



SOCIAL  
RESPONSIBILITY  
REPORT

**FEMSA**  
COMERCIO

THE BEST  
TEAM

SOCIAL  
RESPONSIBILITY  
REPORT

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COMERCIO

THE BEST  
TEAM



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Download our 2015 Social Responsibility Report from the following website:  
[www.oxxo.com/responsabilidad-social](http://www.oxxo.com/responsabilidad-social).



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## DEAR FRIENDS:

More than 139,000 women and men currently make up FEMSA Comercio. This great team is the result of the integration of new business units and of the growth toward new markets and geographies in Mexico, Colombia, and more recently, Chile. We form a system whose development requires our participation, reflected in discipline at work, clear processes and functions, learning as a team, and coordination—all with a sense of empathy and fraternity. It also requires that we care for the autonomy and identity of our new employees as they integrate into the company, which implies adopting our culture and values.

In spite of our growth, our core commitment has not changed. Ever since the first OXXO store opened its doors in 1978, we have been thorough in our mission to create economic, social, and environmental value by means of our companies. With our operation, service, commercial proposition, and community initiatives, we set in motion good neighbor practices that benefit thousands of families.

Our people continue to be the strategic pillar behind our company. We are a people-and-values-centered company that offers more than just jobs. We promote respect for people, inclusion, trust, and collaboration. We also offer opportunities for training and development while building a solid organizational culture that offers feedback and enables our employees to reach excellence in fulfilling their responsibilities.

In 2015, we invested more than 4.5 million training hours in our people, providing them with the knowledge, competencies, and values they need to perform their jobs with the highest quality.

FEMSA University has 121,428 registered active users, who improve their capabilities on a daily basis and, consequently, strengthen our business. Additionally, we offer the FEMSA Comercio Institute, which has been duly certified by the corresponding authorities and where 314 of our employees are working toward getting their professional degree, and where another 218 are teachers. Furthermore, during the year we redesigned the training received by the people who head our OXXO stores, in an attempt to strengthen their sense of belonging and motivate them to gain access to jobs with greater responsibilities.

Comprehensive development is a commitment we took on as a company when we were first created. It is vital for our employees and their families to transcend—to have a dignified job, achieve an adequate balance between work and family, and participate in the communities where they live in an active and supportive way.

Our commitment also means that we contribute to transform our communities into better places to live. We strengthen our relationships with our neighbors, authorities, civil society organizations, and with our own families through several initiatives. In 2015, we invested \$26.5 million MXN (USD \$1.5 million) in 291 community activities and in the Polígono Edison. In addition, we carried out 447 volunteer activities, providing talent and resources. With these actions, and many others, we generate social value, focusing on the encouragement of environmental stewardship and sports, as well as rehabilitating public spaces that promote a sense of community, interaction, and social inclusion.

The Customer Rounding-Up Program is implemented at all of the OXXO stores in Mexico, as well as in the Mi Súper Bara, Farmacias Moderna, YZA, and FarmaCon establishments. Year after year, with the support of our customers and the willingness of our employees at the checkout line, we are able to change many lives. In 2015, we invested \$6.5 million MXN (USD \$378,000) in the operation of the program, and we benefited 268 institutions through the \$100.8 million MXN (USD \$5.9 million) donated by our customers, all of whom contributed to improve the life quality in the country. We also started working in collaboration with civil society organizations in order to share with them a methodology for diagnosing institutional development, helping them identify areas where improvements are needed and to deal in a more professional manner with transparency issues in order to foster social trust.

We are strong believers that including and developing local suppliers is a sustainable practice. Our achievements also translate into benefits for them, which is why we have initiatives that contribute to their own growth. For example, within the OXXO operations, over the past two years, 242 suppliers that began by supplying us locally are now part of our national supplier base, achieving greater market presence for their products and an increase in their invoicing.

Creating social value also implies reinventing our own value proposal to satisfy the needs of our customers. We have the most complete financial services offering in our industry, contributing solutions that optimize time. Opening a new OXXO store is synonymous with greater comfort for many of our customers; for others it even means having first-time access to services that previously had not been available in their locality.

Currently, at our OXXO stores we serve as correspondent banks for seven institutions in Mexico, and we offer services such as cash withdrawals at checkout, national transfers, automatic tellers, and bus ticket purchasing, among other services. We have also expanded financial inclusion in the country through our Saldazo debit card, which at year-end 2015 had more than 3.5 million users.

As part of our commitment to the environment, we have continued to plant trees at our office buildings, stores, and service stations. Also, starting in 2015, 100% of our OXXO store uniforms and the pants used by our employees at our Distribution Centers are made with fabrics containing 50% recycled PET. And through an external supplier, we reuse and transform more than 26,000 obsolete uniforms.

Additionally, we continue to implement the Intelligent Automation and Energy Control System, now reaching more than 11,000 OXXO stores. By using technology in our favor, we were able to reduce the consumption of electric power by more than 19% with respect to the 2009 baseline, and at the same time, we have increased the amount of equipment in our stores in order to offer our customers a greater variety of products and services.

In addition to this, in 2015 we finished the infrastructure upgrade phase at our facilities and work centers in Mexico in order to use renewable sources of energy, and consequently, we are planning to start using wind energy in 2016.

As FEMSA Comercio continues on its ambitious growth path, our main goal consists in preserving the identity that has characterized us since we were founded: to have the growth of our people at the center of our development efforts. To accomplish this goal, we hold dear now more than ever before to the values that don Eugenio Garza Sada preached during his lifetime through his own example: respect, honesty, commitment, coherence, will, bravery, empathy, solidarity, and participation.

We invite you to read our fifth Social Responsibility Report, where you will find our commitment with doing things better and the results of the work we did during the year, stemming from the tenacity of all our people and the stakeholders who accompany us in our projects.

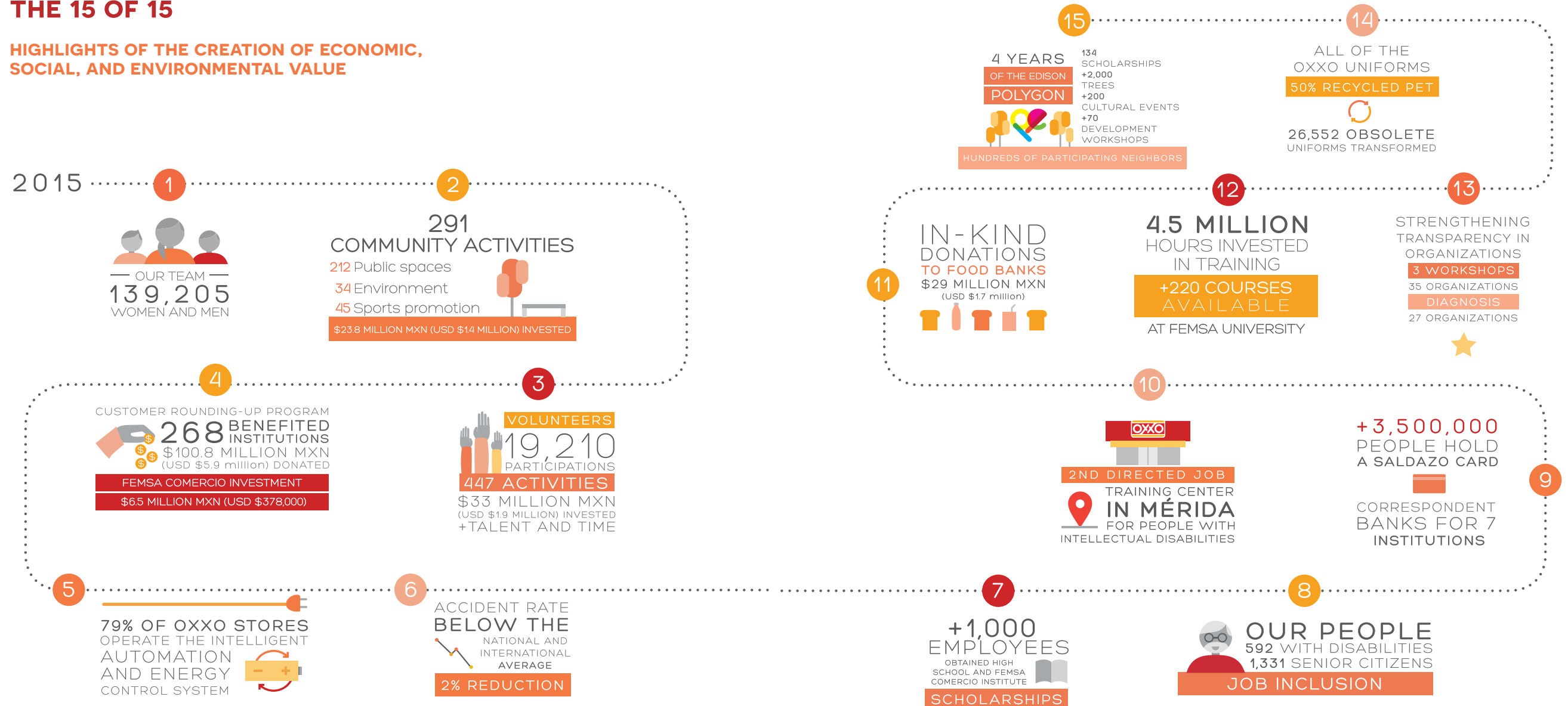


Eduardo Padilla Silva  
Chief Executive Officer  
FEMSA Comercio



# THE 15 OF 15

## HIGHLIGHTS OF THE CREATION OF ECONOMIC, SOCIAL, AND ENVIRONMENTAL VALUE





# ABOUT FEMSA COMERCIO

In constant growth to serve our communities better

# CREATING SOCIAL VALUE IN NEW MARKETS AND GEOGRAPHIES

FEMSA Comercio is a Mexican company that has forged its history based on a culture of humanistic work and values ingrained since our very origins. It is one of the business units that make up FEMSA, a company founded in Monterrey, Mexico, with a 125-year tradition of generating economic, social, and environmental value.

FEMSA Comercio started operating in 1978, when the first OXXO store was opened in Monterrey. Today it is the largest chain of retail stores in Latin America and the one with the highest growth.

We are part of the lifestyle of millions of people because we focus on offering a wide range of products and services they find useful and practical. We satisfy the everyday needs of more than 10.8 million customers daily in a friendly, fast, practical, and reliable way, creating added value for our consumers, neighbors, suppliers, and employees.

Over the past decade, we have diversified our operations through the acquisition of several business units that are leaders in their own field. This has allowed us to grow toward new markets and geographies in Mexico, Colombia, and more recently, Chile. Our work team includes 139,205 employees in these countries.

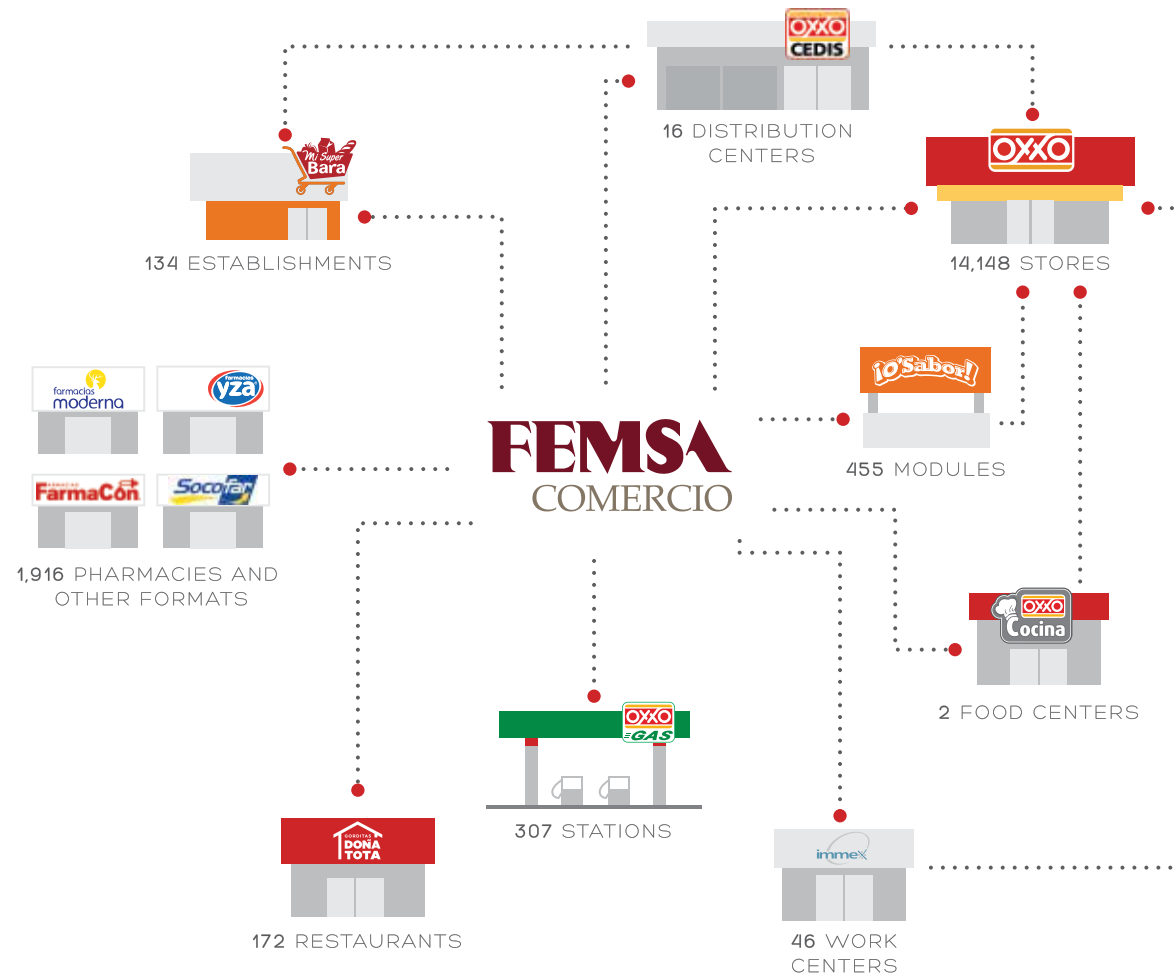
As the company expands, we take measures to adapt the new business units to FEMSA Comercio's culture and values. It is a process through which we all learn and, while our business units and employees adopt the company's culture and values, we also protect their autonomy and their own identities.

In addition, FEMSA is a leading company in the beverage industry through Coca-Cola FEMSA, the largest public bottler of Coca-Cola brand beverages in the world, and as the second-largest shareholder at Heineken, one of the leading brewers globally, with a presence in more than 70 countries. The company has the support of the Strategic Business Division, which includes FEMSA Logística, Imbera, and PTM. In 2015, its business units served more than 350 million people in 11 countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Mexico, Nicaragua, Panama, the Philippines, and Venezuela.





# OUR BUSINESS UNITS



FEMSA Comercio operates several small-format store chains, including retail stores, gas stations, discount stores, pharmacies, and fast-food restaurants. Operating these establishments relies on the efficiency of a network of distribution, production, and service centers that make our points of sale successful and competitive.

## OXXO



More than 35 years after it started operating, OXXO is known today as the largest, most profitable, and fastest-growing chain of retail stores in Latin America. It has 14,148 establishments, 46 of them in Bogotá, Colombia, and the rest located throughout Mexico. OXXO's value proposal is to satisfy the everyday needs of our customers by staying close to them at all times and being a good neighbor.

The retail concept offers a series of convenient aspects: high-quality assistance and service, closeness and reliability, efficiency in service, long store hours, a variety of products and services, comfort, a staff that is willing to help, and competitive prices. Furthermore, OXXO groups 23 exclusive quality brands including Andatti, Delixia, Bitz, and Del Marqués, among others. It also offers innovative services, including correspondent banking, receiving remittances, selling bus tickets, recharging public transportation cards, and selling air time for mobile phones, among many others.

## OXXO CEDIS



A network of 16 distribution centers and 13 transfer points strategically located throughout Mexico. This logistics platform ensures the timely, effective, flexible, and efficient delivery of our products to the point-of-sale and strengthens the value proposal of other business units in the locations where they operate, establishing a collaborative relationship with customers, suppliers, and service providers.



### OXXO GAS

The largest gas station group in Mexico. Known for generating added value by focusing on honesty, speed, and assistance, and for offering an efficient and high-quality service to our customers. We serve more than 298,000 customers and companies a day—all of whom value and put their trust on us—through a network of 307 service stations in the states of Nuevo León, Coahuila, Tamaulipas, Aguascalientes, Guanajuato, Michoacán, San Luis Potosí, Jalisco, and Quintana Roo.



### OXXO Cocina

Food-processing centers that contribute to the fast-food offering at our OXXO stores, concentrating on our own Delixia-branded products. OXXO Cocina has two food centers, located in the states of Baja California and Quintana Roo, each producing 520,000 units a month. These units are delivered to 2,500 stores either directly or by using our distribution centers and FEMSA Logística, offering variety, innovation, and quality to our consumers.



### Pharmacies

Our participation in the pharmacy market started in 2012, when we acquired Farmacias YZA, a chain of pharmacies with more than 562 establishments in Mexico, where medications, toiletries, and general merchandise are marketed. In 2013, we expanded our share in this market with Farmacias Moderna, which offers solutions and personal wellness advice in its 149 branches. In 2015, we purchased Farmacias FarmaCon, a chain that operates 222 pharmacies in Mexico, and we further increased our share by acquiring Socofar, the leading chain in Chile, operating more than 643 pharmacies and 154 beauty shops in that country as well as 150 pharmacies in Colombia.



### ¡O'Sabor!

Hot-meal concept that complements our value proposal inside the OXXO stores, with high-quality fresh products. Known for its made-to-order tacos and sandwiches, the variety of our food products reflects the tastes and consumption habits of each of the regions where we operate. ¡O'Sabor! includes more than 455 modules distributed in 12 states in Mexico.



### IMMEX

Business start-up platform that helps us operate in a fast, flexible, and profitable manner, generating economic value and benefits for FEMSA Comercio. It currently has 46 work centers located in every state in Mexico. IMMEX includes four lines of business: Intervali, Retail Development, Activacel, and Electronic Business.



### Gorditas Doña Tota

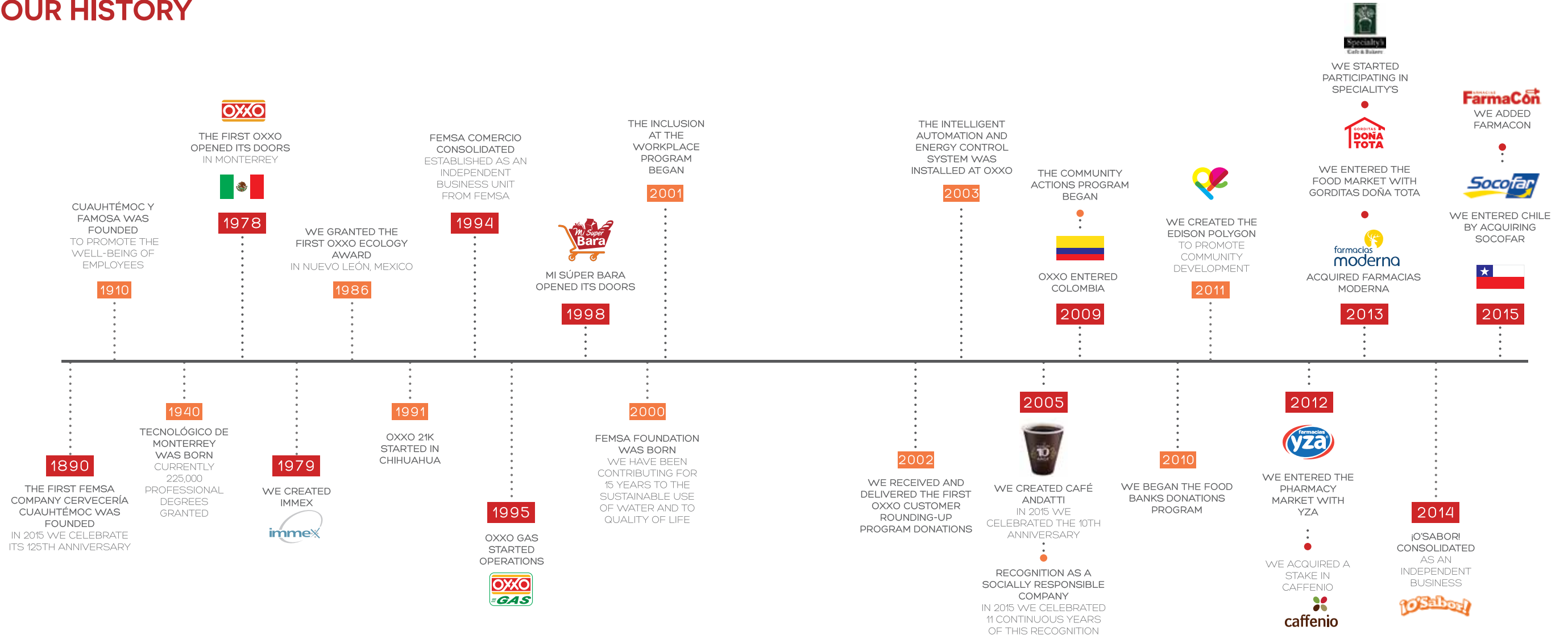
Chain of restaurants that is the leader in traditional Mexican cuisine for the fast-food sector. It satisfies our customers' cravings with an excellent product and by offering its service at points of sale that are conveniently located to serve our consumers. There are currently 172 Gorditas Doña Tota restaurants in Mexico.



### Mi Súper Bara

Discount stores that offer a great variety of products and exclusive brands at affordable prices. It currently operates 134 establishments in the states of Aguascalientes, Guanajuato, and Jalisco.

# OUR HISTORY



- COMMERCIAL
- SOCIAL RESPONSIBILITY

## SOCIAL VALUE ALSO MEANS INNOVATING

We continually reinvent our value proposition. At OXXO, we are on the path to innovation in order to satisfy the needs of our customers by offering them solutions that help them optimize the use of their time.

The goal we have set for ourselves is to have the most complete offering of financial services in our industry. Currently:

- We are correspondent banks for seven banking institutions.
- One out of every 16 ATM in Mexico is located inside an OXXO store.
- We offer domestic money transfers, with one of the lowest fees.
- More than 3.5 million people have and use the Saldazo debit card.
- In 2015, we began to collaborate with Bancomer, setting up each store so that the bank's cardholders can carry out cash withdrawals.
- In 2015, we began a commercial trial offering Amazon Mexico customers the option to pick up their packages in 10 OXXO stores in Mexico City.

With these services we follow through on our promise to be a good neighbor. Opening a new OXXO store means greater comfort for our customers, who find a friendly and nearby place where they can shop, pay their utilities, and carry out financial transactions. For some communities, the arrival of a new store also means having first-time access to banking services that previously were not available at these places.

We are also one of the main locations for receiving different types of payments in the country. Through our network of 14,102 OXXO stores in Mexico, we enable more than 900 organizations to use a local, regional, or national payment platform, which considerably expands their market and makes them more competitive. We process close to 76 million receipts annually for small-, medium-, and large-sized companies, as well as government institutions.

Furthermore, during 2015 we handled the purchase of more than 750,000 bus tickets from 17 transportation lines, covering the whole process from selecting a route, scheduling, seat assignments, and paying for the service. Similarly, OXXO has established 12 agreements for electronic prepaid urban transportation, thus supporting the industry's development and modernization in the country. During 2015, we granted these users more than 77 million recharges, with no commission charges to them.

### Contributing to financial inclusion

In order to expand financial inclusion and to make innovative options for banking services more readily available, in 2014 we successfully introduced Saldazo, a debit card linked to a savings account, opening the doors of the formal financial system to millions of people who, for many reasons, previously had no way to access these services.

The Saldazo debit card resulted from our joint venture with Visa and Banamex, which by combining our efforts and innovation, helped us to better understand the challenges being faced by people who are not yet part of the banking system and to design a unique service that makes it easier for a great number of people to gain access to financial services. In Mexico, only 35% of the adult population has some sort of savings product granted by a formal financial institution.

The Saldazo card can be obtained at any of our OXXO stores for 30 pesos and by fulfilling a few simple requirements. The advantages offered include the ease to make deposits and cash withdrawals at any of our 14,102 stores in Mexico, the comfort of using cash less often when making purchases at these stores and at other Visa-affiliated establishments, and the opportunity to participate in exclusive promotions.

This card also offers the possibility of making deposits to other cardholders, for easier domestic money transfers. For people who already have a banking account, Saldazo allows them to open a simple and secure secondary account that can be used to cover minor expenses and to gain access to OXXO promotions.

In 2015, the Saldazo card created new options by offering more services. For example, users are now able to make their purchases at Amazon Mexico, including books, toys, electronic devices, and millions of other products, in a faster and simpler way.

Saldazo has been very well received by our customers since it was first launched, and more than 3.5 million people now hold one. The challenge for the future consists of bringing Saldazo—and its potential as an instrument that adds economic and social value—to a greater number of people in the communities where OXXO operates.





## WE DO BUSINESS RESPONSIBLY

At FEMSA Comercio, we only conceive the creation of economic value if it is accompanied by the creation of social and environmental value. Our interest in contributing to the positive transformation of the communities led us, in 2012, to participate in the design of the FEMSA Strategic Sustainability Framework, the foundation upon which our business units define clear goals and measure progress and compliance with the goals in terms of these issues.

As part of the design of the FEMSA Strategic Sustainability Framework and in order to define the issues we needed to focus on, we held interviews with executives within the organization and reviewed the internal processes and documents that contain relevant elements related to our history and social responsibility measures concerning operating, social, and environmental issues.

We included the external point of view by holding dialogue sessions with the stakeholders of FEMSA and its business units for more than four years. We explored opinions with respect to relevant issues that needed to be included in our strategic framework, and we incorporated into the study the results of a benchmark assessment that identified the best practices of leading companies in this matter.

As a result of this exercise, the FEMSA Strategic Sustainability Framework includes and organizes focus topics, programs, and initiatives in terms of the company's social responsibility, under three pillars, each with three action areas.

Within the pages of this Social Responsibility Report we discuss the results of our activities, centering on four issues that were identified as a priority for FEMSA Comercio—meaning they are of high materiality for us—and that set the tone for us to become agents of change, generate greater value for our stakeholders, and develop competitive advantages. These four fields include: culture and values, community development, energy, and waste and recycling. Two additional issues are relevant at this moment for our organization, which is the reason why they are included in this report: training and development for our employees, and developing a sustainable supply chain.





# OUR ETHICS AND VALUES

Our strategic pillars



## THE CUAUHTÉMOC IDEOLOGY

Today more than ever, it is vital that the will and participation of each person contributes to create a better society. It is now that Mexico needs values such as those that don Eugenio Garza Sada preached during his lifetime through his own example, defending them until his death: respect, honesty, commitment, coherence, will, bravery, empathy, solidarity, and participation.

Although the actions of don Eugenio Garza Sada transcended by generating value for society through the creation of companies and institutions such as FEMSA and the Tecnológico de Monterrey, his greatest legacy, which has extended his memory over time, comes from his philosophy and principles.

Let us live these values individually, let us make them transcend by sharing them with our loved ones so that together we are able to build the Mexico we all want.

- I. Recognize the merit of others
- II. Control your temperament
- III. Never mock others
- IV. Be polite
- V. Be tolerant
- VI. Be punctual
- VII. If you are vain, hide it
- VIII. Do not alter the truth
- IX. Let others express themselves
- X. Express yourself briefly
- XI. Refine your vocabulary
- XII. Make sure you enjoy your job
- XIII. Recognize the enormous value of manual laborer
- XIV. Think about interests of the business more than your own
- XV. Analysis before inspiration and intuition
- XVI. Dedication to work
- XVII. Be modest

### Actions with value

The Cuauhtémoc Ideology is a group of principles and personal concepts written under his supervision. Don Eugenio Garza Sada made sure that every one of his partners and employees got to know and practice them.

These principles are the essence of the values that today are a key component of the FEMSA culture.

## OUR COMMITMENT

Our mission, vision, and values are the strategic pillars behind FEMSA Comercio's Social System. The success and transcendence of our activities stem from the fact that the work of our people and the operation of the company are based on them.

### Mission

Satisfy the everyday needs of our customers in a polite, fast, practical, and reliable manner; create economic and human value in society (consumers, employees, suppliers, and shareholders); develop retail store networks that can be replicated, in small formats, to support our beverage businesses.

### Vision

Continue being the chain with the largest number of establishments in Latin America.

### Central values

Integrity, respect for people, simplicity, teamwork, and temperance are our central values. These values will always come before economic benefit; they are a group of permanent beliefs and behaviors in our organization that ensure a favorable relationship for the company's best performance and the fulfillment of our people.

### Business values

A passion for service, renovation, vocation for the trade, and leadership are our business values. These values are qualities that each of FEMSA Comercio's employees needs to develop and have in order to be able to comply with our mission, vision, and business goals. The higher up in the organization, the greater the demand to comply with these values.



## CORPORATE GOVERNANCE

The clarity, reliability, and transparency of our corporate governance processes and policies provide us with a framework for creating value and operating and managing the company correctly, both of which are key to ensure our sustainability in the long term.

By being part of FEMSA, we comply with the norms and regulations applicable to companies listed in the Mexican Stock Exchange (BMV) and the New York Stock Exchange (NYSE). We also comply with the corporate governance standards established in the applicable dispositions of the Mexican Stock Exchange Law, the Code for Best Corporate Practices (sponsored by the Mexican Business Coordination Council), and the Sarbanes-Oxley Act for foreign companies. Additionally, FEMSA is included in the Sustainable Index of the Mexican Stock Exchange and in the Dow Jones Sustainability Index and is a signatory of the United Nations Global Compact since 2005.

FEMSA Comercio's corporate practices are subject to the highest ethics and conduct principles. Besides adhering to our mission, vision, and values, we develop our operations under reliability and transparency frameworks. The Business Code of Ethics and Corporate Policies Manual, the Risk Management Manual, and the Internal Control Manual are all the documents that set the pace for the ethical behavior expected from our employees at all our business units.

To monitor violations of these institutional policies, we have a Whistleblower System in place that is operated by an external company and supervised by the Audit Committee of the Board of Directors. This system includes a hotline and a website that is available in different languages and is accessible to all employees and stakeholders. The reports refer to situations related to labor or sexual harassment, discrimination, human rights violations, theft, corruption, negative impacts on the community and the environment, among others. Procedures for managing reports and promoting ethics are communicated through induction programs and internal communications campaigns.

-  [View our Code of Ethics at the FEMSA website.](#)
-  [More information on our Whistleblower System on the FEMSA website.](#)

### Structure of the FEMSA Board of Directors

The trust that shareholders, employees, customers, and other stakeholders put in FEMSA Comercio is backed by a series of structures, processes, and government and oversight bodies that are made up of executives of high professional and moral quality who lead the responsible management of our business.

The FEMSA Board of Directors heads the group's corporate governance system and also approves the designation and nomination of the Chief Executive Officer. José Antonio Fernández Carbajal is Executive Chairman of the Board of Directors of FEMSA, and Carlos Salazar Lomelín serves as the company's CEO. The post of CEO of FEMSA Comercio during 2015 was held by Eduardo Padilla Silva, and starting in 2016, it will be held by Daniel Alberto Rodríguez Cofré.

The FEMSA Board of Directors has 18 proprietary members (14 men and 4 women) and 17 alternate members. In accordance with the independence criteria established by the Mexican Stock Exchange Law, 38.8% of the proprietary members are independent. The Board meets every quarter and holds additional meetings when needed. Directors are elected by the General Shareholders' Meeting, and they hold their post for one year. They can be reelected upon approval by the General Shareholders' Meeting.

The Board includes three committees that support it in performing its duties:

- Audit Committee: reviews the accuracy and integrity of the financial information; names, hires, and monitors the company's external auditor; identifies and monitors legal contingencies and procedures.
- Planning and Finances Committee: evaluates investment and financial policies proposed by the CEO, as well as management policies and risk factors that the company is exposed to.
- Corporate Practices Committee: prevents or reduces operational risks that could affect the company's value; approves policies for using the company's assets or transactions with related parties; evaluates performance and approves compensation for directors and key executives.





## COMMUNICATING WITH OUR STAKEHOLDERS

Because we know we need to work as a team in order to generate economic, social, and environmental value, we maintain a permanent dialogue, continuously working with our stakeholders, including academia, customers and consumers, employees and their families, communities, government, communications media, suppliers of products and services, civil society organizations, and business organisms, among others.

Over the past four years, in collaboration with FEMSA, we have held dialogue sessions with stakeholders and external sustainability experts as well as employees from our business units. During these meetings, we listen to opinions about the issues that we consider most relevant to our future.

At all our business units we have the collaboration of the people responsible for assisting our stakeholders, ensuring that we listen to their concerns, opinions, and suggestions and take them into consideration, implementing actions to strengthen our relationship by improving our processes, products, and services. In addition, at each of our work centers and in the service offices, we have a social responsibility committee in charge of executing the corresponding initiatives and programs in this field.

Our customers have different communication mechanisms available to them that contribute to us being able to constantly improve the services we offer. OXXO Escucha is a channel open for customers and the community in general through which we receive feedback on areas where we need to improve on the service offered at our stores. In 2015, we received and addressed 108,513 requests, suggestions, and complaints from our customers, all of which were settled in an average of 4.9 days. We also have a system in place that handles requests from OXXO GAS customers, which in 2015 received 101,025 calls that were allocated for adequate handling. Doña Tota also offers a service for handling comments from its own customers, through which 72 calls were processed during the year.

The channels available to customers and stakeholders are:

Websites: [www.oxxo.com](http://www.oxxo.com) | [www.oxxogas.com](http://www.oxxogas.com) | [www.donatota.com](http://www.donatota.com)

e-mail: [atencionaclientes@oxxo.com](mailto:atencionaclientes@oxxo.com)

Facebook: [www.facebook.com/oxxotiendas](https://www.facebook.com/oxxotiendas) | [/oxxogas](https://www.facebook.com/oxxogas) | [/GDonaTota](https://www.facebook.com/GDonaTota)

Twitter: [www.twitter.com/tiendas\\_oxxo](https://www.twitter.com/tiendas_oxxo) | [@oxxo\\_escucha](https://www.twitter.com/@oxxo_escucha) | [@oxxogas](https://www.twitter.com/@oxxogas) | [@GDonaTota](https://www.twitter.com/@GDonaTota)

Phone numbers: 01 800 ATN OXXO | 01 800 ATN BARA | 01 800 OXXO GAS

## WE PROMOTE A CULTURE OF LAWFULNESS

At FEMSA Comercio, employees experience the company values and take them on as their own through daily and behavioral practices that are the foundation of our work culture, which is, without a doubt, a differentiator and a competitive advantage in our business.

Beyond complying with each of the applicable regulatory aspects, we deployed a robust strategy to permeate the culture of lawfulness among our employees at the work centers and service offices. The strategy includes induction modules, courses, and communication campaigns.

Under this philosophy, we invite our employees and stakeholders to carry out all their activities within the framework of the law, to reject all acts of corruption and inadequate practices, to avoid bad machinations by customers and suppliers, and in general, to not engage in behaviors that go against our policies and values or against the legislation of the countries where we operate.

As members of the community, we have the responsibility of caring for one another, and as a company, we do that by emphasizing compliance with industry regulations. We promote a culture of responsible sales, and we practice it by respecting FEMSA Comercio's Policy for Selling Alcoholic Beverages. All our stores that sell alcoholic beverages and cigarettes must have a valid license or permit and respect permitted selling hours and the minimum age requirements for consumption. Furthermore, all our stores have visible signage at the access and inside. Store employees and leaders receive continuous training and have permanent access to tools to consult our policies on this issue. To complement our efforts, we align to the standards and programs implemented by our industry nationally and we maintain close communication with the authorities.

In order to better face the challenges of society, we need to promote a culture of lawfulness that fosters awareness in citizens of the value and impact of their actions. At FEMSA Comercio, we collaborate with the Hagámoslo Bien initiative, which is led by the Mexican Confederation of Employers (Coparmex) in partnership with more than 180 organisms, including companies, communications media, academic institutions, governments, and authorities. The initiative aims to join efforts and motivate actions to communicate the benefits of living and supporting a culture of lawfulness. Since it was launched in 2013, the program has certified more than 650 promoters and offered courses on the culture of lawfulness to 7,000 people in different cities in Mexico.



## OUR PEOPLE

Our main sustainable competitive advantage



## WE ARE A PEOPLE-CENTERED COMPANY

Our core commitment as a company is to our people. Ever since the first OXXO store was opened, in 1978, our commitment has remained the same: to promote talent, personal and professional growth in every employee.

We go beyond just offering jobs: We focus on promoting vast opportunities for training, and we build a solid organizational culture that offers feedback and prepares our employees to accomplish excellence in the fulfillment of their responsibilities.

This work environment encourages well-being, strengthens the career path of our employees, and at the same time, allows us to be prepared to face the accelerated change of a globalized world and to seize the opportunity to grow in new markets and geographies.

The solid foundation we have built has helped us become one of the largest employers in Mexico. During 2015, we hired 27,680 new employees. The arrival of this new talent motivates us to continue building a diverse and inclusive work environment for the 139,205 employees who make up FEMSA Comercio in Mexico, Colombia, and Chile.

## COMPREHENSIVE DEVELOPMENT COMMITMENT TO OUR EMPLOYEES

The comprehensive development of our people is a commitment we took on as a company when we were founded. Our goal is for our employees and their families to transcend—to have a dignified job, achieve a balance between work and family, and participate in an active and supportive manner in the communities in which they live.

We focus our efforts and resources on promoting the well-being of our employees and their families, going beyond the work environment through different development pillars: values, family, society, health, economy, education, and work.

To accomplish this, we have a robust Comprehensive Labor Information System that we continually feed through the Work Environment Survey. The system helps to understand and prioritize the needs of our employees and, at the same time, document and share the successful practices we identify. As a result, every year we establish specific action plans that respond to concerns identified by the survey and focus on generating greater value for our employees at the different work centers.



## We have the best talent

FEMSA Comercio's growth stems from the effort of the women and men who are committed to their work and surroundings—people who are willing to innovate, create, and grow.

Through our Comprehensive Talent Management model, we work on motivating and empowering our employees so that they are responsible for and are the main drivers behind their own talent and that of their teams. The model includes processes and systems to attract, develop, and retain the best talent, including:

- Planning their career trajectory and path
- Evaluating performance based on objectives
- Managing succession processes
- Training and development of competencies aligned with our culture
- Comprehensive recognition

The commitment to sustainability is even stronger when the right people are part of our team. In order to be able to identify the best candidates, those employees who are in charge of the selection process take training courses on the Selection Based on Competencies methodology, a recruiting style that includes interviews and focuses on key aspects for performing well in a given post.

We support the search for young interns with the Talent Network and FEMSA Leaders programs. The first program accelerates the integration of students looking for professional internships, making it easier to identify those profiles that are most commonly required in the company and fast-tracking the hiring process. On the other hand, we contribute to their education through FEMSA Leaders, which grants scholarships to high-performing students at the Tecnológico de Monterrey and at the Universidad de Monterrey, in Mexico, paying for 100% of their tuition for as long as the internship lasts.

When there is a vacancy, we look for the required competencies in employees that are already part of FEMSA Comercio, motivated by our interest in retaining and promoting our own people. Platforms such as the company's career opportunities, internal newsletters, and the intranet are very useful to let employees know of job opportunities arising in our different business units. Correspondingly, 39% of the company's vacancies are filled by promoting our employees to more challenging positions.





## CULTURE AND VALUES

### WE LOOK FOR ENERGIZED, COMMITTED, AND HAPPY EMPLOYEES

Those of us who work for FEMSA Comercio make up the company's strategic pillar, and based on our organizational culture and values, we go beyond just fulfilling our obligations.

Besides having guidelines, processes, and policies, we have developed an organizational culture that helps us communicate and transfer our values within the organization as well as to our customers and to the communities where we operate. Among our employees, we promote respect for people, trust, and collaboration geared toward the creation of human value.

A culture of service is part of our essence and a value we continually cultivate, evaluate, and improve. Identifying and satisfying the needs of our customers and consumers is our priority. Doing so through an impeccable service attitude is our passion.

At FEMSA Comercio, we are all one, and in order to work as a team, we insist that employees develop a profound knowledge of the company's operation and proactively search for better ways in which to fulfill their responsibilities. We encourage dialogue at all levels of the organization, an effort that has the double purpose of giving greater clarity to our employees about the goals of our business and helping to form the unique identity and culture of participation that is needed to reach our goals.

Diversity among our people is a value that makes our work teams richer by allowing them to constantly develop their ability to understand and respond to the different challenges the company faces day after day. At FEMSA Comercio, diversity is a key characteristic for reaching productivity and competitiveness.

We carry out a 360° evaluation that measures the way in which our values and competencies are experienced through concrete behaviors that are grounded in the daily performance of each one's job. The exercise offers to employees the opportunity to do a self-assessment and to compare their evaluation with the perceptions that their peers, subordinates, bosses, and internal and external customers have of them, in order to make their strengths stronger and to identify and work on those aspects they need to improve.

### A culture of service is our essence

Teamwork, collaboration, and coordination are key in order to successfully face the challenges that arise daily in the operation of our business units.

At FEMSA Comercio, we have several organizational assessment tools that help us measure the results of our culture of service and collaboration between work teams, as well as give feedback on aspects that need to be worked on, and develop improvement plans.

Each year, we carry out a Service Evaluation through which we make observations to our internal suppliers, pointing out what we are doing right and where there is room for improvement. We also use the Store Leader Satisfaction Index to assess whether our advisors and store leaders are receiving at their work centers the adequate support from the functional divisions that they need in order to be able to perform their jobs efficiently.

The results of these evaluations help us identify strengths and weaknesses in the expected behaviors in specific aspects such as innovation, honesty, proactivity, trust, and an attitude of service. This is how we are able to give objective feedback to our employees and create action plans that contribute to offering a better quality of service to internal customers, including advisors and store leaders, whom we support in fulfilling the daily responsibilities needed to ensure our branches are functioning at optimal levels.



### We are all one team

FEMSA Comercio's employees carry out actions that generate growth and define the company's path. Through the Express Program: My day at the store/station/branch/pharmacy, and the Adopt a Store program, we open internal communications channels to help us better understand how our operations work and to appreciate the point of view of our customers and our colleagues who head the establishments, empowering us to offer consumers a nicer buying experience.

The Express Program is an online course designed specifically to update our team with respect to the dynamic product and services portfolio we offer. Furthermore, by joining the work teams at our operations for one workday and carrying out tasks related to day-to-day tasks, employees have the opportunity to put into practice the lessons learned. This experience allows them to analyze, observe, and live the operation in order to include innovations in the design of solutions, processes, and tools that help us offer a better service.

To be always ready is part of our culture and, above all, a responsibility we adopt as a team at all levels of the organization. Through the Adopt a Store program, we invite our office employees to visit our stores or gas stations at least once a week and anonymously observe the processes and characteristics of the operation. Afterward, participants in the program share their constructive feedback with respect to what is being done right, the existing needs, and the weaknesses identified in relation to service, cleanliness, image, and sales, among other important factors.

### A culture based on dialogue

During The One Page System (TOPS) meetings, employees learn more about the business strategy established by the company's management. The methodology supports the implementation of such strategy by complying with the objectives of the work teams and individuals. On a monthly basis,



division heads and their subordinates review the goals and objectives in order to design a work plan that will help the team reach their goals with excellence. Progress is assessed, feedback is given, and results are reviewed.

The culture exercises that take place during the TOPS meetings transform them into a forum where leaders and their teams can have a conversation; they foster the exchange of opinions about specific values and behaviors that help us grow personally and mature our identity as an organization.

At every opportunity we have to grow toward new markets and geographies, the TOPS meetings are one of the first expressions of our work culture that we install. Having this exercise at our new operations allows us to transmit our principles and essence to incoming

employees and, at the same time, get to know their own identities and the ways in which they work.

Each element in our team is a unique talent. Correspondingly, we foster their growth and accelerate their learning. Through periodic vertical reviews—one-on-one conversations between the leader and each of his subordinates—we offer direction for executing delegated responsibilities. In the course of these meetings, division heads have a personal conversation with each of their employees to contribute to their professional growth, guide them on how to reach their goals, offer an opportunity to discuss future challenges, give feedback with respect to achievements, and help them work on aspects that need improvement.

Vertical reviews, which include issues such as personal motivation, satisfaction, life quality, and work environment, encourage empathy between leaders and their subordinates. This is, without a doubt, a two-way conversation, opening up the opportunity for employees to give feedback on how their bosses are performing.

## Inclusion makes us stronger

In order to have better work teams, the talent of all the people needs to be integrated and growth has to take place in an inclusive environment. At FEMSA Comercio, we are convinced that people with disabilities and seniors, among others, offer great value to the teams and the company.

The example of their attitude and commitment inspires us, and their integration improves the environment at our work centers, generating greater productivity and competitiveness.

We are an ally of public and private institutions dedicated to promoting the inclusion of potential candidates to the workplace, since we have the capacity to offer a wide range of employment opportunities in every state in Mexico because of how we operate our business units.

In this way, we contribute to the cultural transformation of an inclusive society, demonstrating to the millions of people who visit our points of sale every day the example of the work done by people with disabilities and by seniors.

We strengthen our commitment to them by carrying out feasibility assessments for certain posts and investing in the infrastructure needed to make our facilities accessible to them, all in order to make employment opportunities increasingly more available to them. We focus our strategy on internally creating the cultural, work, and physical conditions needed to attract and retain these groups, thus generating economic and social value. Consequently, we need to adapt and incorporate policies and processes that promote inclusion and ensure there is no discrimination at our operations.

Currently, 592 of our employees have some sort of disability, with employees with motor or intellectual disabilities occupying the majority of the positions, followed by those with visual, auditory, and language disabilities.

To facilitate the inclusion into the workplace of more people with disabilities, in 2015 we opened the second OXXO Directed Job Training Center, in the city of Mérida, in the state of Yucatán. The center simulates the operation of an OXXO store in order to offer different types of training. The program is adapted in order to develop work competencies and aptitudes for students with intellectual disabilities. This new facility is a continuation of the effort started by the first center, which has been operating in Monterrey, Nuevo León, since 2012.

At FEMSA Comercio, seniors play a vital role by sharing their experience, commitment, security, and leadership with our work teams. They are a key element in the company because they strengthen integration and support the teams they belong to. At year-end, we employed the talent of 1,331 senior citizens.

We also extended the sense of inclusion through an agreement with a juvenile detention center known as CIPA (Centro de Internamiento para Adolescentes) in the city of Culiacán designed to facilitate reintegration into society and the work environment. We foster the employability of young first-time offenders, and we also offer them psychological and rehabilitation support, as needed, as well as the possibility to continue or begin their studies.

In 2015, for the sixth consecutive year, 185 OXXO stores obtained the Gilberto Rincón Gallardo Inclusive Company recognition granted by the Mexican Department of Labor and Social Welfare. The award recognizes the measures we take to bring people in vulnerable situations into the active economy, as well as our overall corporate inclusion policy.

## INCLUSION IN THE WORKPLACE OUR EMPLOYEES



592 WITH DISABILITIES

1,331 SENIOR CITIZENS



SECOND DIRECTED JOB  
TRAINING CENTER



FOR PEOPLE WITH  
INTELLECTUAL DISABILITIES  
IN MÉRIDA



GILBERTO RINCÓN GALLARDO  
INCLUSIVE COMPANY  
RECOGNITION IN 185 STORES





## TRAINING AND DEVELOPMENT

### WE GENERATE MOTIVATION, COMMITMENT, AND A SENSE OF BELONGING

When a person becomes a part of FEMSA Comercio, a new stage of their human and work development begins. We implement programs that promote in our employees the facts (the knowledge), the management and leadership competencies (the abilities), and the culture, values, and personal growth (the personality) that are needed for excellent performance. This is how we create a work environment of coordination and collaboration that encourages high performance and, at the same time, develops better people for the world.

We focus on building the competencies and technical knowledge that each employee needs to improve performance at their current and future job. Besides a robust induction program through which they get to know the company, their responsibilities, and the culture and operation, our employees receive continuous training to help them professionalize their responsibilities and development through different training resources.

We motivate our employees so that they will be responsible for their own training plans. Furthermore, by promoting development in our high-potential leaders and employees, we set in motion several institutional programs and offer scholarships to study high school or university, masters, and postgraduate programs and workshops. The Development Bank and CreSer programs are used to identify outstanding employees and prepare them for professional and personal growth by using accelerating methodologies. These tools contribute to strengthening technical knowledge and conversation competencies; developing supervisor, top management, and leadership capabilities; and promoting human and cultural growth.

To support FEMSA Comercio's rapid growth, we have specific training programs for our operation-level employees. These theoretical and practical programs are offered in both in-person and online modalities, enabling our employees to achieve the optimal functioning of our work centers, through induction courses, retraining workshops, and the necessary training for launching the new products and services our customers demand.

### We adapt our training

The greater complexity of our operations and their rapid growth, demand that we have employees who are trained well and in a timely manner, and that we are able to retain them and foster a sense of belonging. Correspondingly, we generate training programs that are more agile and rationed and that ensure that we adopt the new capabilities required to operate our businesses.

In order to adapt the new generation of employees to the accelerated growth of FEMSA Comercio, and to the needs of our customers, during 2015 we redesigned the training program for those employees who head our OXXO stores. As a first step, we identified the relevant distinguishing features in our group of trainers and the demographic characteristics of the employees who are coming into the organization.

"Practice makes perfect" is the principle that rules the path of our new training program, which is focused on four key characteristics: easy to execute, people-centered, supported by practicing the processes at the stores, and certifying capabilities gradually by the merits granted to each employee based on progress. We accompany the practical processes with mentoring sessions that include certified training teams, trainers, and other colleagues, and finally, we carry out several theoretical and practical training sessions to strengthen key competencies.

Our Online Store Training tool makes available to our employees training courses on new products and services. This helps to reduce our investments in time and money compared to what in-person courses require, and above all, it expands development opportunities to people working in these areas. In 2015, with this tool we offered training courses to more than 80% of our in-store employees, and this number will continue to increase.

There is no doubt that motivation at work is greater when there is a clear path for growth. Besides contributing to the perfection of current performances, our training program defines the precise steps needed for our operating employees to have access to positions with higher responsibilities, until they are certified as store leaders and other aspects. This process is based on focusing the effort on sowing merit, experience, and new capabilities.

2015



80%

OF OUR  
EMPLOYEES TOOK  
THE ONLINE  
STORE TRAINING





### New opportunities through education

At FEMSA Comercio, expanding the training offer for our employees and their families is a permanent task.

FEMSA University has been one of the main tools used in helping talent grow and to boost organizational capabilities in the different places where we operate. By using this learning technology platform, we set up more than 220 courses needed to develop specific strategic functions for the company's requirements. Aside from offering the opportunity to take different courses individually, our employees can engage in postgraduate studies by exploring the thematic organization of the training offered.

Office employees also have access to a portfolio of FEMSA University courses in order to encourage self-learning, improve performance, further their professional career, have access to the most up-to-date knowledge, and participate in learning communities.

The platform is available to all our OXXO stores and includes a registration tool for our operation employees that allows us to know the status of each

individual's training in real time. In this way, we monitor the development of each of our employees and strengthen their knowledge in those areas where we believe they need to improve.

Connecting more stores to the online FEMSA University platform constitutes a constant effort through which we are able to optimize our operation-oriented training offering, making it more accessible, friendly, comprehensive, personalized, and well-balanced between theory and practice. One of the challenges it presents us with is to accelerate the pace at which we are able to integrate FEMSA University into the business units that have become part of the company in recent years. Currently, we have 121,428 active users registered at FEMSA University, who have 4,363 courses available to them.

The Functional Schools complement this strategy to improve performance through training programs geared to respond to the particular needs of our operation at all the business units. We currently have four Functional Schools specialized in logistics, operations, commercial abilities, and expansion and technology.

The FEMSA Comercio Institute offers a flexible and high-quality higher education model through which students can combine their studies with their professional and family responsibilities to obtain a university degree that is officially validated by the Mexican Department of Education.

Available for operation employees at all our business units in Mexico, the FEMSA Comercio Institute contributes to sustaining the company's growth while professionalizing employees' work and helping them plan their career path within the organization.

The institute currently offers two Bachelor's degrees, one in Commercial Business Administration and the other in Managing Commercial Businesses. Additionally, it offers postgraduate studies, courses, and workshops as part of the continuous education framework. In the future, we will continue to explore new options to expand the training, focusing on developing programs that offer our employees more specific knowledge related to different managerial processes at our business units.

In 2015, the FEMSA Comercio Institute received the Recognition of Official Validation for Studies from the Department of Education, thanks to which we are able to offer an online degree nationally. This makes scheduling easier, gives greater flexibility in study plans, and permits long-distance studying. This validation opens the door for more employees to have the opportunity to register at the FEMSA Comercio Institute starting in 2016.

Currently, there are 314 students with 100% scholarships registered at the FEMSA Comercio Institute, and 218 collaborate as teachers. The first generation graduated in 2012, and as of this date, 133 employees have graduated from the Institute. Close to 40% of the graduates have been promoted to posts with higher responsibilities.

Finally, we are constantly looking to reach agreements with universities and academic institutions that offer discounts and facilitate access to high-quality language schools and continuing education programs. For example, we offer a scholarship program through which our store leaders and commission agents can obtain their high school diplomas. As of today, more than 800 employees have scholarships and are finishing high school under this program, from which 908 students have graduated.

## OCCUPATIONAL HEALTH AND SAFETY OUR HIGHEST PRIORITY

At each of our activities, and across all our business units, we promote a culture of safety and prevention that has been maintained ever since the company was first founded. As FEMSA Comercio continues to grow, we uphold the permanent commitment to include the recently acquired businesses in our culture of health and safety.

The Occupational Health and Safety Administration System (SASSO) is the tool that includes our efforts directed at having healthy employees at our work centers and to preserving their integrity, at all times supporting their well-being and that of their families.

Although ours is a low-risk operation, we continually optimize the results of SASSO by adopting the dispositions of the regulations in force and adding prevention and health care programs, as well as innovative and flexible processes, procedures, and action plans to adapt to the specific needs of each business unit. We allocate efforts focused on serving our direct and indirect employees, as well as the organizations that offer us their services

Through SASSO, we make sure we offer the following services:

- Occupational health. Our main focus is to prevent, detect, and control risk factors and illnesses, while at the same time promoting the well-being of our employees and their families. We accomplish this through medical exams at admission, periodic control exams, addiction prevention activities, hygiene standards, vaccine programs, and physical exercises.
- Industrial safety. We adapt safe work centers that contribute to protect the physical integrity of our employees and that strengthen the control processes, lower the number of incidents, and ensure compliance with the legislation in force. In order to reach this objective, we carry out safety inspections, we research and analyze incidents to keep them from occurring again, and we offer training programs that promote order, cleanliness, and the use of required personal protection equipment for each of our operations.
- Human development. The well-being of our employees is an essential element for health. We offer an adequate emotional support that helps them confront the different demands of their personal, family, social, and work life.

To identify, control, or eliminate risks at work and to improve the work environment, we promote self-responsibility and co-responsibility between the company and the employee. We follow the guidelines of the Safe System program, which fosters leadership and compliance with procedures as well as commitment, communication, and discipline among employees, work teams, and lines of command to strengthen motivation and the availability of safety actions at the operations. As a result, employees and their work teams are proactive players who take care of each other at the same time as they see security as an exercise in coresponsibility and organizational pride.

To reinforce the culture of prevention among our people and permeate this value within the company, during 2015 we invested more than \$55.7 million MXN (USD \$3.2 million).

Personalized medical attention is an ally for having a healthy and safe working environment, as are technological programs and solutions. We have a team of doctors responsible for implementing health and safety programs, as well as registering performance based on the key indicators we have established. In each of our 16 distribution centers, we have a doctor and a doctor's assistant on staff to serve our employees. Furthermore, we offer primary medical care in 86% of the work centers in order to give personalized care to our office, store, and branch employees.

To bolster the well-being of our employees and their families, we have also put together a team of human development specialists in charge of monitoring psychosocial risk factors and stressful situations. We complement our efforts with the Safety for Contractors program, which, by applying regulations and standards, generates the conditions needed to avoid third-party incidents in our operation.

Based on the work we do in favor of the health and safety of our employees, we continue to show a positive trend in the lost time injury rate, which was down 2% in 2015, keeping us below the national and international average.

### HEALTH AND SAFETY





## OUR COMMUNITY

Sharing values to grow and make others grow



## ACTIONS THAT TRANSFORM

Committing to people also implies being a good neighbor. For FEMSA Comercio, it is very fulfilling to contribute to the well-being of people and to grow with the communities. We carry out actions that help us build solid relationships with our neighbors and transform the areas where they live and carry out their activities into better places.

We are aware we still have much to do, so we work to strengthen internal capabilities and develop long-lasting relationships with organizations in civil society that are willing to work with us to build sustainable relationships with the community that are based on dialogue and coresponsibility.

In terms of community collaboration, at FEMSA Comercio we group our efforts into three lines of action: community development, promoting healthy lifestyles, and working with our suppliers to build a sustainable supply chain.

## COMMUNITY DEVELOPMENT

### WORKING AS A TEAM WITH THE COMMUNITY

At FEMSA Comercio, we implement actions that foster community development by establishing partnerships with our employees, customers, organizations in civil society, authorities, educational institutions, suppliers, and other companies.

We are neighbors with thousands of families in the hundreds of communities in which we participate. The work we do helps us establish strong relationships with them and gives us the opportunity to build social value.

We are sensitive to the needs of the people, and it is imperative for us to adopt local strategies for improving life quality. We actively participate by offering our expertise and resources to generate an increasingly stronger and positive impact in our communities. A great part of the success of these actions is due to the collaboration and effort of our people: men and women who are involved and motivated and who voluntarily give their time, talent, and expertise to the community.

## STRENGTHENING INSTITUTIONS

At FEMSA Comercio, we recognize that civil society organizations are very important for solving public problems and for strengthening institutions with a pluralistic vision that protects human rights. Correspondingly, we seek to establish partnerships with them in order to strengthen our programs, but also to show our support, to learn from them, and to establish a relationship between them and the community.

In 2015, we began a project to fortify the organizations we are in contact with and in which we invested economic resources. In collaboration with Construyendo Organizaciones Civiles y Transparentes A.C. (Confío), we carried out three workshops with 35 organizations to create added value by sharing with them a methodology that will help them become more transparent and trustworthy and, consequently, more professional. We also granted scholarships to assess the strengths and weaknesses of 27 participating organizations in terms of what they need to do in order to become more institutionalized in regards to transparency. Employing indicators based on the international standards recommended by the International Committee on Fundraising Organizations (ICFO), these assessments were carried out in collaboration with Confío and with the Mexican Philanthropy Center (Cemefi).

In 2016, we will reiterate our commitment and will continue to learn and work through investments, workshops, and scholarships that will help strengthen more organizations so that they will continue contributing to the development of the community and the country—and we will accompany them in this task.



## Community activities

Since 2009 we have been strengthening our relationship with the communities in which we participate through our community activities program. In 2015, the business units that are part of this program invested \$23.8 million MXN (USD \$1.4 million) in 291 community-impacting activities in three lines of action: rehabilitation of public spaces, environmental culture, and sports.

### *We participate in rehabilitating public spaces*

We contribute to the positive transformation of our communities by rehabilitating abandoned or deteriorated public spaces. We aim to make improvements to infrastructure and to perform conservation and clean-up works that contribute to make these spaces more enjoyable. To promote well-being, community living, and community participation, in 2015 we invested resources in rehabilitating and dignifying 212 public spaces, including plazas, parks, gardens, and sports facilities, among other social areas.

### *We promote environmental stewardship*

We contribute to create sustainable communities through environmental stewardship and by strengthening the conditions that generate awareness of the environmental culture. We invite our neighbors to care for existing resources, to replant trees, and to reduce pollution. In 2015, we carried out 34 environmental actions, including activities to replant trees in parks and sidewalks, clean up different public spaces, and participate in environmental education events, among other things.

The OXXO Award for Ecology, which began in 1986 in Monterrey and is currently also present in Hermosillo, Mexicali, Ciudad Juárez, and Chihuahua, in Mexico, fosters among children and teenagers a respect for nature and a sense of responsibility for preserving the environment. To achieve this task, we collaborate with the Mexican Department of Education and work with ecology clubs at preschools, elementary and middle schools, and in special education institutions. More than 137,000 students from 860 schools participated in the 29th edition of the award.



### *We promote sports*

We promote healthy lifestyles by playing sports with neighbors and employees. In 2015, we put together 45 sports events, including races, tournaments, and physical exercises, among others, for children, teenagers, and adults. All the events were held in a healthy family environment.

### **Volunteer program** **What can I do?**

At FEMSA Comercio, we build the foundations needed for our employees, families, and friends to become aware of the needs in their surroundings and participate in their communities in an active, supportive, and responsible way.

What can I do? is a platform to share experiences and knowledge that motivates

our volunteers to participate by donating their time, talent, and effort in activities that have a positive impact on their surroundings and strengthen our relationships with our neighbors. The program has been set up as part of the FEMSA Comercio culture, and the company uses it to share with the community the values on which the daily behaviors of our employees are based.

Working in partnership with specialized institutions, authorities, and other groups. In 2015, we carried out 447 activities, with more than 19,000 volunteer employees and their families, creating social value in every state in Mexico and in Bogotá, Colombia. We emphasize charitable efforts, environmental stewardship, and promote sports and the rehabilitation of public spaces that promote a sense of community social interaction and inclusion.

These activities reflect an attitude of service in our people, who are committed and seeking to use their abilities to improve their surroundings and become agents of change in the positive transformation of their communities.



## EDUCATION

2012 - 2015

134

SCHOLARSHIPS GRANTED

:

2015

51 NEIGHBORS RECEIVED SCHOLARSHIPS



CURRENTLY 94 YOUNGSTERS AND ADULTS IN HIGH SCHOOL AND UNIVERSITY

12

HIGH SCHOOL GRADUATES



## Polígono Edison

Polígono Edison is a community formed by neighbors who live and work in the eight neighborhoods surrounding the OXXO corporate offices in Monterrey. This community receives the support of a company-backed trust to create opportunities and improvements in the living conditions of the inhabitants, promote a sense of community, and encourage their self-management. During the year, the efforts of the Polígono Edison reached more than 7,000 neighbors.

In 2015, the Polígono Edison directly invested \$2.67 million MXN (USD \$157,000) and through community development programs continued working in collaboration with various civil society organizations, which contributed talent and additional resources in their areas of specialization. Among them, the following stand out: VETSA, Bosque Urbano México, Museo de Arte Contemporáneo, Save the Children, METAS, Escuela de Artes Musicales, Siempre Scout, ANSPAC, Alianza Educativa Ciudadana por Nuevo León, Reciclart, and Yo quiero, Yo puedo, among others. Each of them contributed transversally to the different action pillars of the program.

### Education

The academic scholarships program focuses on developing capabilities for life and granting opportunities to improve education through active community service. Since 2012, 134 teenagers and adults have benefited from these scholarships.

Furthermore, in 2015 we included 51 new neighbors in the scholarship program. Correspondingly, 94 people participated during the year, of whom three graduated from a technical school and nine from high school. Of these, six continued on with their studies, joining the nine new interns who have begun university studies. In this way, we continue our contribution to form citizens who are committed to their community, and we promote family engagement to create greater comprehensive development.

### Life Quality

The Healthy Edison Polygon was born in 2014 with collaboration and financing from FEMSA Foundation to give communities a chance to improve health and nutrition through the promotion of nutritional habits and healthy lifestyles. This project was consolidated in 2015 when we implemented a strategy based on three levels of intervention:

- Elementary School children: We carried out health and nutrition workshops at six elementary schools, with 1,450 boys and girls and 316 parents. With this project, we also trained 138 teachers. We also held two summer camps, five health fairs, and we created an urban orchard.
- Middle School students: We held 144 practical health workshops, with 18 middle school classrooms, directly benefiting 658 students. Additionally, 810 people from the community participated in two health fairs.
- Adults: We held three Latin rhythm marathons, with 303 members of the community, promoting exercise as a means to a healthy lifestyle and for preventing illnesses. Additionally, we also held three cooking workshops, during which 45 mothers learned how to make nutritional dishes in an interactive way.

### Human development

Among other opportunities that we created to develop capabilities in our neighbors, we worked with elementary school children on values and musical talent with the Educating Through Music program of the Escuela de Artes Musicales, or EDAM.

As part of our effort to strengthen our bond with our neighbors, we encourage community living and the use and care of public spaces through community arts, sports, and entertainment events on the streets and parks, with the participation of more than 3,000 neighbors.

Through the teamwork and commitment of the private sector, civil society, and the government, we have been strengthening relationships and empowering our neighbors since 2011, making the Edison Polygon a healthy and dignified space that contributes to the ideals of the citizens and to a culture of lawfulness in Monterrey.



### Rounding-Up translates into growth

The OXXO Customer Rounding-Up Program began in 2002 in Monterrey, and it has grown to reach all of the OXXO stores in Mexico, as well as Mi Súper Bara and Farmacias Moderna, YZA, and FarmaCon.

The program has a double purpose: creating awareness among our customers of the needs of vulnerable groups and offering a channel for supporting charitable fund-raising campaigns in all the cities where we operate. Year after year, with the support of our customers and the willingness of our employees at the store, we are able to change many lives. In 2015, we benefited 268 institutions, with more than \$100.8 million MXN (USD \$5.9 million) donated by our customers.

The program invites customers to make an economic donation to the social works done by different local civil society organizations, with the simple act of rounding-up the total of their purchase to the next peso, when the total of their ticket is not a round number. The collected donated cents are allocated to charitable institutions in education, health, and the preservation of our natural heritage, transforming the donation into tangible benefits for people with particular needs. In 2015, we invested more than \$6.5 million MXN (USD \$378,000) to operate the program and support the organizations.

In complying with our commitment, at FEMSA Comercio we do not deduct taxes from the donations made by our customers. We give 100% of the collected funds directly to the institutions, from which we get a receipt made out to our customers, thus invalidating any possibility of making a tax deduction by issuing a generic Internal Revenue Service invoice.

Trust, inside and outside the company, is vital to the success of any social responsibility effort. To assure our customers, we have designed clear parameters that validate the legitimacy of the nonprofit civil society organizations that receive their donations, and we make sure the collected funds are put to adequate use, with fiscal responsibility.

### Feeding the will to grow

Every day, more than 30,000 tons of food fit for human consumption are disposed of; at the same time, 7.4 million people suffer from nutritional deficiencies. Faced with this situation, in 2010 FEMSA Comercio created the Food Program in collaboration with Bancos de Alimentos de México (BAMX), a civil association that rescues food to address the prevailing hunger problem in our population.

The FEMSA Comercio Food Program basically allocates excess food fit for human consumption to 24 BAMX food banks and three independent food banks, in coordination with our distribution centers and transfer points. Through a continuous improvement process, the catalog of products to be donated has expanded to include household goods as well as personal hygiene and health products.

In 2015, by means of the Food Program, we distributed \$29 million MXN (USD \$1.7 million) in groceries and general merchandise, equivalent to feeding 858 families for a month. We are making an important difference in the nutritional status of people with limited access to adequate nutrition.

Our community engagement implies establishing synergies with the food banks to try to improve the life quality of people in need.





## SUSTAINABLE SOURCING

### WE PROMOTE GROWTH AMONG OUR SUPPLIERS

As part of our business strategy and our commitment to create economic, social, and environmental value, we are committed to building solid relationships with our suppliers; correspondingly, we work in collaboration with them so that their operations and ours grow and become more efficient.

At FEMSA Comercio, we are convinced that including and developing local suppliers is a sustainable practice, and we have several initiatives that gives them the opportunity to grow with us. One of the tools we offer is our Suppliers Website. Besides being a communication channel with us, having access to the site offers considerable advantages for those local suppliers that are lacking consolidated systems to manage their business.

Among other benefits, the website allows them to view inventory levels for their products in our distribution centers and stores, verify sales levels for all their products regionally, manage invoicing, and register new articles and commercial conditions.

Our growth also translates into growth for our local suppliers. For example, in the operation of OXXO stores over the past two years, 242 suppliers that started by supplying us locally in specific communities in Mexico have now become part of our national supplier base, selling their products to different regions and, in some cases, even to the whole country. This growth has translated into a greater market presence for their products and an average growth in invoicing of more than 100%.

As we look to the future, we plan on continuing to cooperate with the economic and social growth of the communities in which we participate, promoting the development of local suppliers in our value chain.

On the other hand, through our Sustainable Sourcing initiative we help offer our partners the training they need to make continuous and sustainable improvements to their operations. In 2012, we put a pilot development program into place in our value chain that included our main equipment suppliers in order to identify and implement sustainability measures at their operations. The main measures implemented during the program include energy-saving projects, recycling of materials and waste, engagement and support for the community, as well as the assessment needed to start certifying their environmental management systems, among others.

In 2014, FEMSA Comercio granted its support to the training program of the Unión Social de Empresarios Mexicanos (USEM) for developing suppliers. This made it possible to offer scholarships to companies interested in designing and implementing a model for environmental and social responsibility management in their operation. This eight-month program started showing results during the first semester of 2015.

As part of our commitment to developing our community, in 2004 we implemented the Program to Develop Suppliers for companies who manufacture the OXXO and Mi Súper Bara exclusive brands, as well as for our strategic fast-food suppliers. Furthermore, we have assessment and audit processes in place that establish the guidelines to make sure that the Food Quality and Safety programs are correctly implemented at the facilities of our strategic suppliers.

Another component of the program is the Certified Course on Supplier Development, which has been operating since 2008. In 2015, we trained 171 participants from 57 supplier companies, including directors, managers, and staff from quality control and plant. This course includes subjects such as leadership, business management, programs, and methods to ensure quality in products from beginning to end.







## OUR PLANET

A culture of caring for the environment

## COMMITTED TO OUR PLANET

At FEMSA Comercio, we have the policies, processes, and dialogue opportunities to consolidate an organizational culture that continually develops, tests, and implements initiatives that strengthen the sustainable use of resources and reduce environmental impacts at our business units.

To strengthen and widen the culture of sustainability in all our employees and develop new protocols to protect the environment, we work both as a team and transversally among the different areas of the organization through our Sustainability Work System. The system adapts to the particular needs of the operations to strictly monitor metric indicators, compliance with processes, initiatives for continuous improvement, program development, and achievements in the established environmental goals. Also, we try to take the best environmental practices we have incorporated throughout time at FEMSA Comercio to the new geographies and business units where we are growing and developing new operations.

In terms of environmental stewardship, at FEMSA Comercio we group our efforts into three areas of action: energy efficiency, comprehensive waste management, and a reduction in water consumption.

### Trees mean life quality

The goal of FEMSA Comercio's program to replant trees is to create awareness about the importance of caring for the environment, to interact with our ecosystem constructively, and to generate friendly surroundings in the communities by expanding green areas inside cities. To date, we have planted and maintained a total of 16,954 trees: 15,880 trees at our OXXO stores, and 1,074 at OXXO GAS stations. This investment contributes an annual harvest of 565 tons of CO<sup>2</sup>, equivalent to the emissions of 209 compact vehicles in a year. In 2015, we achieved a 21% increase in the number of trees replanted compared to 2014, and we continue our work to contribute to improve life quality of thousands of families.



## ENERGY INTELLIGENT CONSUMPTION

We reduced the environmental impact of our operations by using methods and strategies to maintain a culture of responsible use of energy resources and optimizing costs.

The Comprehensive Energy Efficiency Program is focused on promoting the efficient and rational consumption of energy. The Program includes constant improvements in operating practices, as well as maintaining and optimizing equipment so it performs under specific criteria that make us more energy efficient.

To implement the Energy Efficiency Program, we carry out different activities: from offering training programs and adopting efficiency regulations and standards, to research and development projects that help us identify and implement new technologies. Just as important as the results is the way in which we measure them. The Energy Efficiency Program allows us to measure performance indicators and to monitor, assess, and improve our efforts.

### Renewable Energy

As part of FEMSA's strategy for using cleaner energy, since 2012 we have worked to adapt the infrastructure of our facilities and work centers in Mexico to use renewable sources of energy. Since we finished the preparation stage in 2015, we are planning to start consuming wind power in 2016 and to use it for up to 80% of our energy requirements in the mid-term.

The wind farms in Mexico that are supplying us are Bii Nee Stipa and Stipa Nayaa, located in Oaxaca, and the Dominica II wind farm, located in San Luis Potosí. The 126 MW Ventika II wind farm, located in Nuevo León, is currently under construction. Besides affording us considerable savings in the cost of acquisition of electric power, using renewable sources of energy gives us the opportunity to participate in the conservation of natural resources and the reduction of greenhouse gas emissions.

OXXO stores that operate the Intelligent Automation and Energy Control System.

2015	11,106	79%
2014	10,025	78%
2013	9,142	78%



### We optimize consumption with technology

With the Intelligent Automation and Energy Control System, we use technology to monitor and optimize the consumption of electric power at our operations.

The system uses sensors, alarms, and controls to continuously regulate refrigeration equipment, air-conditioning, and lighting circuits. With these components, we control the store's consumption of electricity, and we can see the operational status of the equipment so that we can keep it in optimal conditions.

Through the efficient use of electric power, we have reduced consumption by more than 19% with respect to the 2009 baseline, and at the same time we have considerably increased the amount of equipment installed in our stores in order to offer our customers a greater variety of products and services. At year-end 2015, the system was operating in 79% of our stores, or a total of 11,106 establishments.

Due to the excellent results we have obtained over more than a decade of implementing this system at the OXXO stores, we are expanding it to other

FEMSA Comercio operations. The same technology has been implemented in 94% of our distribution centers and 21% of OXXO offices and administrative buildings. Working in automated buildings allows us to adapt illumination and air-conditioning levels to specific requirements at any given moment, depending on the number of employees present and the work hours.

We will continue to invest in new technologies that enhance the advantages of the Intelligent Automation and Energy Control System, resulting in more spaces generating savings that benefit the environment.

### We reduce our energy demand

We increase the benefits of the Intelligent Automation and Energy Control System by installing solar control films on windows and doors. The use of these films reduces energy consumption in air-conditioning and offers greater comfort inside the stores. At year-end 2015, we had installed solar control films in 44% of OXXO stores in Mexico where installation is feasible, given their orientation with respect to the sun. This represents a 59% increase in the number of establishments as compared to 2014.

In line with our objective of making the use of resources more efficient, since 2011 we have a program in place to promote the use of LED lighting at OXXO GAS stations. This technology, which uses less electricity in comparison to other types of lighting fixtures, offers better light to create spaces that are safer and more comfortable, while at the same time considerably improving the work environment.

We have gradually increased the installation of these lamps to reach 66% of OXXO GAS stations that were operating at year-end 2015. The use of this technology over the past four years has allowed us to considerably avoid greenhouse gas emissions, obtain savings of 14% in the consumption of electric power at OXXO GAS, with respect to the 2012 baseline.

Total savings at FEMSA Comercio during 2015 are equivalent to the energy consumption of 74,000 halogen light bulbs staying on for a whole year. On the other hand, the 20,704 tons of CO<sup>2</sup> emissions that were avoided are equivalent to the annual emissions of 4,300 compact cars (considering each car drove 15,000 km a year).





## WASTE AND RECYCLING

### OUR GOAL IS COMPREHENSIVE MANAGEMENT

Caring for the environment is an essential part of our operation, and we implement systemic strategies in different fields. One of them consists of minimizing waste generation by using mechanisms that promote the use of recycled and recyclable materials.

The FEMSA Comercio comprehensive waste management process includes a complete diagnosis of how we operate so we can design the most adequate logistics and infrastructure and the action model needed to manage waste at our offices, distribution centers, and OXXO stores in a comprehensive manner, as well as sharing and applying best practices at recently acquired business units.

Our work system includes emphatic processes for managing waste efficiently and responsibly, from the moment waste is first generated until its final destination.

In 2015, we finalized the first stage of the adaptation process to manage waste at OXXO stores in a comprehensive manner, by installing the required equipment and infrastructure in the first 500 stores. This initiative will enable us to, in collaboration with our customers and the communities where we operate, adequately manage the waste that is generated by different processes, including the consumption of food at our stores.

In our distribution centers, we have a specific area for confining, separating, and classifying waste that handles the comprehensive management. In 2015, these areas handled more than 12,000 tons of waste generated by OXXO CEDIS. At year-end 2015, 73% of our offices had adopted the required infrastructure for the comprehensive management of waste.

### A strategy that includes before, during, and after

With the FEMSA Comercio Internal Consumption Committee, we developed projects focused on reducing, replacing, or eliminating packages and different products that can be consumed at our operations. Aside from achieving important reductions in the generation of waste, we obtained significant savings in the consumption of raw materials, energy, and water.

With high standards of operation and forceful initiatives, we seek at all times to reduce, reuse, and recycle waste at our operations, generating benefits in the community and the environment.

The waste reduction efforts we have implemented over the past few years include the following:

#### *Recycled-material plastic bags*

In 2014, we introduced at OXXO stores a new plastic bag that incorporates 20% recycled materials and is printed with just one ink. Using these bags, which have a lower environmental impact, contributes to recycling more than 55 million PET bottles a year, among other things.

#### *Material-saving packages*

The packaging of our products is an essential part of the value we offer our customers. This is why we have been working since 2012 on redesigning packaging for our Delixia products. By replacing cardboard with a thermoformed plastic, which has a lower environmental impact, we have saved 72 tons of cardboard during 2015, and we have been able to transfer other benefits to the consumer, such as prolonging the original characteristics of the products.



### More environmentally emphatic inputs

We redesigned the tray of our Vikingo hot dog and the napkins for the fast-food area. The project consisted of substituting white paper with another food-grade low-treatment paper which does not undergo the whitening process and of optimizing the use of ink for printing the logos. Developing inputs that are more environmentally friendly helped us reduce costs and recycle more than 1,800 tons of paper and cardboard in 2015.

### More environmentally friendly uniforms

Starting in 2015, 100% of new OXXO store uniforms and pants used by our employees at the distribution centers are made with fabrics that include 50% recycled PET, which means we were able to recycle more than 1.26 million PET bottles during the year. Furthermore, 94% of our regional OXXO offices participate in the Program to Dismantle and Recycle Uniforms. With this program, which is operated by an external provider, we were able to recycle 26,652 obsolete uniforms, an increase of 173% with respect to 2014, and their fabric was used for manufacturing washcloths and other articles.

### We give a new use to waste

At OXXO GAS, we work with authorized suppliers that collect the waste generated at our operation, giving a new use to these materials through processes that comply with applicable regulations. In 2015, we collected waste at 173 of our service stations, ensuring the adequate management of 218 tons of waste, of which 13% was recycled.

### We optimize the use of wood pallets

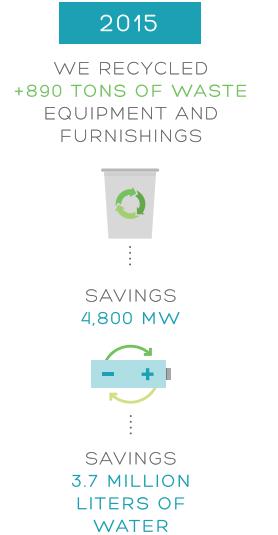
In 2015, we recycled 198,660 wood pallets at our operations and 3,917 at our central acquisitions warehouse, where we also implemented a program to repair them, for a total of 200 reused pallets. In total, the results of both initiatives are equivalent to planting more than 97 trees.

### Sustainable dismantling of equipment and furnishings

With our Program for Sustainably Dismantling Equipment and Furnishings, which began in 2013, specialized companies that comply with the applicable authorizations and regulations offer their services to dismantle equipment and furnishings that have reached the end of their useful life. In this way, reusable materials are recycled and the rest of the waste is adequately disposed of.

An important characteristic of the program is the teamwork we have implemented with suppliers in different regions in Mexico to help them develop and grow their own systems, processes, and infrastructure so that they are able to offer a comprehensive waste recycling and disposal service.

In 2015, we recycled more than 890 tons of waste through the responsible disposal of more than 40,057 pieces of equipment and furnishings, an increase of 66% compared to the prior year, thus avoiding disposing in landfills and generating additional environmental benefits from the use of the materials, including 4,800 MW and 3.7 million liters of water saved.



## WATER EACH DROP COUNTS



IRRIGATION WITH  
CONDENSERS  
SYSTEM



CURRENTLY  
INSTALLED IN

502

OXXO  
STORES

Our strategy, which favors an efficient use of water, is centered on implementing technology to optimize water use, recovery, recycling, and reuse. Furthermore, we generate a culture of preservation for this resource with a long-term vision.

At our distribution centers, we have implemented processes that reduce the consumption of water through increases in operating performance as part of the infrastructure improvements plan. For example, in 2015 we installed in 66% of our distribution centers a system that optimizes the use of water to wash baskets, for savings of more than 60%.

By employing our Irrigation with Condensers System, we use the water from the condensers of the refrigeration equipment for watering trees at OXXO stores. In 2014, we began the national deployment of the system, which is currently installed in 502 OXXO stores, thus reducing the consumption of water in the supply network.

In 2015, we expanded the installation of dry urinals in the restrooms of OXXO GAS service stations. Because they don't use water and work only with gravity, these dry urinals produce savings of an average of 3.8 liters each time they are used. Currently 51% of the service stations have these urinals installed, for savings of more than 350,000 liters of water a year.

At all our OXXO GAS service stations we comply with regulations by having the infrastructure needed to collect and separate in specific septic tanks all water drippings that could potentially mix in with the waste from our operation, which is later collected by the authorized suppliers.



# GRI G4 CONTENT INDEX

GRI code	GRI Indicator	Response
<b>STRATEGY AND ANALYSIS</b>		
G4-1	Statement from the most senior decision-maker of the organization	Message from the Chief Executive Officer, p. 4
<b>ORGANIZATIONAL PROFILE</b>		
G4-3	Name of the organization	FEMSA Comercio SA de CV
G4-4	Primary brands, products, and services	Our business units, p. 14
G4-5	Location of headquarters	Edison 1235 Norte, Colonia Talleres Monterrey, NL 6448
G4-6	Number and names of countries where the organization operates	Mexico, Colombia, and Chile
G4-7	Nature of ownership and legal form	Our business units, p. 14
G4-8	Markets served	Mexico, Colombia, and Chile
G4-9	Scale of the organization	Creating social value in new markets and geographies, p. 12
G4-10	Employees by employment contract, region, and gender	Total employees: 139,205 The following breakdown does not include Socofar employees: Internal 55.8%, External 44.2% Undefined contract 100%, Temporary contract 0% Women 50.9%, Men 49.1% 18 to 34 years old 68.2%, 35 to 44 years old 19.2%, Over 45 years old 12.6% Directors 0.02%, Managers 0.35%, Employees 8.8%, Unionized 46.7%, Third-parties/outsourcing 0.03%, Interns 0.3%, Freelance 0%, Commission (only OXXO) 43.8%
G4-11	Employees covered by collective-bargaining agreements	Approximately 46% of the employees
G4-12	Organization's supply chain	Sustainable sourcing, p. 60
G4-13	Significant changes during the reporting period	Message from the Chief Executive Officer
G4-14	Precautionary approach or principle is addressed by the organization	See the 2015 FEMSA Sustainability Report

GRI code	GRI Indicator	Response
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes	CDP Supply Chain
G4-16	Memberships of associations and national or international advocacy organizations in which the organization is involved	Asociación Nacional de Tiendas de Autoservicio y Departamentales (ANTAD) Cámara Nacional de Comercio (CANACO) Confederación Patronal de la República Mexicana (COPARMEX) Asociación Nacional de Distribuidores de Medicina (ANADIM) Cámara Nacional de la Industria de Restaurantes y Alimentos Condimentados (CANIRAC) World Alliance Retail Excellence & Standards (International Association) Centro Mexicano para la Filantropía (CEMEFI)
<b>MATERIAL ASPECTS AND BOUNDARIES</b>		
G4-17	Entities included in the organization's consolidated financial statements and those not included	Creating social value in new markets and geographies, p. 12 Our business units, p. 14
G4-18	Process for defining the report content and the Aspect Boundaries	We do business responsibly, p. 23
G4-19	Material aspects identified in the process for defining report content	We do business responsibly, p. 23
G4-20	Aspect boundary for material aspects within the organization	We do business responsibly, p. 23 About this report, p. 81
G4-21	Aspect boundary for material aspects outside the organization	We do business responsibly, p. 23 About this report, p. 81
G4-22	Restatements of information provided in previous reports	No significant changes
G4-23	Significant changes from previous reporting periods	No significant changes

GRI code	GRI Indicator	Response
<b>STAKEHOLDER ENGAGEMENT</b>		
G4-24	Stakeholder groups engaged by the organization	We do business responsibly, p. 23 Communicating with our stakeholders, p. 30
G4-25	Basis for identification and selection of stakeholders with whom to engage	We do business responsibly, p. 23 Communicating with our stakeholders, p. 30
G4-26	Organization's approach to stakeholder engagement	We do business responsibly, p. 23 Communicating with our stakeholders, p. 30
G4-27	Key topics and concerns that have been raised through stakeholder engagement	We do business responsibly, p. 23 Communicating with our stakeholders, p. 30

<b>REPORT PROFILE</b>		
G4-28	Reporting period	2015
G4-29	Date of most recent previous report	March 2015
G4-30	Reporting cycle	Annual
G4-31	Contact point	FEMSA Comercio S.A. de C.V.
G4-32	GRI Content Index and "in accordance" option chosen	Human Resources Division – Social Responsibility Anet Cordelia Portilla González
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	GRI G4 Content Index, p. 73

GRI code	GRI Indicator	Response
<b>ETHICS AND INTEGRITY</b>		
G4-56	Organization's values, principles, standards, and norms of behavior	The Cuauhtémoc Ideology, p. 26 Our commitment, p. 27 For more information, see also the Corporate governance section on the FEMSA website
<b>ECONOMIC</b>		
G4-EC7	Development and impact of infrastructure investments and services supported	Community activities, p. 54 Edison Polygon, p. 56 To round-up is to grow, p. 58
G4-EC9	Proportion of spending on local suppliers	Percentage of the products offered by OXXO that are purchased from national companies: 99%

<b>ENVIRONMENTAL</b>			
G4-EN3	Energy consumption within the organization	Total energy consumption, fossil fuels (GJ)	703,500
		Diesel consumption (millions of liters)	12.5
		Gasoline consumption (millions of liters)	6.9
		Total electricity consumption (GWh)	1,590
GA-EN6	Reduction of energy consumption	Savings in electric power (MWh)	45,605
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Direct CO <sup>2</sup> emissions (ton)	49,294
		Includes CO <sup>2</sup> -equivalent emissions, following the GHG Protocol of the WRI/ WBCSD V1	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Indirect CO <sup>2</sup> emissions (ton)	722,147
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Savings in metric tons of CO <sup>2</sup> (ton)	20,704
		Includes CO <sup>2</sup> -equivalent emissions, following the GHG Protocol of the WRI/ WBCSD V1	
		Reduction resulting from efficiencies in energy consumption	
		kWh/service (Service = store, distribution center, service station, office)	



GRI code	GRI Indicator	Response
GA-EN23	Weight of waste by type and disposal method	Recycled Plastics (ton) Paper/cardboard (ton) Metals (ton) Wood (ton) Organic waste (ton) Other materials (ton) Wood pallets (#) Equipment sent to responsible disposal (#)

### SOCIAL

G4-LA1	New employee hires and employee turnover by age group, gender, and region	Total number of new hires	132,176
G4-LA3	Return to work and retention rates after parental leave	Men	66,295
		Women	65,881
		18–34 years old	104,551
		35–44 years old	16,810
		Over 45 years old	10,815
		Hiring rate (%)	94.95%
		Men	106.75%
		Women	102.4%
		18–34 years old	121.17%
		35–44 years old	69.45%
	Over 45 years old	67.80%	
	Employees who took leave	3,132	
	Men	649	
	Women	2,483	
	Employees who continue working 12 months after leave	2,047	
	Men		
	Women	467	
		1,580	

GRI code	GRI Indicator	Response	
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees	Employees with representation in the health and safety committees (%)	73%
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	Lost time injury rate (per 100 employees)	2,414
		General diseases rate (per 100 employees)	4.30
		Absentee rate from work-related incidents (per 100 employees)	23.40
		Absentee rate due to illness (per 100 employees)	47.60
G4-LA9	Average hours of training per year	Average annual hours, total employees	183.00
		Directors	32.3
		Managers	53.1
		Employees	46.7
		Operation	9.9
G4-LA11	Employees receiving regular performance and career development reviews	Directors	38.2
		Managers	45%
		Employees	62%
		Employees who participated in TOPS meetings in 2015	78%
			95%
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Undefined contract	100%
		Temporary contract	0%
		Women	50.9%
		Men	49.1%
		18 to 34 years old	68.2%
		35 to 44 years old	19.2%
		Over 45 years old	12.6%
		Total number of people with disabilities	592
	Total number of seniors	1,331	

GRI code	GRI Indicator	Response
G4-PR2	Incidents of noncompliance concerning the health and safety impacts of products and services	No incidents of noncompliance with the regulations or norms related to the impact of our products and services in health and safety during their life cycle were registered.
G4-PR5	Surveys measuring customer satisfaction	OXXO customer satisfaction survey carried out in Mexico in 2015 with a national sample, where 52% said they were very satisfied with their buying experience, 40% were satisfied, and 8% were a little or not satisfied.
G4-PR7	Incidents of noncompliance concerning marketing communications	No incidents of noncompliance with the regulations or norms concerning our marketing communications were registered.
GA-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	No incidents of noncompliance with the regulations or norms concerning the provision and use of our products and services were registered.

## ABOUT THIS REPORT

This is the fifth consecutive year that we published the FEMSA Comercio Social Responsibility Report. With it we are communicating the most relevant actions of 2015 in our economic, social, and environmental performance at our different business units: OXXO, IMMEX, OXXO GAS, Mi Súper Bara, Farmacias YZA, Farmacias Moderna, Gorditas Doña Tota y ¡O' Sabor!; the information included in this annual report refers to the businesses we operate and which we acquired more than one year ago.

With this document, we endorse our commitment to transparency and to an ethical and responsible operation. Our emphasis is placed on reporting the issues that were identified as having a high priority in the materiality analysis done by FEMSA in 2012, in which we actively participated. It also stems from the dialogue we have held with stakeholders for four years, in collaboration with FEMSA, which has also contributed to ratifying the material issues for the organization.

The process for drafting this report was led by FEMSA Comercio's Social Responsibility Division, with contributions from several different divisions in the company: Sustainability, Human Resources, Procurement, and Expansion. The information used in drafting the report comes from internal management systems, databases, and performance questionnaires. We identified the main achievements in terms of social responsibility and environmental performance for 2015 by interviewing representatives of areas that are key to implementing the company's strategy. In some cases, we have also included results from prior years in order to show the evolution of key indicators related to managing the business in a sustainable manner and to strengthening some of our programs.

FEMSA Comercio is committed to improveing and growing with the community: to be a good neighbor. We wish for this report to be a solid communication tool with our stakeholders, year after year, where we prioritize their concerns and expectations in order to maintain the productive relationships we are known for.

To produce this report, we followed for the second consecutive year the guidelines of the Global Reporting Initiative (GRI) G4, under the core "in accordance" option. For more information about GRI, please visit their website: [www.globalreporting.org](http://www.globalreporting.org).

To complement the current report, additional information on our programs can be found in the social responsibility section on our website. [www.oxxo.com/responsabilidad-social](http://www.oxxo.com/responsabilidad-social).

Printed with vegetable oil ink, made with renewable sources, which can reduce the emission of COVs by up to 80%.

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In drafting this report, we were advised by

**Positive Sum Strategies S.C.**

Editorial Design: **MIMBRE DESIGN STUDIO**



**ECF**

**Lynx® Opaque Ultra:**

**FSC®:** (Forest Stewardship Council®) An organization with the goal of promoting the use of forest resources, through environmentally responsible practices, that are socially acceptable, economically viable, and certified by credible processes.

**RA:** (Rainforest Alliance) Works to preserve biodiversity and ensure sustainable ways of life by transforming land-use practices, entrepreneurial practices, and consumer behaviors.

**SFI:** (Sustainable Forestry Initiative) International organization that offers a certification program based on the sustainable management of forests and protecting biodiversity, quality of water, and wildlife habitats.

**ECF:** (Elemental Chlorine-Free) Is the process for whitening pulp using chlorine dioxide to avoid the formation of contaminant compounds that are highly harmful to living beings (dioxins).

