

Fomento Económico Mexicano S.A.B. de C.V. (FEMSA)

TICKER
FEMSAUBD


MARKET CAPITALIZATION
US\$75.5 billion

HEADQUARTERS
Mexico

DISCLOSURES

UK Modern Slavery Act: Not applicable

Australia Modern Slavery Act:
Not applicable

California Transparency in Supply Chains Act:  No

OVERALL RANKING

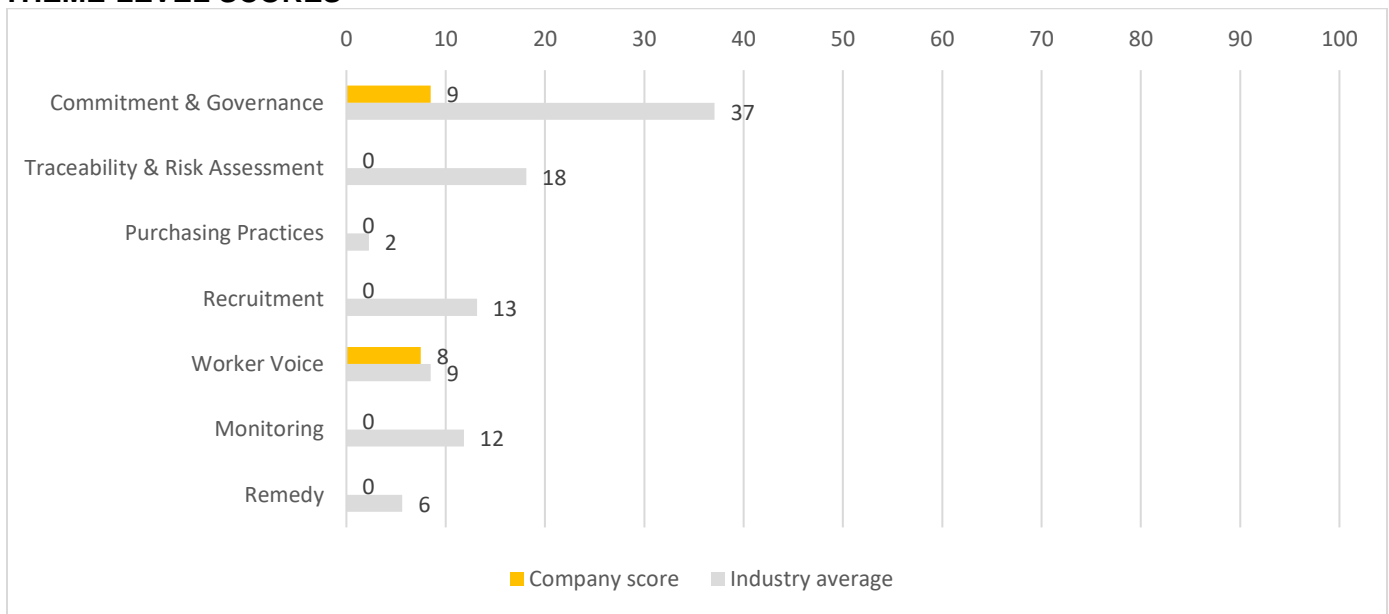
47 out of 60

[2020 Rank](#): 39 out of 43

OVERALL SCORE

3 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

FIRST-TIER SUPPLIER LIST

 No

NO-FEE POLICY

 No

RISK ASSESSMENT

 No


REMEDY FOR SUPPLY CHAIN WORKERS

 No

ENGAGED WITH KNOWTHECHAIN¹

 No

HIGH-RISK COMMODITIES²

 Palm oil, sugarcane, wheat and others

SUMMARY

Fomento Económico Mexicano S.A.B. de C.V. (FEMSA), a Mexican multinational beverage and retail company which operates the largest Coca-Cola bottling group in the world and the largest convenience store chain in Mexico,¹ ranks 47 out of 60 companies. Compared to 2020, the company does not seem to have taken steps to strengthen its performance and disclosure on forced labour issues within its supply chain. The company's score is based on its poor performance across all themes, particularly Commitment and Governance, Traceability and Risk Assessment, Monitoring and Recruitment. The company does not provide detail on its supply chain tracing efforts or a human rights risks assessment process. It also performs poorly on Remedy, where it discloses no information on its processes for raising and resolving grievances or remedy outcomes for workers. The company discloses a grievance mechanism available to supply chain workers but does not disclose engaging with unions to support freedom of association in its supply chains.

The company is encouraged to improve its performance and disclosure across all themes, particularly Traceability & Risk Assessment, Recruitment and Monitoring.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Traceability & Risk Assessment: To demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of its first-tier suppliers, the countries in which its below-first-tier suppliers operate, the countries from which it sources raw materials at high risk of forced labour, and data on the demographics of the supply chain workforce (such as the percentage of women and migrant workers). The company is further encouraged to assess forced labour risks across its supply chains and disclose the risks identified.

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company is encouraged to take steps to ensure that workers in its supply chains are not charged fees during any recruitment-related process. The company may further consider disclosing the steps taken to ensure that such fees are reimbursed to the workers and/or provide evidence of payment of recruitment-related fees by suppliers.

Monitoring: The company may consider adopting and disclosing a supplier monitoring process to verify that its suppliers are compliant with its supply chain policies. Implementing specific practices, such as interviewing workers and in particular using worker-driven monitoring (i.e., monitoring undertaken by independent organisations that includes worker participation and is guided by workers' rights and priorities), may help the company detect forced labour risks in its supply chains. Disclosing information on the results of its monitoring efforts, such as the percentage of suppliers assessed annually and a summary of findings, assures stakeholders that the company has strong monitoring processes in place.

¹ Research conducted through January 2023 or through April 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

² For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 [food & beverage benchmark findings report](#).

¹ Coca-Cola Femsa, <https://www.femsa.com/en/business-units/coca-cola-femsa/> . Accessed 29 June 2023.