

# Formento Economico Mexicano S.A.B de C.V.

**TICKER:**  
BMV: FEMSAUB

**MARKET CAPITALIZATION:**  
US\$ 32 billion

**HEADQUARTERS:**  
Mexico

**19 OUT OF 20**

**Company’s Overall Ranking**

**7 OUT OF 100**

**Company’s Overall Score**

Formento Economico Mexicano S.A.B de C.V (FEMSA) ranks nineteenth on the benchmark and provides limited disclosure on its approach to managing forced labor and human trafficking risks in its supply chain. The company’s Code of Business Ethics policy prohibits the use of forced labor, and it has a process for auditing suppliers. However, FEMSA is encouraged to develop and disclose a supply chain standard that addresses forced labor. The company also has an opportunity to improve its disclosure and performance in the areas of traceability and purchasing practices.

## THEME LEVEL SCORE

Commitment and Governance	24 out of 100
Traceability and Risk Assessment	13 out of 100
Purchasing Practices	0 out of 100
Recruitment	0 out of 100
Worker Voice	0 out of 100
Monitoring	13 out of 100
Remedy	0 out of 100

## LEADING PRACTICES

None.

## NOTABLE FINDINGS

**Awareness and Commitment**  
FEMSA demonstrates an awareness of and commitment to addressing forced labor. Its Code of Business Ethics policy prohibits the use of forced labor.

**Auditing Process**  
FEMSA has a process for auditing suppliers, disclosing that it has assessed 107 suppliers on human rights, environment, and labor practices. However, limited details of the auditing process are disclosed.

## OPPORTUNITIES FOR IMPROVEMENT



**Commitment & Governance**

While FEMSA encourages suppliers to adopt best practices regarding human rights in its Business Code of Ethics, the company may consider developing and disclosing formal supply chain standards that address forced labor. Further, FEMSA is encouraged to ensure accountability for these standards by disclosing clear managerial responsibility and to train its employees and relevant decision makers on forced labor-related standards.

**Traceability & Risk Assessment**

FEMSA may consider implementing a process for tracing its supply chain to the raw material level and is encouraged to disclose information on this process. The company is also encouraged to disclose information on its risk assessment processes that addresses forced labor risks in its supply chain associated with specific commodities, regions, and/or groups.

**Purchasing Practices**

FEMSA is encouraged to take steps to mitigate the increased risk of human trafficking and forced labor caused by certain purchasing practices, such as short-term contracts and excessive downward pressure on pricing. The company may further consider assessing risks of forced labor at potential suppliers prior to entering into contracts, integrating supply chain standards addressing forced labor and human trafficking into supplier contracts, and extending its supply chain standards beyond its first tier.

**COMPANY PROVIDED ADDITIONAL DISCLOSURE:**

[No.](#)

