Station" program we invite all the office collaborators to visit one of our stores or gas stations at least once a week and observe the processes and unique characteristics of the operation anonymously. Later, the participants in the program give constructive feedback in regards to strengths, needs and opportunity areas identified, related with service, cleanliness, image and sales, among other important factors.







Living the culture of service

The culture of service is not only part of our essence but a value we cultivate, assess and refine continuously.

In FEMSA Comercio we have different organizational diagnosis tools which enable us to measure the results of service culture and collaboration amongst the work teams, giving feedback about opportunity areas, and generating improvement plans. For instance, we use satisfaction indices to assess if our advisors and store leaders are dully supported and empowered by the different areas of the work centers to perform efficiently.

Aware of the challenges that emerge in the daily operation of our business units in more than 14,000 stores, team work, collaboration, and coordination are fundamental to face them successfully. The results of the different assessments help us identify which are the strengths and improvement areas of behaviors expected in specific subjects such as innovation, honesty, proactivity, trust, and service attitude. This is how we can provide collaborators with objective feedback and create action plans which enable us to provide better service quality to our internal clients, among them the store leaders and advisors, supporting them in complying their daily responsibilities, necessary to guarantee optimal functioning of our stores.

Additionally, we carry out a 360° assessment which measures the way in which values and competencies are lived in FEMSA Comercio through concrete behaviors and immerse into daily work. The survey offers each employee the opportunity to make a self-assessment and compare with the perception that other peers, direct collaborators, boss and internal and external clients have, with the purpose of improving strengths, as well as learning and working on their development needs.









Work culture

At the TOPS Meetings (The One Page System) our team learns more regarding the business strategy established by top management in the company. The methodology supports the implementation of the strategy through compliance of work team and individual collaborators' objectives. Monthly, the heads of the area and their direct collaborators review the goals and objectives and generate work plans which contribute to achieve them with excellence. Compliance progress is assessed, feedback is provided and the results are reviewed. During 2014 we promoted the culture of participation among all collaborators at FEMSA Comercio and it is through the team leaders, who have a fundamental role in this dynamics, that we are able to convey the message to all levels in the organization.

The culture dynamics which exist in all TOPS Meetings turn them into an open dialogue forum between leaders and their team, during which we encourage the exchange of opinions around specific values and behaviors which help us develop personally and mature our identity as an organization. All collaborators who have teams reporting to them, from top management to collaborators in work centers, are committed to carrying them periodically.

Each person in our team is a unique talent. Thus, we promote their development and accelerate their learning. Through periodic vertical assessments, which are one-on-one conversations between the leader and each one of the direct collaborators, we provide direction in the execution of responsibilities delegated. During these meetings, the immediate boss maintains a personal conversation and supports his/her collaborators in their professional development, providing orientation in compliance of their goals and the opportunity to discuss future challenges, feedback regarding their achievements, and enable them to work in their opportunity areas.

The vertical reviews strengthen the empathy bond between leaders and their direct collaborators, addressing topics such as personal motivation, satisfaction, quality of life, work atmosphere, among others. Communication is, without a doubt, in two ways, thus it opens the opportunity so collaborators give feedback in regards to their bosses' performance.

Internal Value Proposition

We stay close to our collaborators, and we strive to share our values with all to create a positive impact with the people we are surrounded by. As part of Integral Talent Management, we focus on the internal part of the company following our Internal Value Proposition for the Collaborators; an eight-level platform of resources which empowers our people and sets initiatives for development: economic security, health and wellness, safe atmosphere, empowerment, freedom of action, recognition, development, and transcendence.

The Internal Value Proposition provides the necessary structure for our collaborators so that people's daily work can be a means for their development. Among other aspects, the proposal includes guaranteeing that salaries are clear and fair, enabling tools for efficient performance in their functions and implementation of mechanisms to promote freedom of action in operational decision making. In addition, the proposition promotes professional and personal development of the collaborators offering different training mechanisms at no cost, and establishing a culture of illness and work risk prevention, for those working at FEMSA Comercio as well as for their families.

Besides structuring initiatives which promote an excellent performance, the Internal Value Proposition for FEMSA Comercio collaborators also expresses our appreciation for work and engagement by establishing an internal recognition program that rewards outstanding performance at a work center, branch, or individual level. These recognitions are awarded considering variables such as attachment to corporate values, quality in customer service and the appropriate execution of the service protocols, among others.

Thus, the success of the business units is generated by healthy and satisfied collaborators who know the importance and impact of their tasks and make an effort to obtain results but, mainly, being able to transcend in their families and communities through their work.





Integral development, contributing to our people's growth

Recognizing that in FEMSA Comercio we can develop our collaborators beyond things directly related with their work functions, we continuously focus our effort and resources in promoting their wellbeing, their quality of life and their families, approached from different social development core foundations: values, family, health, volunteer work, work, education, community, and economy



During 2014 we invested in order to carry out more than one thousand activities for our collaborators' benefit, amongst which we included: recognitions for promoting our culture and values, celebrations to strengthen family sharing, holiday celebrations, health campaigns, medical check-ups, loans, agreements providing collaborator discounts, recognitions for results and seniority, scholarships, seminars, workshop, and cultural and sports events.

In order to contribute in the wellbeing of our store collaborators and strengthen the value of team work, during 2014 we carried out the OXXO 7 League soccer tournament with the participation of more than 2 thousand store collaborators. They created 156 teams in different states in the country, out of which eight teams qualified and were in the competition for the final game at the Azteca Stadium accompanied by a relative, having the participation of a former professional soccer player as support in each one of their teams. By the end of the tournament, the outstanding players were selected to integrate the OXXO Official Team.



G4-LAS



Training and development; together we can do it better

We work in training and development to train the best talent in the future leaders, we team up with people who listen, build and motivate, generating a harmonious work culture that contributes to the success of FEMSA Comercio.

The development of our people and the acquisition of skills that make our collaborators more competitive every day is guaranteed with the creation and adjustment of training tools in accordance to the needs in each level of the organization, supported by technology resources. We complement this effort promoting professional and personal development through continuous education and promoting access to higher education.

Our collaborators are developed integrally. The different training and development programs we implement promote knowledge (knowing), management and leadership competencies (doing) and culture, values and personal development (being), necessary to perform with excellence. Thus, we generate an atmosphere of coordination and collaborative work that promotes high performance and, at the same time, the development of better individuals for the world.



Excellence through training

In order to support the fast growth at FEMSA Comercio, we have specific training programs for our collaborators leading the operations.

These programs, which are theoretical and hands-on, in face-to-face and online format, provide our collaborators knowledge and enable them to achieve an optimum operation in our work centers, through onboarding courses, retraining workshops, and the deployment of new products and services.

Having an on-line registration of the training curricula of our collaborators has a double benefit. Initially, it enables us to strengthen the knowledge issues in which we detect improvement areas and, additionally, eases the process to find new work opportunities for the collaborators who have more developed knowledge and experience

Motivation, commitment and belonging

As soon as a person is integrated at FEMSA Comercio, we look forward to developing them. Our office collaborators receive, besides the onboarding program, continuous training for professionalization of their duties and their integral development through different educational resources we make available for them.

Through our own induction process, the our new team members learn about the company and the detail of the essential matters regarding their position, being trained in the corresponding business unit. Likewise, we include relevant information about company culture and operation.

Motivation, engagement and sense of belonging are the results of a comprehensive educational experience. We focus on building the competencies and technical knowledge that each collaborator needs to refine their performance in their current and future position.

ONBOARDING PROCESS





2. LEARNING ABOUT THE COMPANY



3. POSITION INDUCTION



4. POSITION INCORPORATION

The Functional Schools Program complement our strategies to refine performance of our collaborators' current and future positions. Introduced since 2014, they enable addressing the unique needs of the business units and the key processes in the company. We currently have four Functional Schools specialized in logistics, operations, commercial skills, and expansion and technology. In the future, we will strengthen the Functional Schools implementing new methodologies which encourage learning through collaborative tools.

To promote talent development, we also implemented institutional programs which develop leadership, administrative and top management competencies through scholarships for graduate programs, seminars and workshops. Likewise, we designed development programs for high potential collaborators, so they have the required skills in order to take positions with a greater responsibility. Additionally, the Banca de Desarrollo y CreSer programs contribute in identifying groups of collaborators with outstanding performance and prepare them

through accelerated personal and professional development methodologies, contributing in strengthening, not only technical knowledge, but also management skills and career orientation, leadership competencies, and skills for integral development of the individual.

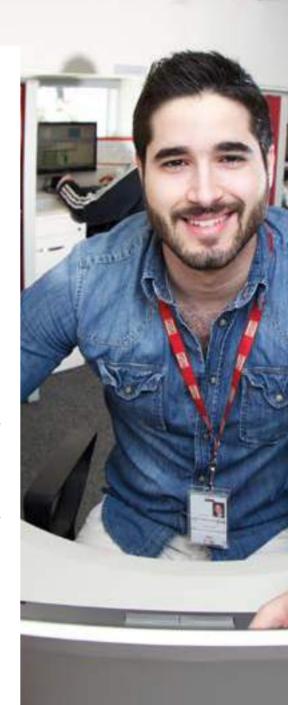
Welcome to our team

Our commitment to sustainability is even stronger when the indicated individuals become part of our work team. In order to identify the best candidates and incorporate them according to the appropriate competencies for the position to be performed, the collaborators leading the selection processes receive training courses on Competency selection methodology. This kind of recruitment is a structured interview process which focuses on transcendental matters for good performance in a position.

When it is the moment to cover a vacant position, we seek the required abilities among the collaborators who are already part of FEMSA Comercio, motivated by our interestin keeping and promoting our people. Platforms as the job pool of the company, internal newsletters and Intranet are very useful in order to communicate the work opportunities emerging in our different business units to all employees. In this way, in 2014, 19% of our collaborators were promoted to work positions appropriate for them and challenging at the same time.

For new incoming personnel, we have punctual strategies to attract talent, such as participation in job fairs in universities, referral programs and the publication of vacantpositions in social networks and specialized job pools on-line.

We also support attracting young internship trainees with the Red de Talentos and Líderes FEMS. The first one speeds up the incorporation of students who seek to carry out their professional internship in our company, assisting in identification of profiles which are usually required in the company for professional internship and speeding up the incorporation process through psychometric tests and specific interviews for those positions. On the other hand, Líderes FEMSA gives a 100% tuition scholarship, during professional internship, to students from Tecnológico de Monterrey and Universidad de Monterrey with outstanding performance, contributing in the academic development and work performance of the internship trainees participating.





Leading our way through technology

We live in a changing world, with a knowledge-based economy, in which organization competitiveness depends on their human capital. While aligning our training programs with the business strategy, we satisfy our clients' needs better and obtain greater benefits. In order to face the talent challenge in the knowledge economy, FEMSA Comercio has created a training platform which completes our human resources strategy.

We have identified opportunities that enable us to implement new training methods making a responsible use of technology and making the most updated training available to our stores in remote areas, enabling them to decrease traveling and commuting for face-to-face courses and, mainly, broadening development opportunities for those who collaborate in these areas.

In addition to face-to-face course, our On-Line Training Program, also known as PEL, trained more than 13,537 collaborators who operate in our stores, number which will continue increasing covering more and more regions.

Since 2009, FEMSA University has been one of the main tools in building talent and strengthening the organizational abilities in the different places where we operate. Through this learning technology platform, we enable more than 200 courses necessary for the development of specific, strategic functions or requirements of the company. In addition to the onboarding courses, refining training and the development programs for future positions, all office collaborators have access to a course portfolio from FEMSA University to promote their self-learning, improve their performance, boost their professional career, access the most updated knowledge and participate in learning communities.

Currently we have more than 110,000 active users registered at FEMSA University, 51% more than last year, who in average cover 15 hours of training per year.

During 2014 we finished the implementation of a registration tool in FEMSA University for our store collaborators, which helps us in giving follow-up to the training programs and learning in real time, the status of individual training. With this tool, we are giving follow-up to the development of each of our collaborators and strengthen their knowledge in the opportunity areas detected.

The next objective to be met is connecting the on-line platform of FEMSA University with all our stores, which will enable us to efficiently reach our collaborators, optimize the offering for operational education, providing better access, friendlier, comprehensive, customized and balanced between theory and practice.

A challenge which is present is integrating FEMSA University to all the business units which have incorporated to the company in recent years.

All on-board for education

Since its creation in 2010, OXXO Institute offers a flexible and quality educational model that enables the students to combine studying with professional and family responsibilities, to obtain a university degree that is officially recognized by the Department of Education.

Available for our operations collaborators, OXXO Institute contributes in supporting the development of the company professionalizing their work and boosting their career within the organization.





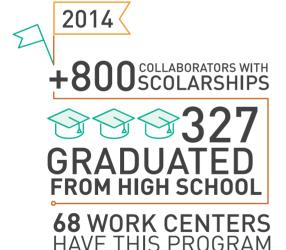




5 1 COLLABORATORS HAVE ACHIEVED THEIR DEGREE

2012 - TO DATE

70% HAVE BEEN PROMOTED TO POSITIONS WITH GREATER RESPONSIBILITY



The first generation finished their education in December 2012 and to date, 51 collaborators have obtained the degree in Commercial Business Administration through OXXO Institute. This has enabled them to improve their work situation in the organization and close to 70% have been promoted to positions with more responsibility. Currently, a total of 381 collaborators from OXXO, IMMEX, OXXO GAS, CEDIS and Mi Súper Bara study with 100% scholarships.

In order to continue growing and supporting the development of more collaborators, In 2014 the OXXO Institute together with the Department of Education processed a new Education Official Validity Recognition with which we will be able to offer the on-line bachelor studies program. We consider this change will enable increasing the number of collaborators registered starting 2015.

To the development activities carried out by the OXXO Institute, we add the opportunities we generate to provide access to Middle Education. Since 2007, we have a scholarship program for our store leaders and commissions collaborators so they may finish their High School education, covering their needs in 68 work centers at a national level. Currently, more than 800 collaborators have a scholarship and study High School on this program which has graduated 327 students since it started.

For FEMSA Comercio, broadening the educational offering for your collaborators and their families is a permanent task. We search and sign agreements with universities and educational institutions that provide discounts and make access easier to language schools and continuous education quality programs. Thus, we continuously promote new opportunities for the benefit of the collaborators through education.

Safety and health are always our priority

Nothing more essential in our operation than safety and health at work. In each one of our activities, along all our business units, we promote the culture of care and prevention which has been maintained since the foundation of our company.

The Occupational Safety and Health Administration (SASSO) is, since 2006, the tool that enables our efforts in regards to safety and health, whose only objective is wellness of our collaborators and their families.

In order to make FEMSA Comercio the best place to work, we optimized the SASSO results, adopting what is established in the regulation and adding innovating action plans which integrate different combinations of our programs, according to the specific needs of each one of the business units.

Through SASSO we ensure the safety services and industrial hygiene, occupational health and human development which contribute to competitiveness and productivity of all our business units. In order to have a healthy collaborator team and safe work centers, we have a portfolio of programs that promote self-accountability and self-care; identify, control or eliminate work risks and improve the work atmosphere and quality of life of our collaborators, their families and the communities where we operate.

In order to enable the work centers and promote safety and health practices, but mainly, to strengthen the prevention culture among our people and permeate this value within the company, during 2014, 23.2 million MXN were invested









- GENERAL DISEASE RATE (per 100 employees)
- RATE OF EMPLOYEES DISABLING ACCIDENT FREQUENCY (per 100 employees)



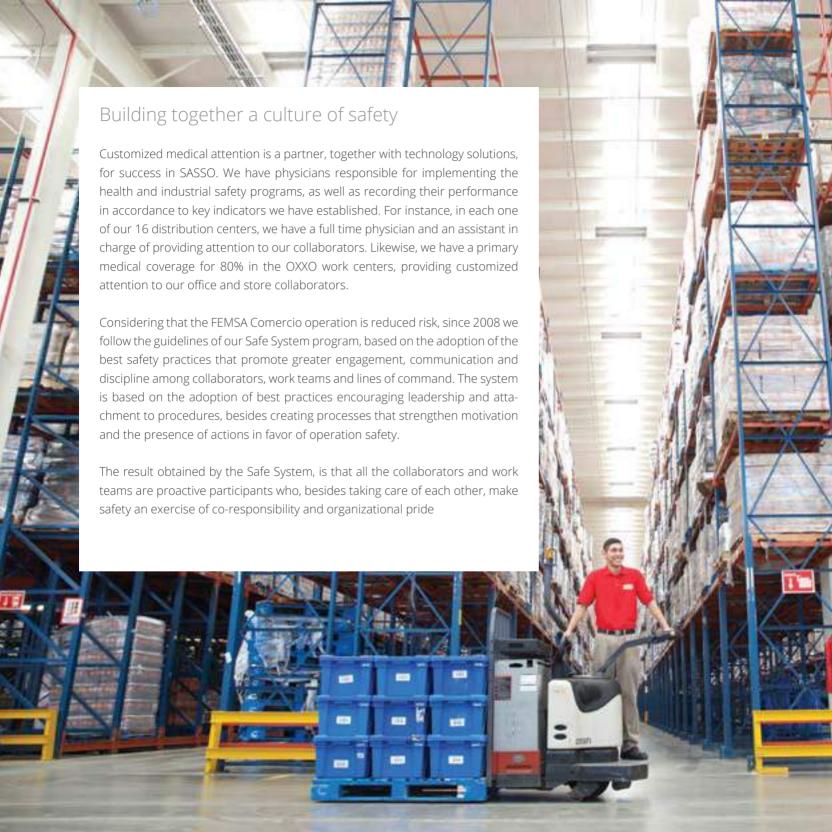
As a result of the work carried out in favor of health and safety of our collaborators, we continue with a positive trend in our performance indicators: the rate of disabling accident frequency decreased 13% in 2014 and the rate of general diseases was reduced in more than 2%.

SASSO Core Areas

Occupational Safety and Health / Our key focus is preventing illnesses and risks, at the same time, promoting wellness of our collaborators and their families. We achieve this through onboarding medical exams, periodic control exams, prevention and health improvement and inoculation programs to prevent diseases.

Industrial Safety / In order to maintain and support the safety and risk prevention, we enabled work centers and safe stores through safety inspections, incident research and analysis to prevent them from happening again, as well as educational programs that promote order, cleanliness, and the use of personal protection equipment in all our operations. This contributes to protect physical integrity, strengthen control processes in work spaces, decreasing incidents and guaranteeing compliance of the current legislation. We complement our efforts through the Contractor Safety program which, through regulations and standards generates the conditions to prevent third party incidents in our operation.

Human development / Wellness of our collaborators is an essential health element. We encourage an appropriate emotional management in our collaborators which helps us face the different demands in their personal, family, social, and work life.





Health within our people

During 2014 we continue promoting the culture for health care of the FEMSA Comercio collaborators through the National Health Campaign, carried out in the OXXO, CEDIS, OXXO GAS, Mi Súper Bara and IMMEX.

In order to carry out this campaign, we had direct participation of the heads of health and safety in the business units, human resources personnel and training coordinators, as well as support personnel from IMSS and the Health Department. Among the main events carried out we have: health fairs, workshops on diabetes mellitus and Pap tests, among others.

Long-term vision

Our health and safety practices have a national coverage. During 2015 we have the commitment to incorporate the new businesses acquired in the last year in order to achieve 100% medical coverage in the work centers, reducing 10% of absenteeism cases due to general illness in CEDIS, IMMEX and OXXO GAS and continue with the deployment and follow-up of the workshop on emotional skills development in all the work centers for FEMSA Comercio.

RATE PER ACCIDENTS PER 100 COLLABORATORS







Community Sharing our values to make others grow

G4-EC7

Community development, actions that move

Developing within our communities is contributing to them; therefore, we encourage social programs and dedicate part of our earnings to community actions at a national level.

Great part of the success in our program is due to our people's commitment and participation: men and women who get involved and inspire the communities with their time, talent and experience. The work we develop in FEMSA Comercio helps us establish strong bonds with our neighbors and gives us the opportunity to share social and environmental value.

We also implemented the best actions through alliances with organizations in civil society, authorities, educational institutions, suppliers and other enterprises, and actively participate providing knowledge and resources to meet our goals. This way, we are able to generate a greater and more positive for the development of the communities, the promotion of a healthy lifestyles and the benefits of a sustainable supply chain.

We have thousands of families as neighbors in hundreds of communities where we operate. We are sensitive to people's needs and for FEM-SA Comercio it is essential to join the local strategies for quality of life.

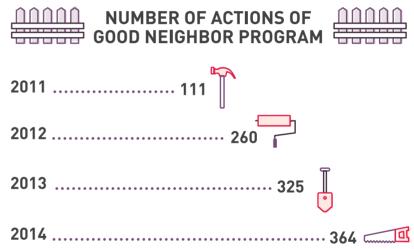




Good Neighbor Program

Since 2009 we have strengthened our bonds with communities across the country through the Good Neighbor program, making us agents of change who act to create a favorable eco-system in alliance with strategic partners.

During 2014, the business units that are part of this program carried out an investment of 21.5 million MXN to carry out a total of 364 community activities impacting three lines of action: restoration of public spaces, environmental culture and sports.





O4 Â-

23 SPORTS FIELDS



35 WELFARE INSTITUTION

91 PARKS



Restoration of public spaces

Our efforts in favor of public spaces restoration contribute to improve quality of life through rescuing spaces that are abandoned, forgotten or deteriorated, making them available again to be used by the communities and their visitors.

With the construction, restoration, improvement and preservation of plazas, gardens, parks and sports areas, among other community sites, we provide the communities where we operate places worth to be sharing, social bonds become stronger and identity ties are strengthened among the new generations, besides providing healthy coexistence, social inclusion, and community participation.

In 2014 we were able to recover a total of 240 public spaces in Mexico. Among the main activities, this year we highlight the restoration of the First Park for the Elderly, in the city of Campeche.

First Park for the Elderly / The restoration of the space responds to the need to restore the public spaces for recreation of the community, to encourage a family atmosphere and of sharing. This park in particular was designed and restored to serve the elderly, offering appropriate spaces for physical activities and health care, as well as recreation, making it unique in its type.

The Park for the Elderly, located at FOVISSSTE neighborhood, had an estimated investment of 538 thousand MXN and includes restoration and adjusting of green areas, as well as walkways, benches, kiosks and recreation areas with rubber floors in addition to the installation of luminaries in an area of 1,560 m2 to be used by the neighbors and visitors.



Environmental Culture

Our efforts focus also on caring for the environment, promoting conditions which generate sustainability and awareness for environmental culture. We invite our neighbors to care for the existing resources, encourage tree planting, reduce pollution and guarantee the correct management of natural resources together.

In order to contribute in the creation of a healthy environment, in 2014 we carried out activities such as reforesting in schools, parks and ridges, cleaning beaches and we organized environmental education events, among others, adding a total of 69 environmental actions.

OXXO Award to Ecology / With this award we promote respect for nature and accountability in environmental preservation. The program started in 1986 in Monterrey, a couple of years later it was carried out also in the cities of Hermosillo and Chihuahua, and since 2014 in Durango.

The purpose of this award is to create an ecology culture among children and youths that encourages the responsible use of natural resources through skills and competencies which motivate them to respect the environment, establishing a civic awareness and active participation in favor of clean spaces, tree planting, pollution prevention, plant and animal protection, recycling, efficient use of resources, sustainability through urban gardens and, in general, the promotion of an environmental culture benefiting everyone.

Together with the Department of Education, we work with ecology clubs in schools at a pre-school, elementary, middle-school and special education levels.

In Nuevo Leon, during edition number XXVIII of this award in 2014, there were more than 185,309 students from 955 schools participating, representing an investment of 962,108 MXN.

SPORTS \$6.2 MILLON MXN 35 RACES d 25 RACES ⋅ 5k 6K RACES •10k O- 3 RACES 21k ₩20 TOURNAMENTS 14 SOCCER **06 VOLLEY BALL**

Sports

We support the construction of healthy communities with activities that encourage practicing sports among the neighbors, collaborators, and the community at large. For example, we promote physical activity organizing and supporting sports events for children, youths and adults, amateur and professional, where they participate and compete in a healthy atmosphere encouraging family sharing.

During 2014 and teaming up with different civil associations, neighborhood associations, and authorities, we organized 35 races and 20 soccer and volleyball tournaments along the country. Highlighting the Soccer Academy for children and youths.

Vikingos soccer Academy / Started as a pilot program in 2011 in Matamoros, Tamaulipas and nowadays it trains 250 children and youths in nine categories ranging from five to eighteen years old.

Thanks to this academy, the community enjoys a space that encourages sports activity which leads to integral education and development of children and teenagers through practicing soccer and the promotion of values such as team work, persistence, tolerance, honesty and healthy competition, among others. Five coaches participate in the project, which is registered in the local sports programs incorporated to CEPAJUF (Center for Youth and Family), DIF Matamoros and the sports league of Universidad Autónoma de Tamaulipas.

The Vikingos have demonstrated their sports skills being successful in local tournaments such as Copa Correcaminos, the Relámpago UANE Tournament, Copa Pepe Mansur, Copa CEPAJUF and participated as the DIF team in the Youth Olympics in 2014.

Each year, an investment of approximately 300 thousand MXN is dedicated to the Vikingos Soccer Academy.





206 ACTIVITIES

What can I do?

In FEMSA Comercio we encourage our collaborators to have an active and solidary participation in their communities, giving part of their time to activities that have a positive impact in our environment. In this way, ideal pathways are built so people contribute with talent and energy to improve the communities where they live and work.

Convinced that participating as volunteers offers us, in addition to broad opportunities for personal growth, the possibility to establish strong community bonds and improve our neighbors' quality of life, since 2011, the program "What can I do?" has served as a platform to motivate FEMSA Comercio collaborators and their relatives and friends to participate directly in activities to benefit the community. With this program, FEMSA Comercio volunteers take initiative and suggest activities according to the specific needs they detect in their communities, which are usually developed through alliances with expert organizations, in addition to the support of the authorities. Thanks to the engagement and effort of our collaborators, in 2014 we were able to gather 18,272 participations of our volunteers which created impact in their environment through 206 community activities.







To give is to grow

Being socially responsible is everyone's commitment. Thanks to our "RoundUp" program, we invite our clients at OXXO, Mi Súper Bara, Farmacias Moderna and Farmacias YZA to contribute to improve the quality of life for those who need it the most.

This initiative, currently in 727 cities across Mexico, has supported multiple social causes for more than 12 years. The program has a double purpose: creating awareness among our clients regarding the needs of vulnerable groups and providing a channel to support the fund raising campaigns for charity organizations in each place where we operate.

The "Round-Up" Program works inviting our clients to collaborate with civil organizations and their social work with the simple action of accepting to round up their ticket to the next peso when the amount of the purchase is a fraction. The accumulation of cents donated goes to institutions supporting social welfare, education and health causes mainly, making the consumers' donation translate into concrete benefits for individuals with specific needs.

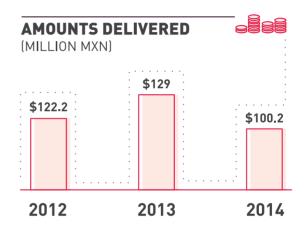
Year after year, our clients' desire and the willingness of store personnel changes thousands of lives. The "Round-up" Program is carried out in staggered periods starting in January and closing in March. Starting with this report, the amount to be reported will be considered from January thru December 2014, period during which 224 institutions were benefited with 100.2 million MXN donated by our clients.

Trust in both ways, within our company and towards our community, is vital for the success of any social accountability effort. In order to support it with our clients, we have designed clear parameters that enable validation for the legitimacy of the organizations receiving the donation of the Rounding off Program and the appropriate use of the funds collected. In accordance with our





commitment, FEMSA Comercio does not deduct taxes from what is received and donated. From what is obtained, 100% of the amounts raised are given directly to the recipient institutions, invalidating any possibility for tax deduction while issuing a generic receipt of the Federal Taxpayers Registry on behalf of our clients.



Special Offers for Special Causes

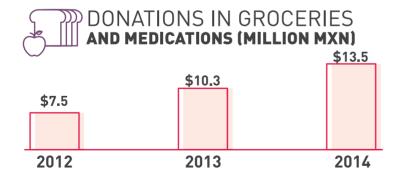
In addition to the "Round-Up" Program and collaborating with important companies and their brands, our "Special Offers for Special Causes" program enables more possibilities for those who purchase in our stores to join the culture of social responsibility. This way a percentage on the sales of selected products clearly identified contribute to benefit civil society organizations on behalf of the clients and the brand.

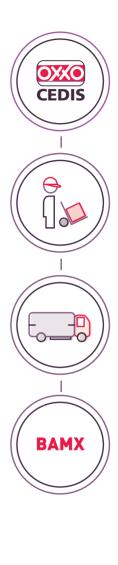
Less hunger, more growth

Joining efforts to fight hunger in México, FEMSA Comercio started the Food Program in 2010 together with the Food Bank in México (BAMX), civil association dedicated to rescuing food to address the hunger problem of the vulnerable population. Our suppliers are invited to be part of the commitment we adopted with our community and together we collaborate to minimize the official figures which indicate that, more than 30 thousand tons of food in good conditions are wasted per day, while 7.4 million people live under food deficit.

Currently, BAMX has a network of more than 60 affiliated food banks in all the country who serve as intermediary institutions between donors and beneficiaries. The Food Program channels excess products in good conditions to BAMX food banks in coordination with our distribution centers. OTC medications with a life which can be used are also included in this program for people who require them.

In 2014, through the Food Program, the equivalent to 13.5 million MXN in groceries and OTC medications were distributed, enough to support 630 families monthly. Together, we are making a great difference to improve the nutritional conditions of people with limited access to appropriate nourishment.





COME FOR WATER SAFE WATER FOR THE POPULATION **AFFECTED** BY HURRICANE ODILE

Always there for you

In October 2014, after Hurricane Odile hit Baja California Sur, FEMSA Comercio ratified the permanent commitment to collaborate as a good neighbor and being solidary in supporting the restoration of the areas affected in La Paz and San José del Cabo.

Through the activation of the committee for FEMSA Comercio Incident Management and Crisis Resolution (MIRC in Spanish), which has the objective of identifying potential risks and generating plans to mitigate vulnerabilities, we coordinated actions for the natural disasters recovery plan. Our priority was safeguarding the physical integrity of our collaborators: nothing more important for us in emergency situations. In the case of our stores, after the assessment stage, we reported an impact of 10% in La Paz and 100% in Los Cabos. By the end of December we were able to restore the stores completely.

We delivered more than 30,000 liters of drinking water and 5,500 grocery packages. During the urgent rebuilding stage we built thirteen 2-room houses, 64 ceilings were installed and the water systems were rebuilt in 33 homes.

In parallel, together with FEMSA Foundation and Cuauhtémoc Moctezuma, we joined efforts with the community offering free drinking water in affected communities. Come to Get Water is a program which provides safe water to the population affected, supported by the mobile purifying plants Come to Get Water and ISUZU EPS-2, from FEMSA Foundation. Among other work actions that were carried out together with the authorities, we were able to deliver more than 68 thousand liters of drinking water.

Our support did not stop there; thanks to the program, "What can I do?" actions continued in order to provide our office collaborators' donations in products. During this work, the effort carried out by of our people in CEDIS Obregón, IMMEX Tijuana and OXXO La Paz, was outstanding, coordinating processes and logistics in order to take this support to the affected areas

Positive actions among good neighbors.

The Edison Polygon is an OXXO initiative with the purpose of positively impacting the community surrounding corporate, comprised by 24 thousand neighbors. These are eight neighborhoods which, through the base development, are supported by a model focused on restructuring the social fabric. We encourage the participation and neighbors' accountability, creating bonds among the local community with other participants from the public, private and civil sectors. This year we were distinguished by CEMEFI as the best outreach practice with the Community.

The program is managed by a trust that guarantees transparency and the appropriate use of resources. During 2014, the trust invested 4,962,285 MXN to attain its goals, besides what our partners dedicated through direct financing: 6 million MXN in addition, directly benefiting more than 4 thousand neighbors.

In 2014, we gave follow-up to the strategy started in 2011 with different actions related to quality of life, human development, and collective abilities, environment, dignified public spaces, and quality education for those who develop their lives within the Edison Polygon. Since the beginning, work has been done hand in hand with different civil partner organizations, that implemented different and many workshops focused on the development of personal and social competencies. Among these associations we find: Cauce Ciudadano A.C., CreeSer A.B.P., Promoción de Paz A.B.P., VETSA A.C., Escuela de Artes Musicales A.B.P., Museo de Arte Contemporáneo (MARCO) A.C., Bosque Urbano México A.C., Ser México A.B.P., Save the Children, METAS A.C. e IMIFAP A.C., to mention a few.

We share some of our results:

Tree planting / A tree patrimony was generated planting 804 native trees in collaboration with neighbors from 327 homes and institutions, reaching the goal of two thousand trees planted since 2011. A great achievement in participation and neighbors' coordination, besides improving the environment.

2014

MORE THAN \$10.9

MILLION MXN

WERE INVESTED TO

PROMOTE THE PROGRAM



804 TREES
PLANTED WITH
THE COLABORATION OF
NEIGHBORS
AND INSTITUTIONS



 $\Diamond \Diamond \Diamond$









Academic scholarships / Human development and increase of educational level was the benefit with the inclusion of 27 new students in the academic scholarship program, achieving 83 scholarships granted since 2012. The youths registered are part of an activity program focused on strengthening skills for life through workshops and community service.

Workshops / 1,430 teenagers participated in workshops to strengthen and exercise resilient traits and skills such as decision making, conflict resolution in a peaceful way, team work and self-esteem, among others.

Neighbors' Groups / Joining commitment and willingness to improve their environment, nine neighborhood groups were organized in 2013. People integrating them gave follow-up to self-management, involvement, and promotion of citizen participation, resulting in 176 adult active participants in their neighborhood

Cultural events / 53 activities carried out in Edison Polygon to support educating social, artistic, sports, productive and health and nutrition abilities, among others

Health and wellness / The Healthy Edison Polygon project was implemented this year, with the participation of FEMSA Foundation, carrying out workshops and campaigns to encourage good eating habits and healthy lifestyles. Thus, more than 1,200 students from five elementary schools and a secondary school were positively impacted, as well as 414 adults of an open community.

Together, enterprise, community and organizations, we created a work network with the common purpose of increasing the quality of life of the neighbors in Edison Polygon and, with this, enable, empower and generate local social capital. Through this initiative and its actions, FEMSA Comercio builds trust, certainty and hope for people who live and work in the environment they share with us.





Taking care of our people

The arrival of an OXXO store to a community may represent access to products and services which they didn't have before and, at the same time, having a store that is well-lit with camera infrastructure (inside and outside) and collaborators empowered to respond to situations which require support for the security of the environment, is contributing to the community.

As part of our commitment in taking care of our people and community, we have empowerment, training, processes and equipment which respond appropriately in case of robbery or assault. Our strategy is carried out through two areas: Patrimonial Protection and Occupational Health

In Mexico as well as in Colombia, the PAX workshop is taught to strengthen personal development and there are control centers who give support service to each of our stores, 365 days a year. Additionally, these same centers provide support to our collaborators and their families in case it is required.

In regards to Occupational Health, OXXO teaches its Workshop on Development of Emotional Skills (TDHE), focused on employees who have experienced robbery or assault, in order to address this appropriately and help them face and handle the situation.

In 2014, more than 35 thousand collaborators were trained in security matters. It is our intention to contribute and create the environment into a safe space, where our collaborators and their families can share and grow together.

Side by side for Sustainable procurement

For FEMSA Comercio it is a great satisfaction to grow with our communities. We are committed to promote wellness and build solid relationships with our suppliers; thus, we work together with each one of them so their operations and ours can be more efficient, maximizing the positive impact in society.

Through our Sustainable Procurement program we are helping to provide our partners the training they need in order to make continuous and sustainable improvements. In 2012 we started a pilot program for value chain development, in which our key suppliers for equipment participated with the purpose of identifying and implementing sustainability in their operation. Among the main actions carried out during these two years of the program are energy saving projects, materials and waste recycling projects, community relationship and support, as well as the analysis to start the certification process for their environmental management systems, among others.

In 2014, FEMSA Comercio supported the training program for USEM - Unión Social de Empresarios Mexicanos - Social Association for Mexican Businessmen - for supplier development. With this, it was possible to grant scholarships to companies interested in designing and implementing an environmentally and socially responsible management model. This program lasts eight months and will start showing results during the first semester in 2015.

As part of our commitment with the development of our community, since 2004 we have the Supplier Development Program focused on those who manufacture products with the OXXO exclusive brands, Mi Súper Bara and strategic fast food suppliers.





This program contributes to strengthen the chain of production and process improvement to boost the growth of large suppliers and Mexican MiPyMEs (small and medium size businesses), with the purpose of providing tools so they develop, implement and improve their quality management system. By strengthening this reliable and long-lasting relationship with our supplier has enabled us to offer high quality national products to our clients at an affordable price.

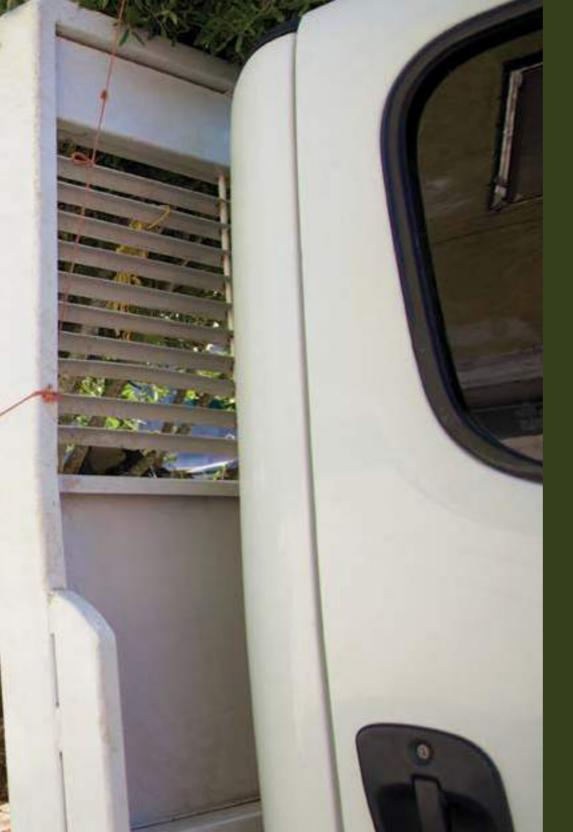
The development of MiPyMEs is a unique effort where, the methodology implemented in this process was developed in order to accompany the companies in their quality management and reflect improvements in their final products. To this end, based on the requirements established internally and by organizations, and official and government institutions, the main topics to focus on were defined.

FEMSA, partnering with the Mexican Entrepreneur Council and the Ministry of Economy, through the Mexico and Monterrey Center for Competitiveness, enabled FEMSA Comercio to implement this pilot project in Nuevo León with nine suppliers in 2012. In the last couple of years, we have strengthened this methodology, so in 2014 we achieved a significant 42% improvement in productivity in 35 suppliers who participated in Monterrey, Mexico City and Guadalajara, besides having a benefit in sales and growth.

Likewise, we have assessment criteria and auditing processes that establish the guidelines to guarantee the Quality and Food Safety programs are implemented and are carried out correctly in our strategic suppliers' plants.

Another element of the program is the Seminar for Supplier Development, launched since 2008. In 2014, 160 participants from 45 supplier companies were trained, between directors, managers and quality and plant personnel. This seminar addresses subjects related to leadership, business management, programs and methods to ensure product quality from receiving to shipping.





Our Planet

We develoop protecting the environment

Committed with our planet

Caring for our planet is everyone's obligation at FEMSA Comercio. We follow a work system and processes in detail in order to consolidate an organizational culture that builds, develops, and implements initiatives in regards to sustainable use of resources in all our business units. This strategy generates positive effects around the influence area of our continuous operations, contributing to environmental and social sustainability of the communities where we are present.

In regards to environmental care, we group our efforts in three action areas: energyefficiency,integralwastemanagement,andwaterconsumptionreduction.

Thanks to tree-planting we generate benefits

FEMSA Comercio tree-planting program has the objective, besides generating awareness regarding the importance of caring for the environment and interacting with our eco-system in a constructive way, to broaden green areas within the cities, generation of friendly environments in the communities where we operate and increasing the level of quality in the air.

To date, we have 12,849 trees in our OXXO stores and 45% of the OXXO GAS service stations add up 1,073 of them. By the end of 2014 we have a total of 13,922 trees, which represents an increase of 40% in comparison to 2013.

Planting and maintenance of these trees contributes capturing 543 Ton CO2, equivalent to emissions from 201 compact vehicles in a year (considering an emission factor of 180 grams of CO2/km and an annual traveling of 15 thousand km. Source: ecovehículos.gob.mx).

40% ADDITIONAL 12,849 TREES AT **OXXO STORES** TREES AT **OXXO GAS** 2014 13,992 **TREES**

About Femsa Comercio / Social Responsability / Our People / Our Community / Our Planet / GRI Index

Energy, a smart consumption

The Integral Program for Energy Efficiency (PIEE) in FEMSA Comercio focuses on encouraging efficient and rational energy consumption. Through methods and strategies that maintain alive a culture for responsible use of energy resources and cost optimization in all the business units in the organization, we reduced environmental

impact from our operations. PIEE includes constant improvements in operational practices, as well as equipment optimization and maintenance under specific criteria which help us in being each time more efficient in regards to energy consumption.

In order to implement PIEE, we carried out different activities: from training programs and the adoption of regulations and efficiency standards, to research and development projects to identify and implement new technologies.

As important as the results is the way in which we measure. Through PIEE we monitor performance indicators giving follow-up, assessing and optimizing our efforts.

Automated Intelligent System

We monitor and optimize electric power consumption in our operations, supported by technology through the Automated Intelligent System and Energy Control.

Implementation of this system started at OXXO stores in 2003, using sensors, alarms and controls to continuously regulate the operation of refrigeration equipment, air conditioning and lighting circuits. With these components, we control power consumption in the store and have visibility of the operating conditions of the equipment in order to maintain them in optimum conditions. By the end of 2014, the Automated Intelligent System and Energy Control operates in 78% of the 12,812 OXXO stores in México.

Thanks to efficient energy utilization, we were able to reduce in more than 17% its consumption in regards to 2009, and we increased equipment in the stores at the same time, to offer our clients a greater assortment of products and services.

The excellent results that we have achieved in OXXO during a decade with the application of the system has led us to broaden to other FEMSA Comercio operations. Since 2008 we started the implementation of the CEDIS system and we currently have this technology in 88% of our Distribution Centers.

Likewise, in 2010 we started the installation of the Automated Intelligent System and Energy Control in administrative offices and buildings. Nowadays, this is operating in 22% of them. Working in automated buildings enables us to adapt the lighting levels and air conditioning to the specific requirements at that moment taking into consideration the presence of collaborators and the operation schedules.

We will continue taking advantage and investing in new technologies which broaden the scope of the advantages of the Automated Intelligent System and Energy Control, creating more savings in more FEMSA Comercio spaces which benefit the environment.

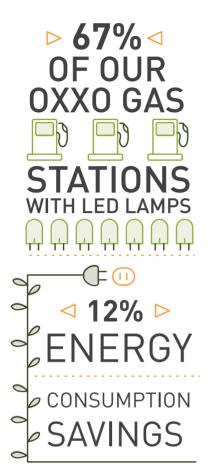
We reduced our energy demand

We join the benefits of the Automated Intelligent System and Energy Control with the installation of solar control film in windows and doors for the suitable stores based on their cardinal orientation. The use of film reduces energy consumption due to air conditioning and provides greater comfort inside the stores. By the end of 2014, there is a 38% advance in the implementation of solar control film in the OXXO stores in México with installation feasibility. This means an increase of 52% of the stores regarding 2013.









On line with our objective of making the utilization of resources more efficient, since 2011 we have a program to encourage the use of LED lamps in the OXXO GAS service stations, technology that has a lower energy consumption compared with the other type of luminaries. We have gradually increased the installation of these lamps, covering 67% of our OXXO GAS service stations. The use of this technology during the last four years has enabled us to contribute in decreasing the Greenhouse gas emissions considerably in addition to achieving 12% savings in the consumption of electric power in OXXO GAS.

The total energy savings in FEMSA Comercio during 2014 is equivalent to the energy consumption of 63 thousand halogen light bulbs operating during an entire year. On the other hand, the 19,311 tons of CO2 prevented are equivalent to CO2 captured by 495,154 trees during a year, or annual emissions sent by 7,152 sedan cars (considering an annual commute of 15 thousand km. per car).

Energy supply from renewable sources

Another one of our main line of action in reducing CO2 emissions due to energy consumption is the utilization of renewable energies. Since 2012 we have worked in enabling the infrastructure in our facilities and work centers so we can receive and take advantage of these energy sources.

We are projecting that by 2015 we will start using renewable energy coming from different wind farms in up to 80% of the total energy used in carrying out our activities.

Taking advantage of renewable sources, besides representing important savings in the cost of electric power acquisition, provides us the opportunity to support natural resources preservation and the reduction of greenhouse gas emissions.

Waste and recycling, integral management

The commitment with environmental care in FEMSA Comercio is stronger every day, with strategies in different fields. Among them, minimizing the generation of waste along our value chain, through integral management of our business units and launching of mechanisms that encourage the use of recycled and recycling materials. With high operating standards and categorical initiatives, we seek reduction, reuse and recycling of waste in our operations, generating benefits in the community and the environment.

The waste integral management process in FEMSA Comercio considers a complete diagnosis on how we operate, with the purpose of designing the most appropriate logistics, infrastructure, and model of action for waste integral management from our offices, distribution center (CEDIS) and OXXO stores.

Our work system has empathetic processes incorporated for an efficient and responsible management of waste, from its generation to its final destination.

Innovating products from packaging

Through FEMSA Comercio Internal Consumption Committee, we develop projects focused on reducing, substituting or eliminating packages and different consumable products in our operations. Thus, besides achieving an important reduction in waste generation, we obtain significant savings in the consumption of raw materials, energy, and water.

During 2014, as part of the commitment of FEMSA Comercio with the environment and preservation of the area surrounding the communities where we are present, we introduced a new plastic bag in our OXXO stores which incorporates 20% recycled material, printed in only one color. The use of this new bag, with features that cause less impact in the environment, contributes among other things, to PET recycling. The fact that our stores use this innovating bag is equivalent to annual recycling of more than 52 million PET bottles





Packaging of our products is an essential part of the value we deliver our clients. For this reason, since 2012 we have worked in the redesign of our Delixia products packaging. Substituting carton for thermoformed plastic, a material with lower environmental impact, has enabled us to save 26 tons of carton during 2014, in addition to transferring other benefits to the consumer, such as extending the original characteristics of the products.

In recent years, we also redesigned the tray for our Vikingo hot dog and the napkins in the fast food area. The project consisted of substituting the white paper for food grade Kraft paper, which does not undergo the bleaching process and optimizes the use of the dye in the logo printing. Developing inputs that are more empathetic with the environment has, as a result, the achievement of benefits both economic as well as environmental

We recycle equipment, furniture and uniforms

A strategy for efficient recycling covers the before, during and after the use of goods. With our Sustainable Divestiture Program for Equipment and Furniture, specialized enterprises that meet the current standards and authorizations provide their services to disassemble equipment and furniture which have reached the end of their useful life, sending the valuable materials to recycling and appropriately disposing of the rest of the waste.

During 2014, we recycled more than 579 tons of waste through responsible disposal of more than 24,057 equipment and furniture, avoiding sending them to landfills. In this way, there are some other additional environmental benefits obtained due to the use of the materials, since our actions generated savings of 3.1 million kilowatts in consumption and 2.6 million liters of water.

On the other hand, to date, 72% of OXXO regional offices participate in the divestment program and uniform recycling. Operated by an external supplier, this effort uses the material of obsolete uniforms to transform them into rags and other cleaning products.

Also, starting in 2014, our OXXO stores and Distribution Centers started acquiring uniforms made with materials containing 50% recycled PET, which meant recycling more than 105 thousand PET bottles during the year. Starting in 2015, 100% of the new uniforms in OXXO stores and the pants used in CEDIS, will also have 50% recycled PET.

In addition, since 2011, we have in our distribution centers a specific confinement area, separation and waste classification in charge of its integral management. During 2014, this area managed more than 10 thousand tons of waste generated by OXXO CEDIS.

During 2014, we were able to recycle 153,881 wooden pallets in our operations, and in our central acquisition warehouse we implemented a program to repair them, being able to reuse 4,919 pallets, equivalent to more than 90 tons of wood.

Additionally, in the shipping process from the central warehouse, paper consumption is being optimized through the utilization of electronic documents. The result of these actions enable us to avoid using 33,900 sheets of paper, equivalent to preserving 2.5 trees and 3 thousand liters of water.



2008



DRY URINALS
IN SOME
OXXO GAS
SERVICE
STATIONS

2014

IN 65%
OF THE STATIONS

SAVINGS FOR MORE THAN 342 THOUSAND LITERS OF WATER PER YEAR



AVERANGE SAVINGS 3.8 LITERS OF WATER PER OCCASION

When each drop counts

Our strategy in favor of the efficient use and utilization of water is focused on the implementation of technology to optimize its usage, recycling and reutilization of water, as well as generating a preservation culture for this resource with a long-term vision.

In this sense, since 2008 we started the installation of dry urinals in the OXXO GAS service station bathrooms which, not using water and working only by gravity, enable saving an average of 3.8 liters per occasion they are used. During 2014 we enlarged the installation of dry urinals to 65% of the OXXO GAS service stations, which has enabled us to achieve savings for more than 342 liters of water per year.

On the other hand, as part of the improvement plan for infrastructure, in our distribution centers we have implemented processes that enable us to increase operational performance and reduce water consumption. By the end of 2014, we have installed a system which optimizes water consumption in basket washing in 19% of our CEDIS, resulting in savings of more than 60% in this process.

Since 2014 we started with the national deployment of Condensate Irrigation System in the stores which have spaces with trees. Thus, we take advantage of the water coming from refrigeration equipment condensate to water the trees, reducing the water consumption from the supply network.



GRI Index

| GRI Code | GRI Indicator | Response |
|----------------|---|--|
| | | STRATEGY AND ANALYSIS |
| G4-1 | Statement from Key responsible for organization decision making | Message from General Director pag. 8-9 |
| | | ORGANIZATIONAL PROFILE |
| G4-3 | Name of the Organization | FEMSA Comercio S.A. de C.V. |
| G4-4 | Key brands, products and services | Our business units, pag. 14-19 |
| G4-5 | Headquarters location | Edison 1235 Norte, Colonia Talleres, Monterrey N.L. C.P. 64480 |
| G4-6 | Countries where the organization operates | Mexico and Colombia |
| G4-7 | Nature of ownership and legal form | Who are we? Pag. 12-13 |
| G4-8 | Markets served | All Mexican territory and Bogotá, Colombia |
| G4-9 | Nature of ownership and legal form | Who are we? Pag. 12-13 |
| G4-10 G4-11 | Labor deployment Percentage of employees covered by Collective Agreement | Total collaborators: 111,525 Internal 54%, External 46% Indefinite Agreement 100%, Temporary Agreement 0% Women 50.3%, Men 49.7% 18 to 34 years old 67.6%, 35 to 44 years old 19.3%, Older than 45 years old 13.1% Direction 0.02%, Management 0.4%, Employees 9.1%, Unionized 44.3% External services 0%, Internship 0.3% Salary 0% Commission agents (only OXXO) 45.9% Approximately 44% of the collaborators are covered with a collective agreement. |
| G4-12 | Description of supply chain in the | Sustainable supply, advancing together, pag 84-85 |
| G4-13 | organization Significant changes during the period covered in company structure | Message from General Director pag 8-9 Our business units pag. 14-19 |
| G4-14 | How is the precautionary principle addressed | See FEMSA Sustainability Report 2014 |
| G4-15 | Social, environmental, and economic programs and initiatives the organization has subscribed to | CDP Supply Chain |
| G4-16 | Associations and organizations in which the organization is part of or participates | ANTAD (National Association of Supermarkets and Department Stores, Mexico) CANACO (National Chamber of Commerce, Mexico) COPARMEX (The Mexican Confederation of Employers) ANADIM (National Association of Medical Distributors) CEMEFI (Mexican Center for Philanthropy) CANIRAC (Mexican Chamber of the Restaurant and Spicy Food Industry) |
| | MA | TERIAL ASPECTS AND COVERAGE |
| G4-17 | Operational Structure | ¿Quiénes somos?, pag. 12-13 |
| G4-18 | Process for Content definition | Finding new ways to do what is correct, pag 32 |
| G4-19 | Listing of material aspects | Finding new ways to do what is correct, pag 32 |
| G4-20 | Coverage limitation of aspects within the organization | Finding new ways to do what is correct, pag 32 About this report, pag. 104 |

| GRI Code | GRI Indicator | Response | | | |
|----------|---|---|--|--|--|
| G4-21 | Coverage limitation of aspects outside of the organization | Finding new ways to do what is correct, pag 32 About this report, pag. 104 | | | |
| G4-22 | Effect of any re-statement of information from prior reports | No significant change | | | |
| G4-23 | Significant changes in scope and coverage limitation of each aspect related to previous reports | No significant change | | | |
| | S | TAKEHOLDERS' PARTICIPATION | | | |
| G4-24 | Stakeholders linked to the organization | Our stakeholders, pag 34-35 | | | |
| G4-25 | Base for stakeholders selection with which we work | Our stakeholders, pag 34-35 | | | |
| G4-26 | Organization focus regarding stakeholders' participation | Our stakeholders, pag 34-35 | | | |
| G4-27 | Questions and key problems emerging from stakeholder communication | Our stakeholders, pag 34-35 | | | |
| | | REPORT PROFILE | | | |
| G4-28 | Period covered with the information in the report | 2014 | | | |
| G4-29 | Date of most recent previous report | March 2014 | | | |
| G4-30 | Reporting cycle | Annual | | | |
| G4-31 | Contact for matters related to report or its content | FEMSA Comercio S.A. de C.V. | | | |
| G4-32 | Table of contents | This table represents the GRI table of contents of our report | | | |
| G4-33 | External verification policy and practice | FEMSA Comercio does not carry out an external verification process, however our Headquarters FEMSA, does carry out this process. For more details on this practice, go to FEMSA Sustainability Report 2014. | | | |
| | | CORPORATE GOVERNANCE | | | |
| G4-34 | Corporate governance of the organization including committees of highest governance body. | We Want to do it better, pag. 28-29 See also the Investors / Corporate Governance section in our corporate web page for a description of the responsibilities of FEMSA Board of Administration. | | | |
| | | ETHICS AND INTEGRITY | | | |
| G4-56 | Values, principles, standards, and rules in the organization | We want to do it better, pag 28-29 Finding new ways to do it correct, pag 32 Mission, vision and values Pag. 48-49 See also the Investors / Corporate Governance section in our corporate web page for a description of the responsibilities of FEMSA Board of Administration | | | |

| GRI Code | GRI Indicator | Response | | | |
|----------|---|--|--------------------------|--------------------------|--------------------------|
| | | ECONOMIC INDICATORS | | | |
| G4-EC7 | Development and Impact of investments in infrastructure and types of services | Rounding off is developing pag 76-77 Positive actions among good neighbors, pag 80-81 Good Neighbor Program pag. 71-74 Nourishing the desire to grow, pag 78-79 Oxxo Ecology Award, pag 73 | | | |
| G4-EC9 | Ratio of expenses corresponding to total suppliers | Percentage of products offered by OXXO which are purchased from national enterprises: 99% | | | |
| | | INDICADORES MEDIOAMBIENTALES | 2012 | 2013 | 2014 |
| G4-EN3 | Internal Energy consumption | Total energy consumption, fossil fuels (GJ) Diesel consumption (millions of liters) Total energy consumption (GWh) | 210,943 11.0 1,319 | 249,866 10.6 1,387 | 245,742 12.9 1,495 |
| G4-EN6 | Decrease in energy consumption | Savings in electrical power (MWh) | 54,181 | 64,153 | 38,629 |
| G4-EN15 | Direct greenhouse gas emissions (scope 1) | Direct CO2 emissions (ton) Includes emissions equivalent to CO using GHG Protocol from WRI/WBCSD V1 | 5,881,521 | 5,665,825 | 6,870,404 |
| G4-EN16 | Direct greenhouse gas emissions (scope 2) | Direct CO2 emissions (ton) | 678,223 | 708,052 | 747,335 |
| G4-EN19 | Decrease in greenhouse gas emissions (scope 1 and 2) | Savings in metric tons of CO2 (ton) Includes CO2 equivalent emissions using GHG Protocol from WRI/WBCSD V1 Reduction due to efficiency in energy consumption kWh/service (Service=store, CEDIS, service station, office) | 18,867 | 34,213 | 19,311 |

| GRI Code | GRI Indicator | Response | | | | |
|----------|--|---|--------|---------|---------|--|
| G4-EN23 | Total weight of non-hazardous waste, according to treatment type and method | Recycled | | | | |
| | | Plastics (ton) | 385 | 508 | 506 | |
| | | Paper / cardboard (ton) | 5,178 | 9,814 | 8,209 | |
| | | Metals (ton) | 19 | 93 | 86 | |
| | | Wood (ton) | - | 220 | 267 | |
| | | Organic waste (ton) | - | 760 | 577 | |
| | | Other materials (ton) | 61 | 112 | 413 | |
| | | Wood pallets (pieces) | 54,265 | 112,656 | 153,881 | |
| | | Equipment sent to responsible disposal | - | 1,600 | 24,057 | |
| | | SOCIAL INDICATORS | | | | |
| G4-LA1 | Employee hiring and average turnover | Total number of new hirings | | | 114,796 | |
| | | Men | | | 58,161 | |
| | | Women | | | 56,635 | |
| | | 18 to 34 years old | | | 90,671 | |
| | | 35 to 44 years old | | | 14,842 | |
| | | Above 45 years old | | | 9,283 | |
| | | Hiring rate (%) | | | 102.9% | |
| | | Men | | | 104.9% | |
| | | Women | | | 100.9% | |
| | | 18 to 34 years old | | | 120.2% | |
| | | 35 to 44 years old | | | 68.9% | |
| | | Above 45 years old | | | 63.7% | |
| | | Collaborators who abandoned the organization voluntarily or due to dismissal, retirement or death | | | 13,439 | |
| | | Men | | | 7,284 | |
| | | Women | | | 6,155 | |
| | | Employee average turnover | | | 34.1% | |
| | | Men | | | 35.5% | |
| | | Women | | | 32.6% | |

| GRI Code | GRI Indicator | Response | |
|----------|---|---|--------|
| G4-LA3 | Reincorporation to work after maternity or paternity leave | Employees with permission | 189 |
| | | Men | 104 |
| | | Women | 85 |
| | | Employees who return to work after permission | 189 |
| | | Men | 104 |
| | | Women | 85 |
| | | Reincorporation index | 100% |
| G4-LA5 | Health and Safety Committees | Collaborators with representation in safety and health committees (%) | 73% |
| G4-LA6 | Injuries, professional illnesses, lost days, absenteeism related to work | Employee disabling accidents | 1,975 |
| | | Disabling accident frequency rate (by 100 employees) | 4.38 |
| | | General disease rate (by 100 employees) | 22.46 |
| | | Index of days lost due to accident (by 100 employees) | 47.90 |
| | | Index of days lost due to general disease (by 100 employees) | 201.90 |
| | | Average of annual hours, total employees | 15 |
| | | Directors | 69 |
| | | Managers | 27 |
| | | Employees | 11 |
| | | Unionized | 23 |
| | | Internship | 1 |
| | | Third parties | 27 |
| | | Store Leaders (only OXXO) | 10 |
| | | Commission agents (only OXXO) | 13 |

| GRI Code | GRI Indicato | Response | |
|----------|--|---|-------|
| G4-LA1 | Collaborators whose professional | Managers | 77% |
| | performance is assessed | Employees | 76% |
| | | Collaborators who participate in TOPS meetings in 2014 | 90% |
| G4-LA1 | Collaborators by professional category, gender, age group, minority group and other diversity indicators. | Indefinite agreement | 100% |
| | | Temporary agreement0 | % |
| | | Women | 49.7% |
| | | Men5 | 0.3% |
| | | 18 to 34 years old | 67.6% |
| | | 35 to 44 years old | 19.3% |
| | | Above 45 years old | 13.1% |
| | | Integrated Collaborators (Labor Inclusion Program) | 496 |
| | | People with Disability | 99 |
| | | Elderly | 397 |
| G4-SO1 | Community Development ProgramsO | perations where development programs have been implemented, impact assessment and participation of the local community (%) | 100% |
| G4-PR2 | Incidents due to regulation non- compliance or voluntary codes regarding product impact and health and safety services during its life cycle. | There were no incidents registered derived from non-compliance of regulations or codes related to supply and use of our products and services | |
| G4-PR7 | Incumplimiento de las normativas y los códigos voluntarios relativos a las comunicaciones de mercadotecnia | There were no cases for non-compliance of regulations or codes related to our marketing communication | |
| G4-PR9 | Multas y sanciones en relación con el suministro y el uso de productos y servicios | We have not identified any non-compliance of regulations and legislation related to supply and usage of our products and services. | |

About this report

For the fourth consecutive year we publish our Social Accountability Report from FEMSA Comercio, including programs, actions and results for 2014 from our different business units. The information submitted in this annual report covers businesses where we have operational responsibility which has been acquired in a period greater than one year.

During the making of this report we have followed the guidelines of the Global Reporting Initiative (GRI) G4 version for the first time, under the essential option in conformity with the guide. For more information in regards to GRI you may review their web page: www.globalreporting.org

In the document we emphasize on reporting the topics identified with high priority during the materiality analysis carried out by FEMSA in 2012 and in which we actively participate.

The creation process of the report was led by the Social Accountability area at FEMSA Comercio. The information for its construction comes from our internal management systems, data bases and performance questionnaires. Through interviews with the key area representatives for the implementation of company strategy, the key achievements were identified in regards to social responsibility and environmental performance during 2014. In some cases, the results of previous years have also been included in order to show the evolution of the key indicators linked to sustainable management of the business and strengthening of some of our programs.

The commitment at FEMSA Comercio is to improve and grow with the community. We seek this report to be, year after year, a sound communication tool with our stakeholders, prioritizing their concerns and expectations in order to maintain the productive relationships which are our characteristic.

As a supplement to the current report, additional information of the programs in the social responsibility may be found on our web site: www.oxxo.com/responsabilidad-social

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Awards and recognitions

Socially Responsible Enterprise (ESR)

The Mexican Center for Philanthropy (CEMEFI), ratified for the 10 th consecutive year OXXO's commitment at a national level because of the simultaneous generation of economic, social and environmental value.

Recognition for Best Practices for Business Social Accountability

The Edison Polygon Trust was the winner of the recognition to the best practices in the category of community outreach granted by the Mexican Center for Philanthropy (CEMEFI).

Inclusive Enterprise "Gilberto Rincón Gallardo"

The Ministry of Labor and Social Welfare granted this recognition to 143 OXXO stores for having the best practices and processes in labor inclusion for vulnerable groups. The outstanding stores are in the cities of Hermosillo, León, Los Mochis, Mérida, Mexicali, Monclova, Monterrey (Centro, Norte, Oriente and Sur), Puebla, Saltillo and Villahermosa.





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FSC®: (Forest Stewardship Council®) Organización que tiene el objetivo de promover el buen uso de los recursos forestales, mediante prácticas de responsabilidad con el ambiente, socialmente aceptables, económicamente viables, avaladas por procesos creíbles de certificación.



RA: (Rainforest Alliance) Trabaja para conservar la biodiversidad y asegurar medios de vida sostenibles mediante la transformación de las prácticas de uso del suelo, las prácticas empresariales y el comportamiento del consumidor.



SFI: (Sustainable Foresty Iniciative) Organización internacional que tiene un programa de certificación basado en el manejo sustentable de los bosques, la protección de la biodiversidad, calidad del agua y el hábitat de la vida silvestre.



ECF: (Elemental Chlorine Free) En el proceso del blanqueo de la pulpa se utiliza dióxido de cloro evitando la formación de compuestos contaminantes y altamente nocivos para los seres vivos (dioxinas).













