



Grupo Bimbo Sustainable Financing Framework

April 2023

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1. Introduction

1.1 The Company

Grupo Bimbo, S.A.B. de C.V., together with its subsidiaries, (hereafter, “Grupo Bimbo,” “Bimbo,” “the Company,” “we,” “us” or “our”) is a global consumer food company, the leader in the baking industry, the largest baking company in the world, and a relevant participant in the snacks industry. With a history of more than 75 years operating in the baking industry, we continue to be committed to our purpose of nourishing a better world by building a sustainable, highly productive, and deeply humane company that is passionate about delivering delicious and nutritious baked goods and snacks to the hands of all.

Our global presence and deep understanding of the industries we serve allow us to successfully bring together the best from our numerous markets, operate efficiently through cross-border strategies, access resources, and leverage on technology to fulfil our purpose: nourishing a better world. We are committed to transforming the baking industry and snacking and expanding our global leadership by offering consumers a wide range of enticing and high-quality alternatives for every meal and every other consumption occasion across premium and value categories.

Our more than 141,000 associates work relentlessly to consistently create memorable experiences for our consumers in every bite of our delicious and wholesome sliced bread, buns & rolls, pastries, cakes, cookies, toast, English muffins, bagels, tortillas & flatbreads and salty snacks enjoyed around the world by millions of people every day. We have a balanced portfolio of over 10,000 products spanning different categories sold under iconic and renowned global brands or strategic regional brands.

As of January 2023, we operated 214 bakeries and other plants strategically located in 34 countries throughout the Americas, Europe, Asia, and Africa. We operate what we believe is one of the largest direct distribution networks in the world, which consists of more than 55,000 distribution routes, spread across more than 1,600 sales centers and reaching more than three million points of sale to ensure the freshness of our products and to meet the needs of our consumers.

To continue nourishing a better world, and driven by our philosophy of building a sustainable company for years to come, we have developed a Sustainable Financing Framework (hereafter, the “Framework”) to raise funds through green and sustainability-linked finance instruments, which may include bonds, loans, commercial papers, among other financing instruments, and close derivatives, or a combination thereof, to support our ambitious sustainability strategy. These will be collectively referred to as “Green or Sustainability-Linked Finance Instruments”. This Framework will empower us to further align future financings and derivatives with our sustainability strategy and commitments. Sustainalytics has provided a Second Party Opinion (“SPO”) on the Framework.



1.2 The Sustainable Financing Framework

The purpose of this Framework is to provide our investors, lenders, and other relevant parties, additional information of our Green or Sustainability-Linked Finance Instruments, conforming to industry best practices, and oriented to future market development and expectations. We believe any finance instruments and derivatives anchored by our Framework will advance significant progress towards our sustainability goals and long-term positive impact in the world.

We reinforce our ongoing commitment to our stakeholders, our communities, the planet, and to the ten principles of the United Nations Global Compact, as well as the United Nation's 17 Sustainable Development Goals ("UN SDGs"), such as Clean Water and Sanitation, Affordable and Clean Energy, Responsible Consumption and Production, Climate Action, Good Health and Well Being, Life on Land, among others.

We expect to adhere to best market practices and will review this Framework's alignment to updated versions of the relevant sustainability finance principles as these are released from time to time. As such, this Framework may be updated and amended in the manner described in Section 5 ("Amendments to the Framework").

2. Our Sustainability Approach

As part of our philosophy of “building a sustainable, highly productive and deeply humane company”, we have always made sustainability a key priority for our business.

Until 2020, our sustainability efforts and strategy were divided into four pillars: (1) Health and Wellbeing, (2) Planet, (3) Community, and (4) Associates. Based on our experience, renewed awareness on sustainability, and new challenges mentioned in the UN SDGs, we decided to pursue more ambitious goals. In 2021, we launched our new sustainability strategy¹ with updated aspirations and goals set for 2025, 2030, and 2050. Under this new strategy, we transformed the initiatives and programs that helped us to reach many of our goals in the past with a renewed sense of purpose and greater ambition. This new sustainability strategy also refocused our goals to better face the current challenges and prepare us for the “decade of action” as has been referred to by the UN SDGs.

At Grupo Bimbo, we remain committed to our purpose, with the mission of providing delicious and nutritious baked goods and snacks for all. As we aim to continue to strengthen our commitment to sustainability, our new sustainability strategy encompasses three pillars and eight key initiatives described below that will help us reach our goal of nourishing a better world.



Under this new perspective, we will contribute to the improvement of nature and the well-being through environmental stewardship, providing more diverse nutrients in simpler recipes and empowering our communities across the value chain. In addition, as part of this new strategy, we aim to contribute more tangible results directly aligned with the UN SDGs and the Ten Principles of the Global Compact, to which we renew our commitment and support.

Moreover, we are conscious that creating a better world is a responsibility of us all and as we frequently take on the challenge of establishing more ambitious goals. As a result, in 2021, we announced our commitment to Net Zero Carbon by 2050². By making this pledge, we became the first Mexican company in the food industry to commit to the Business Ambition of 1.5°C and join the United Nations’ Race to Zero Campaign with targets established and validated by the Science Based Targets Initiative (SBTi).

Furthermore, with the launch of our new sustainability strategy, we set new goals under three main initiatives:

¹ <https://www.grupobimbo.com/en/sustainability>

² <https://grupobimbo-com-custom01-assets.s3.amazonaws.com/s3fs-public/GRUPO-BIMBO-COMMITS-TO-NET-ZERO-CARBON-EMISSIONS-BY-2050.pdf>

- Baked for You – Enable planetary diets with nutritional diversity

We are committed to providing a better nutritional experience for our consumers through healthier and simpler recipes that can help people make better nutritional choices and improve their health and well-being. To this end, we have established global nutrition standards and policies³ that reinforce our commitment and focus in three areas we deem crucial: improved nutritional profiles, healthier plant-based diets, and sustainable brands.

- Baked for Life – Improve the lives of everyone we reach

We understand the importance of community involvement as an agent of positive change. Therefore, our new initiatives pay special attention to strengthening our communities and caring for our people as one of the key drivers to reaching our sustainability goals. We have been and will continue to actively work toward strengthening the communities in which we have a presence, by fostering diversity and inclusion both within these communities and among our associates. We will also continue supporting initiatives such as our good neighbor program⁴, where we will work with our communities to identify projects that champion wellness, education, physical health, safety, and the environment. In addition, we expect to continue working with our suppliers to identify and understand risks and opportunities for change to help us both reach our sustainability goals.

- Baked for Nature – Protect and regenerate our natural systems

We are committed to fighting the degradation of nature by becoming a zero-carbon emissions champion, switching to regenerative agriculture, and working towards achieving zero waste. We will reinforce our goal of mitigating our environmental footprint throughout our value chain through actions such as innovation in our packaging with recyclable, biodegradable, and compostable technologies promoting the transition to a circular economy; the reduction of our water footprint and carbon emissions due to efficiency and technology; and the use of renewable energy and alternative fuels.

As part of the United Nation's "decade of action," we also seek to strengthen our sustainability position and performance for 2030.

Baked for You – Enable planetary diets with nutritional diversity

	Best Nutritional Profiles for All	Enabling Healthier Plant Based Diets	Transparent Sustainable Brands
Our Commitments	Provide a better nutritional experience through healthy and simple recipes and positive nutrition ⁵ in every item	Increase the presence of wholegrain and other plant-based ingredients at every price point to enable healthier plant-based diets	Empower our consumers to make better choices through clear and transparent information about our products and healthier diets
2030 Headline Goals	100% of our baking & snack offerings will consist of simple and natural recipes for all with nutrition in every bite	100% of our baking and snack offering can be part of a healthy plant-based diet through the inclusion of a wide array of whole grains and plant-based ingredients in our recipes	Ensure that 100% of our products offer nutritional transparency on-pack and online and actively promote healthier diets through clear educational campaigns

³ <https://grupobimbo.com/en/sustainability/for-you>

⁴ <https://grupobimbo.com/en/about-us/history/2010-2020/our-buen-vecino-program-has-begun>

⁵ Positive nutrition: Our offer seeks to offer an optimal nutritional balance between nutrients to reduce and to encourage in the diet.

Baked for Life – Improve the lives of everyone we reach

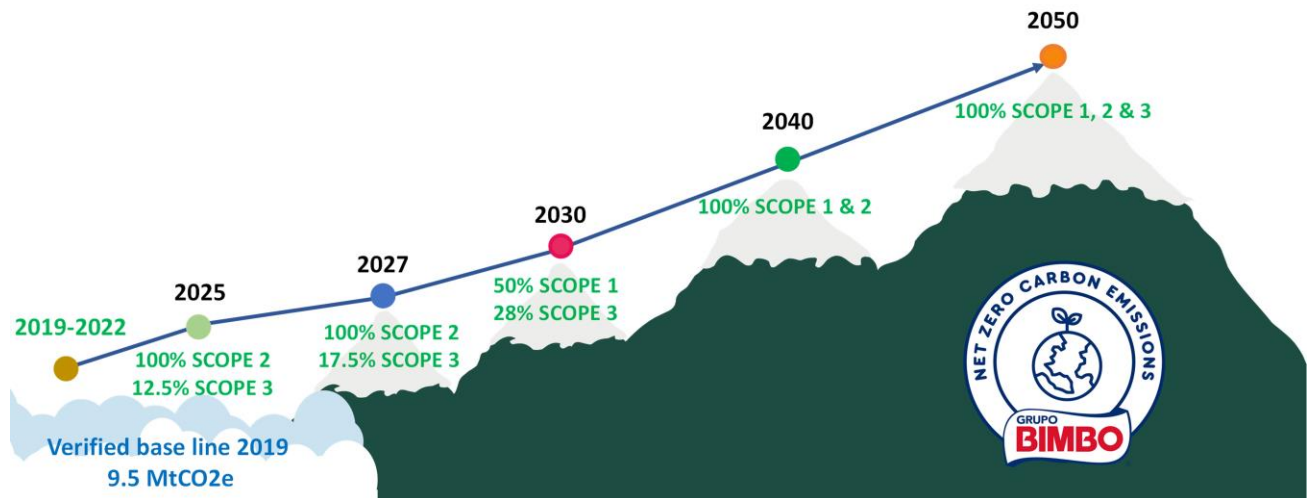
	Strengthening Communities	Caring for Our People
Our Commitments	Enrich the communities where we live and work, supporting our business partners and making a positive impact on our society	Create safe, healthy, diverse, equitable, and inclusive workplaces that foster a culture of personal and professional development for all Grupo Bimbo associates
2030 Headline Goals	<p>Implement at least one social impact project per center of work.</p> <p>Ensure that the majority of small farmers and customers throughout our value chain are supported by Grupo Bimbo through dedicated programs</p>	<p>Ensure that Grupo Bimbo is a company free from discrimination, where all people feel included with equal opportunities and respect</p> <p>Strive for zero injuries and reduce our TRIR rate for each facility</p> <p>Increase the representation of women and other groups at risk of exclusion in leadership positions</p> <p>Adopt, adapt, and implement our best practices on human development in one hundred percent of our facilities</p>

Baked for Nature – Protect and regenerate our natural systems

	Net Zero Carbon Emissions	Towards Zero Waste	Convert Into Regenerative Agriculture
Our Commitments	Maximize carbon reduction, renewable energy, and carbon sequestration models	Promote circularity and reduce waste along our value chain through sustainable packaging, efficient operations and water and food waste reduction	Enrich soils, capture carbon and build resilient ecosystems through regenerative agriculture practices
2030 Headline Goals	<p>Achieve our science-based target in line with a 1.5°C future</p> <p>2030: Reduce Scope 1 carbon emissions by 50% and Scope 3 carbon emissions by 28%</p>	<p>Ensure that 100% of our packaging supports a circular economy</p> <p>Reduce the 20% water consumption base on water scarcity analysis</p> <p>Interim goal: reduce food waste in our</p>	<p>Empower farmers and suppliers to protect nature and promote a resilient food system by ensuring 200,000 hectares of wheat are farmed using regenerative agriculture practices</p>

	Achieve Net Zero Carbon emissions by 2050 (SBTi)	operations by 50% by 2025	
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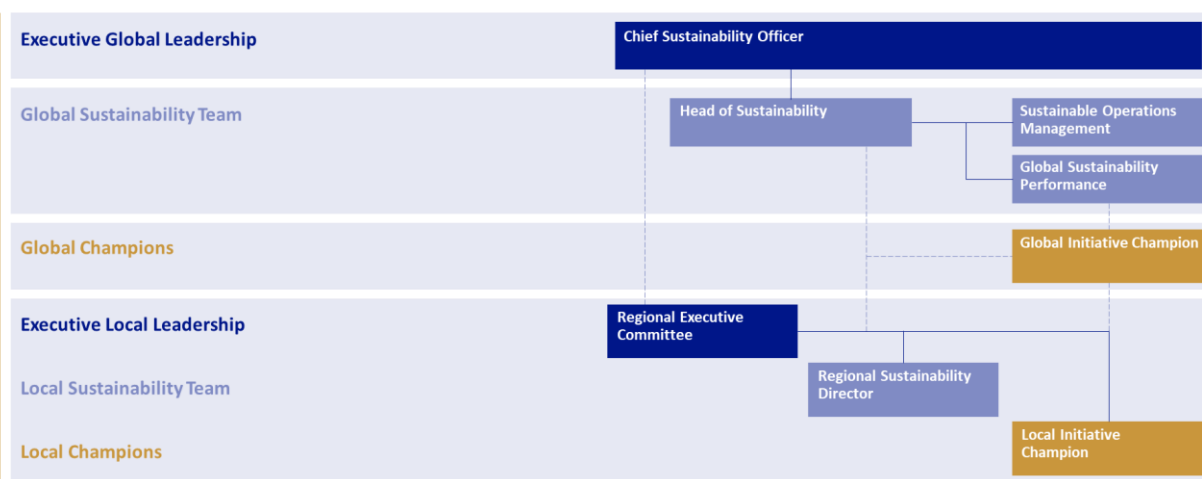
With a special focus on emissions, our path towards decarbonization is shown below:



2.1 Sustainability Governance

In 2021, we defined a governance structure for the implementation of the Nourishing a Better World strategy through coordination of cross functional and regional working groups to deliver key programs and targets, as well as the provision of expertise to the Chief Sustainability Officer ("CSO") on specialist topics and ongoing development of the strategy framework.

Structure and Roles



Structure and Roles

Global Sustainability Team	Global Champions	Local Sustainability Team	Local Champions
<p>Setting the global strategic direction for Sustainability at Grupo Bimbo.</p> <p>Responsible for setting the global level of ambition, including minimum standards, metrics, targets and parameters that all the global initiatives must comply with. And any strategy adjustment.</p> <p>Setting the governance models, provide tools to facilitate the initiatives effective implementation and provide support to Local Sustainability Teams and Global Champions</p> <p>Manage the stakeholder needs and communication.</p>	<p>Responsible for the effective deployment and implementation of the minimum standards and requirements provided/approved by the global sustainability team.</p> <p>Responsible for collating and report all performance metrics from the regions.</p> <p>Identify areas of opportunity, regions and/or critical processes and provide support to Local Champions</p>	<p>Setting the regional strategic direction for Sustainability provided by Global.</p> <p>Ensure that the region:</p> <ul style="list-style-type: none"> Is tackling all key strategic areas and metrics. Complies with all global mandated requirements. <p>Measuring regional sustainability performance and submitting to the global team.</p> <p>Managing regional governance model with regional champions that is recommended by global.</p>	<p>Managing and implementing the local strategic initiatives and projects for the respective focus area provided by Global.</p> <p>Measuring regional sustainability performance for the specific focus area, and submitting to the local Sustainability Team and Global Champion</p>

2.2 Materiality Assessment

We conduct a materiality assessment every three years. We use this study as our main indicator to determine the direction of our actions, prioritizing stakeholder requirements, assessments, and urgency.

This study is conducted through an institutional consultation among the stakeholder groups defined in our Global Sustainability Policy.⁶ The last consultation prior to the publication of this Framework was held in 2022 to learn about the new sustainability requirements, needs, and priorities for responsible actions.

⁶ <https://www.grupobimbo.com/es/node/1425>

The scope of the 2022 materiality assessment was unique since, for the first time, it took a double materiality approach, taking into account all the relevant stakeholders for the company. On the one hand, the impact materiality assessment was taken into consideration according to the GRI Standards. On the other, as opposed to previous assessments, a financial aspect with topics determined by SASB was added, considering financial stakeholders including institutional investors, and rating agencies, among others.

Our 2022 assessment spanned eight countries (versus six in 2019), including Brazil, Chile, Colombia, Mexico, Spain, the United States, Canada, and India, reflecting their relevance to Grupo Bimbo and how they represent the Group's evolution of sustainability initiatives.

Findings in the 2022 materiality assessment highlighted the topics below as the most relevant stakeholder priorities, many of which form the basis of this Sustainable Financing Framework:

2022 Material Issues Under Double Materiality Assessment

1. Consumer experience
2. Product safe and quality
3. Communication and responsible labelling
4. Innovation towards healthy products
5. Sustainable agricultural practices
6. Energy efficiency and renewable energy in processes
7. Sustainable packaging and circular economy
8. Climate change adaption and mitigation (physical risks)

2.3 Sustainable Finance Commitments

In September 2021, we successfully closed a committed syndicated revolving credit facility for USD \$1.75 billion in the international syndicated loan market, which is tied to sustainability metrics. Our five-year senior credit facility includes a sustainability-linked pricing mechanism that adjusts interest rates based on key performance indicators ("KPIs") that are aligned with the Company's sustainability strategy and targets. With this facility, we became the first company in the food-and-beverage industry in Latin America to close a syndicated sustainability-linked revolving credit facility.

The revolving credit facility's KPIs are i) Renewable Electricity as a percentage of total electricity consumption and ii) percentage of Reused Treated Water in bakeries.

Based on this experience, we intend to explore additional sustainable finance commitments.

3. Grupo Bimbo Green Finance Use of Proceeds Framework

We have established our Green Finance Use of Proceeds Framework (“Green Finance Framework”) to further align our sustainability strategy and commitments. Financings executed pursuant to the Green Finance Framework may include, bonds, loans, commercial papers, and/or any other financial instrument where the proceeds can be exclusively allocated to finance or re-finance in part or in full new and/or existing Eligible Green Projects as defined in this Green Finance Framework (“Green Finance Instruments”).

Alignment With Market Principles

This Green Finance Framework is designed to ensure that any Green Finance Instrument we issue is aligned with the voluntary guidelines as outlined by the International Capital Market Association (“ICMA”) in the Green Bond Principles (“GBP”) 2021 edition (with June 2022 Appendix 1)⁷ and by the Loan Market Association (“LMA”) in the 2023 Green Loan Principles (“GLP”),⁸ updated from time to time.

The Green Finance Framework includes the following sections:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Green Finance Framework also describes the approach to External Review, as recommended by the Principles.

The Green Finance Framework will apply to any Green Finance Instrument we issue and will be applied as long as any such Green Finance Instrument is outstanding and may be updated from time to time to ensure continued alignment with voluntary market practices, emerging standards, and classification systems. Any updated version of this Green Finance Framework is expected to either maintain or improve transparency and disclosure, including the corresponding External Review.

Investors should refer to the relevant documentation of each transaction for further details.

3.1 Use of Proceeds









We intend to allocate an amount equal to the net proceeds from any Green Finance Instruments to finance or refinance, in whole or in part, a portfolio of new and/or existing Eligible Green Projects.

In the case of refinancing existing Eligible Green Projects, expenditures which have been made within the 24-36 months preceding the date of issuance of a Green Finance Instrument shall be considered for inclusion as Eligible Green Projects.

Eligible Green Projects may include investments, acquisitions, and other related and supporting expenditures, such as innovation, research and development which contribute to our sustainability strategy and fall within any of the following project categories:









⁷ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

⁸ <https://www.lsta.org/content/green-loan-principles/>

Green Eligible Project Category	Eligibility Criteria	Alignment With the UN SDGs
Green Buildings	<p>Expenditures related to all new constructions, upgrades, or build out of properties that have received or are expected to receive any or all of the following:</p> <ul style="list-style-type: none"> • LEED: Gold or Platinum • BREEAM: Excellent or Outstanding • Energy Star Certification with a score of 85 or above in all of our bakeries located in the United States • For refurbishment of existing buildings reduction of primary energy demand (PED) of at least 30% 	 
Renewable Energy	<p>Expenditures related to the construction, development, acquisition, maintenance, and operation and connection of assets and infrastructures for renewable energy derived from solar, wind, certified hydro,⁹ and/or Green Hydrogen (produced using renewable sources with a carbon intensity lower than 100gCO₂e/kWh) as renewable, including:</p> <ul style="list-style-type: none"> • On-site renewable energy projects including solar rooftop panels and wind • Sourcing expenditures pursuant to long-term power purchase agreements ("PPAs") or Virtual Power Purchase Agreements with renewable projects • Renewable energy Li-ion batteries storage systems 	 
Clean Transportation	<p>Expenditure related to the acquisition, maintenance, and operation of:</p> <ul style="list-style-type: none"> • Electric and hybrid vehicles, including vehicles that use renewable propane, renewable natural gas, green hydrogen, or ethanol¹⁰ • Electric vehicle charging stations powered by solar and wind energy 	
Energy Efficiency	<p>Expenditures related to projects that improve energy-efficiency including equipment, systems, operational improvements, and maintenance.</p> <p>Examples include:</p> <ul style="list-style-type: none"> • Energy efficient monitoring systems and lighting upgrades to optimize energy consumption, switching to more energy efficient equipment that may result in a potential increase in energy efficiency of at least 5% 	  

⁹ Hydro assets will be limited to PPAs and will meet at least one of the following specifications which may vary based on location: 1. run-of-river without artificial reservoir or low storage capacity, 2. life-cycle carbon intensity below 50 gCO₂e/kWh, or 3. power density greater than 10W/m².

¹⁰ Passenger vehicles (75gCO₂/p-km), buses with/without BRT systems (50gCO₂/p-km), heavy trucks (25gCO₂/p-km)

		 
Pollution Prevention and Control: Elimination of Fossil Fuels	<p>Conversion of fossil fuel ovens to:</p> <ul style="list-style-type: none"> • Electric ovens fed with renewable electricity • Green Hydrogen ovens • Renewable natural gas ovens <p>Migration of fossil fuel fryers to:</p> <ul style="list-style-type: none"> • Electric Fryer • Solar thermal <p>Elimination of boilers through heat recovery technology</p>	
Pollution Prevention and Control: Reduction of GHG	<p>Expenditures related to waste prevention, waste reduction and pollution prevention and control:</p> <ul style="list-style-type: none"> • Upgrades to refrigeration systems that result in improvements and reduction of greenhouse gas emissions 	 
Environmentally Sustainable Management of Living Natural Resources and Land Use	<p>Expenditures related to activities that contribute to the sustainable management of living natural resources and land use as well as the natural ecosystem protection or restoration:</p> <ul style="list-style-type: none"> • Procurement of raw materials certified by environmental or ethical certification organizations, accepting only: FSC, SFI and PEFC or recycled material (paper and cardboard) • Promotion and investment in Sustainable Agricultural Programs for key ingredients as Corn and Wheat¹¹ <ul style="list-style-type: none"> ○ Grupo Bimbo promotes the empowerment of farmers and suppliers and has a long-term goal to ensure 100% of key ingredients are produced with regenerative farming practices. Some of the regenerative agricultural practices with the greatest impact on reducing carbon and water footprints are incorporating crop rotation implementing beneficial microorganisms to increase plant and soil health; and 	  

¹¹ Grupo Bimbo supports agricultural practices that promote economic, environmental, and social resilience. Further information on Grupo Bimbo's Global Agriculture Policy can be found here: https://grupobimbo-com-assets.s3.amazonaws.com/s3fs-public/politica/1FGB-EPR-01-Global-Agriculture-Policy_0_2.pdf?VersionId=5hnmU90AouX9CDc48swE0yL0Lb3Ck6hM

	<p>agricultural technology that generates greater water and fertilizer efficiencies</p> <ul style="list-style-type: none"> Investments to protect or restore natural resources, such as sustainable agriculture, forestation, or water efficiency through monitoring systems, landscape projects, and localized water systems 	
Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	<p>Expenditures related to the purchase, research and development, design or redesign, and manufacturing of resource-efficient products, packaging, and processes, including circular-economy adapted solutions:</p> <ul style="list-style-type: none"> Food waste reduction through technologies that allow us to extend the shelf life of the products without compromising the nutritional quality of the food Plastic related projects: <ul style="list-style-type: none"> Packaging Optimization in Grupo Bimbo products such as: <ul style="list-style-type: none"> Reducing the amount of conventional plastic packaging (thickness) Use natural and biodegradable sources such as plants (plant-based / bio-based) Compostable ASTM 6400 / EN13432 Biodegradable ASTM 6954 Projects to increase material reusability & recyclability (including use of recycled materials): <ul style="list-style-type: none"> Paper and cardboard from recycled or sustainable certified sources. Projects to incentivize post-consumption programs: <ul style="list-style-type: none"> Incentivize reverse logistics material gathering. Post Consumption recycling programs with third parties such as Ecoins / Ecolana / Ecoce. These types of programs are meant to create consciousness and add value to post-consumption plastics and materials in the chain prior to landfill by i) eliminating the material that ends up in landfill, ii) recycling (mechanical), and iii) reusing materials in our supply chain as input or raw material for other processes. This incentivizes market development and adds value to recovering programs. All post-consumption and plastic recycling programs consider plastic-to-plastic technologies that may include mechanical recycling. Plastic-to-oil and plastic-to-fuel related recycling technologies will be excluded from the eligible projects. 	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
Sustainable Water and Wastewater Management	<p>Expenditures related to solutions that promote the sustainable management of water resources, including:</p> <ul style="list-style-type: none"> Improving wastewater treatment and management Wastewater treatment process for better quality to infiltration "Inner" water cycles as closed loops technologies, for example, if we need to clean a machine, local water treatment of that water to reuse it again in cleaning Water consumption reduction projects Water-use efficiency projects and technologies Improving water quality monitoring and optimizing treatment to avoid overconsumption of water 	6 CLEAN WATER AND SANITATION

3.2 Process for Project Evaluation and Selection

Projects that will potentially receive allocation amounts related to the Green Finance Framework are evaluated and selected by our Grupo Bimbo Sustainable Investments Committee (“Committee”), formed by representatives of the Sustainability, Treasury, Net Zero, Financial Planning, Agrobusiness, Vehicles, Procurement teams and/or other parties to be appointed based on expertise in the matters.

The Committee will screen and assess that the projects meet the eligibility criteria laid out in section 3.1 of this Green Finance Framework as well as Grupo Bimbo’s Sustainability Policies and Procedures¹² for inclusion in our portfolio of Eligible Green Projects.

Once screened, the Sustainability, Net Zero, Financial Planning, and Treasury departments will track actual expenditures on the Eligible Projects using internal systems and ensure that no double counting of expenditures for the use of proceeds occurs across Green Finance Instruments.

The Committee will meet at least once a year to review and monitor the list of Eligible Green Projects against the Eligibility Criteria. It is also responsible for the exclusion and replacement of projects which no longer comply with the Eligibility Criteria, on a best-effort basis.

3.2.1 Risk Management

Grupo Bimbo’s Enterprise Risk Management

In terms of risk evaluation, we rate risks (and opportunities) differently based on four criteria: impact, likelihood, management control and velocity and such rating is applicable to both, direct operations and the rest of the value chain (upstream and downstream). There are four different levels of risk impacts (low, moderate, high and critical), four levels of likelihood of occurrence (remote, not likely, likely or highly likely), four levels of management controls (inadequate, weak, adequate and strong), and three levels of velocity (slow, moderate, rapid). The assessment of risks takes place more than once a year.

Moreover, definition of actions and mitigation of risks also require an extensive process that includes: 1) analyzing risks at the process level; 2) implementing proposals of mitigation; 3) analysing the risks report; 4) coordinating initiatives; 5) implementing improvement initiatives. Three time-horizons are used in the company in the mitigations of these risks, short- (1-2 years), mid- (2-3 years) and long-term (3-5 years).

Finally, a risk is considered as substantive when, for example, there is a failure to meet budgeted sales (financial impact), there are interruptions to business operations (operations impact), when there are regulatory sanctions and damages representing up to 1% of Adjusted EBITDA (compliance impact), or in case there is a loss of confidence in the company in a specific location (strategic impact).

Task Force for Climate Related Financial Disclosure (TCFD) Risk Assessment

In 4Q22, we began our first physical risk and climate change transition exercise using TCFD recommendations.

In 2015, the Financial Stability Board FSB created the Taskforce on Climate-Related Financial Disclosures on the types of information that companies should disclose to support investors, lenders and all kinds of stakeholders in appropriately assessing and pricing a specific set of risks related to climate change. The main idea is that opportunities related to climate change become a natural part of companies risk management and strategic processes, causing that risks and opportunities will be more accurately priced, allowing a more efficient allocation of capital. Some other benefits that companies will find are:

¹² All eligible projects will be screened and assessed against Grupo Bimbo’s Policies. More information can be found here: <https://www.grupobimbo.com/index.php/en/about-us/policies>

- Reputation: Reporting in line with TCFD recommendations shows confidence and credibility to the market and stakeholders that climate risks are considered a strategic priority within the company.
- Strategy: TCFD-recommended management processes help integrate climate risks into strategic decision-making, helping get ahead of future policies or regulations to limit GHG emissions.
- Investment Decisions: Scenario analysis and climate risk assessment helps to build capacity and knowledge internally for, e.g. anticipating the impact of any future carbon pricing.
- Opportunities: Exploring the potential impact of the low-carbon transition on direct operations and key customers/market segments can lead to the identification of opportunities for improved efficiencies, innovation and commercial partnerships

3.3 Management of Proceeds

We intend for the proceeds of any Green Financing Instrument to be allocated to Eligible Green Projects within 3 to 5 years of incurrence of the debt, subject to the specific projects in consideration. In the case of refinancing existing Eligible Green Projects, expenditures which have been made within the 36 months preceding the date of issuance of a Green Finance Instrument shall be considered for inclusion as Eligible Projects.

Pending full allocation of such amounts to the portfolio of Eligible Green Projects, we may hold and/or invest the balance of net proceeds not yet allocated, at our discretion, in our Treasury liquidity portfolio (in cash or cash equivalents, money market funds, etc.) in line with our Treasury management policies or used to repay a portion of outstanding indebtedness, which will exclude carbon-intensive activities.

Any payment of principal and interest on any Green Finance Instruments will be made from the general account and will not be linked to the performance of any Eligible Green Project.

In the case of divestment or if a project no longer meets the criteria as an Eligible Green Project, we intend to reallocate the funds to one or more other Eligible Green Projects as soon as possible.

3.4 Reporting

For each Green Finance Instrument, we commit to publish an allocation and impact report within a year following the Green Financing issuance, to be renewed annually, and until full allocation of the net proceeds, and in the event of any material changes until the relevant maturity date. The allocation and impact report will be publicly available on our website¹³ for Green Bonds or to the relevant lenders in the case of other Green Finance Instruments.

3.4.1 Allocation Reporting

The allocation report will provide, on a portfolio basis, indicators such as:

- Total amount allocated to the portfolio
- Total amount allocated to each Green Eligible Project Category
- Percentage of new financing and refinancing
- Balance of unallocated proceeds, if any

¹³ <https://www.grupobimbo.com/en/investors/reports/annual-reports>

3.4.2 Impact Reporting

Where feasible, we will provide impact reporting at the level of each Green Eligible Project Category which may include the following estimated Impact Reporting Metrics:

Eligible Category	Potential Impact Metrics
Green Buildings	Number of sustainable buildings
Renewable Energy	Percentage of electricity coming from renewable energy Annual renewable energy generation in MWh/GWh Installed renewable energy capacity MW Avoided / reduced GHG emissions reductions (tCO ₂ e)
Clean Transportation	Number of zero emission vehicles Number of Electric vehicles (EVs) charging stations Avoided / reduced GHG emissions reductions (tCO ₂ e)
Energy Efficiency	Avoided / reduced GHG emissions (tCO ₂ e) Annual energy savings in MWh/GWh
Pollution Prevention and Control: Elimination of fossil fuels	Number of ovens converted Number of fryers converted Number of boilers eliminated Avoided / reduced GHG emissions (tCO ₂ e)
Pollution Prevention and Control	Reduction in GHG emissions (% or CO ₂ equiv.) Percentage of natural refrigerants used
Environmentally Sustainable Management of Living Natural Resources and Land Use	Number of hectares with regenerative agriculture practices Percentage of procurement of raw materials certified by environmental or ethical certification organizations (or volume - Tonnes) Number of hectares of natural landscapes protected, preserved and restored
Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	Percentage of recyclability Equivalent of tons of recycled packaging Estimated expenditures on research and development for circular-economy packaging design excluding plastic to oil and plastic to fuel related expenditures.
Sustainable Water and Wastewater Management	Cubic meters of reused treated wastewater from total treated wastewater Annual water usage reduction (metric tons) Percentage efficiency improvement in water use

3.5 External Review

Second Party Opinion (pre-issuance)

We have retained Sustainalytics to provide a Second Party Opinion on the environmental benefits of our Green Finance Framework as well as the alignment to the with the ICMA 2021 Green Bond Principles and the LMA 2023 Green Loan Principles. The SPO will be made available on the SPO provider's website as well as the Company's website.

Verification (post-issuance)

We will request on an annual basis, starting one year after the issuance of any Green Finance Instrument and until full allocation, verification by an independent third party of a management statement on the allocation of the of the net proceeds from a Green Finance Instrument to the portfolio of Eligible Green Projects. The verification will be made available, along with the allocation and impact report, on our website for Green Bonds or to the relevant lenders in the case of any other Green Finance Instruments.

4. Grupo Bimbo Sustainability-Linked Finance Framework

This Sustainability-Linked Finance Framework (the “Sustainability-Linked Finance Framework”) has been established in accordance with the 2020 Sustainability-Linked Bond Principles (“SLBP”)¹⁴ published by the International Capital Market Association (“ICMA”) and the 2023 Sustainability Linked Loan Principles (“SLLP”)¹⁵ published by the Loan Markets Association (“LMA”), Loan Syndications & Trading Association (“LSTA”), and Asia Pacific Loan Market Association (“APLMA”).

Sustainability-Linked Instruments are any type of instrument for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined sustainability/Environmental, Social and Corporate Governance (“ESG”) objectives. In that sense, issuers are thereby committing explicitly (including in bond/loan documentation) to future improvements in sustainability outcome(s) within a predefined timeline that are relevant, core and material to their overall business. Sustainability-Linked Instruments are forward-looking performance-based instruments.

The proceeds of Sustainability-Linked Instruments are intended to be used for general purposes; hence, the use of proceeds is not a determinant in our categorization of Sustainability-Linked Instruments.

The Framework is aligned with the five core components of the SLBP and SLLP:







1. Selection of Key Performance Indicators (“KPIs”)
2. Calibration of Sustainability Performance Targets (“SPTs”)
3. Financial Characteristics
4. Reporting
5. Verification

4.1 Selection of Key Performance Indicators (“KPIs”)

We have identified and selected the following 4 KPIs, which are core, relevant, and material to our business and measure our sustainability improvements. We have selected KPIs that are measurable or quantifiable on a consistent methodological basis, externally verifiable, and that are able to be benchmarked with our performance, peers’ performance, and science-based scenarios.







These KPIs may be used individually or in combination on a transaction-by-transaction basis. The KPI(s) relevant to each Sustainability-Linked Instrument will be specified in the final terms of the respective transaction.

We intend to achieve ambitious sustainability goals in the upcoming years aiming to tackle climate change, sustainability and global topics that concern everyone.

Key Performance Indicators (KPIs)	Alignment With the UN SDGs
KPI 1: Reduction of absolute Scope 1 Greenhouse Gas (GHG) emissions	  
KPI 2: Reduction of absolute Scope 3 Greenhouse Gas (GHG) emissions	  

¹⁴ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

¹⁵ <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/>

KPI 3: Percentage of renewable energy in the energy mix used by Bimbo (Scope 2)	  
KPI 4: Percentage of treated water reused	  

KPI 1: Greenhouse Gas Emissions (Scope 1) Reduction

Rationale: We are committed to maximizing carbon reduction and to increasing the use of renewable energy and sustainable transportation. To help meet urgent challenges of a changing world, we are constantly innovating and investing in new technologies that will help reduce the use of fossil fuels in our bakeries and distribution, in line with our commitments to the UN SDGs regarding Climate Action and Life on Land.

Scope 1 is defined as the direct greenhouse gas emissions that occur from sources that are controlled or owned by us. We are publicly committed to reducing 50% of our Scope 1 carbon emissions by 2030, aligned with our Science Based Targets.

Baseline Year: 2019. This is the baseline used to set Grupo Bimbo's science-based target, validated by the Science Based Targets (SBT) initiative.

Definition and Methodology for KPI Measurement: Percentage change of Total CO₂ tons generated in Scope 1 for a given year compared to the total CO₂ tons generated in Scope 1 in baseline year,

Formula:

$$KPI\ 1 = \left[\frac{\text{Total Scope 1 CO}_2 \text{ Tons for a given year}}{\text{Total Scope 1 CO}_2 \text{ Tons Baseline year}} - 1 \right] \times 100$$

Historical Performance:

Scope 1	2019	2020	2021	2022
Total Emissions CO ₂ e (ton)	1,102,372	1,088,534	1,108,609	1,127,129

KPI 2: Greenhouse Gas Emissions (Scope 3) Reduction

Rationale: As part of our commitment to the planet and long-term sustainability throughout our value chain, we have focused on ways to have a low carbon supply through a narrow collaboration with our suppliers by training them on key topics, sharing best practices, and working together towards the same goal, in line with our commitment to the UN SDG of Climate Action.

At the same time, we encourage a circular economy and work with our customers and associates to minimize our carbon footprint. Moreover, a main focus will be on our investments to transition our current plans to net-zero carbon investments, since we have committed to achieving the goal of net-zero emissions by 2050.

Scope 3 is defined as our total indirect greenhouse gas emissions comprised of upstream and downstream activities. Upstream activities include purchased goods and services, capital goods, fuel and energy-related activities, transportation and distribution, waste generated in operations, business travel, and employee commuting. Downstream activities include investments, franchises, leased assets, use of sold products, product end of life, and transportation and distribution. We are publicly committed to reducing 28% of our Scope 3 carbon emissions by 2030, aligned with our Science Based Targets.

Based on the 3 scopes, we looked into our end-to-end value chain to account for the right amount of emissions generated in every step of it, from raw materials to post consumption waste, from farmers to final consumers.

Baseline Year: 2019. This is the baseline used to set Grupo bimbo's science-based target, validated by the SBT initiative.

Definition and Methodology for KPI Measurement: Percentage reduction of Total CO₂ tons generated in Scope 3 for a given year compared to the total CO₂ tons generated in Scope 3 in baseline year.

Formula:

$$KPI\ 2 = \left[\frac{\text{Total Scope 3 CO2 Tons for a given year}}{\text{Total Scope 3 CO2 Tons Baseline year}} - 1 \right] \times 100$$

Historical Performance:

Scope 3	2019	2020	2021	2022 ¹⁶
Total Emissions CO ₂ e (ton)	8,021,824	8,397,982	8,817, 899	9,869,901

KPI 3: Renewable Energy (Scope 2)

Rationale: We are committed to maximizing carbon reduction and to increase the use of renewable electricity through the use of new technologies, onsite generation, and storage sustainable buildings amongst others. To help meet urgent challenges of a changing world, we are moving fast to avoid greenhouse gas emissions.

Scope 2 is defined as the indirect emissions that come from purchased electricity, heat, and steam.

We are committed to supplying 100% of our operations with renewable electricity by 2025 (from clean sources like solar, wind, hydro, etc.) and achieve a science-based target in line with a 1.5° Celsius future

Baseline Year: 2020

Definition and Methodology for KPI Measurement: Total kwh that come from renewable sources such as solar, wind, hydro, etc.

Formula:

$$KPI\ 3 = \frac{\text{Total Renewable kWh}}{\text{Total kWh Consumption}}$$

Historical Performance:

Renewable Electricity Percentage	2019	2020	2021	2022 ¹⁷
Total Electricity (GWh)	1,411	1,418 (Baseline)	1,456	1,478
Total Renewable Energy (GWh)	507	854	1,065	1,258
Percentage of Renewable Energy vs Base Line 2020	36%	60%	75%	89%

¹⁶ Unaudited figures for 2022. Audited number not expected to change significantly. For final numbers please refer to our latest annual report

¹⁷ Preliminary figures for 2022. For final numbers please refer to our latest annual report

KPI 4: Reused Treated Water

Rationale: We recognize the impact that our operations have on the environment and are therefore committed to mitigating our overall water footprint. In alignment with the UN's 2030 Agenda, we aim for best practices in resource use, including optimizing our water usage in cleaning processes. Moreover, we aim to reduce our water footprint through reducing water use, treating and reusing water and using alternative water sources.

As part of our Sustainability Strategy, we are committed to increasing the Reused Treated Water to 100% by 2025 vs our 2020 baseline, as part of the initiative of towards Zero Waste – Water. We are committed to reduce the conventional water supplies and to improve the Wastewater Treatment Technologies used to increase the quality of Treated Water, reusing it in additional processes within our sites.

Baseline Year: 2020. *This is our baseline towards our Zero-Waste – Water Initiative¹⁸.*

Definition and Methodology for KPI Measurement: Total Reused Treated Water over Total Treated Water (baseline 2020), recalculating baseline due to closing sites or legal reuse prohibitions if applicable.

Formula:

$$KPI\ 4 = \frac{[Total\ volume\ (m3)of\ treated\ and\ reused\ water\ of\ current\ year]}{[Total\ volume\ (m3)of\ water\ treated\ in\ base\ line\ 2020]} * 100$$

Historical Performance:

Reused Treated Water Percentage	With Ricolino			W/o Ricolino
	2019	2020	2021	2022 ¹⁹
Total Treated Water (m3)	675,798	683,740 (baseline)	745,886	928,075
Total Reused Water (m3)	516,785	559,989	597,684	582,019
Percentage of Reused water vs Base Line 2020	76%	82%	87%	92%

4.2 Calibration of Sustainability Performance Targets (“SPTs”)

We have chosen the following SPTs, which are ambitious and meaningful, and aligned with our sustainability strategy. This section outlines how each of the SPTs aligns with our objectives.

Summary

Key Performance Indicator (KPI)	Sustainable Performance Target(s) (SPTs)
KPI 1: Greenhouse Gas Emissions (Scope 1)	2030: 50% reduction
KPI 2: Greenhouse Gas Emissions (Scope 3)	2025: 12.5% reduction 2027: 17.5% reduction 2030: 28% reduction

¹⁸ <https://www.grupobimbo.com/en/node/1513>

¹⁹ 2022 preliminary figures exclude Ricolino (subsidiary sold in 2022). The percentage of reused water for such year is calculated based on proforma baseline considering such sale. For final numbers please refer to our latest annual report.

KPI 3: Renewable Electricity Use (Scope 2)	2025: 100%
KPI 4: Treated Water Reuse	2023: 96% 2024: 98% 2025: 100%

KPI 1: Greenhouse Gas Emissions (Scope 1) Reduction

Sustainability Performance Target: Reduce Scope 1 greenhouse gas emissions by 50% by 2030.

Baseline: 2019 (Total Emissions CO2 e (ton))

Observation Date: December 31, 2030.

We plan to reach this very ambitious goal by implementing the following actions:

1. **Zero Carbon Mobility:** Research and migration to new technologies such as green fuel for our vehicles, electric vehicles, hydrogen, and initiatives such as route efficiency to reduce the traveled km hence reducing fuel consumption.
 2. **Elimination of Fossil Fuels:** Implementation of good practices within our manufacturing processes such as energy efficiency and transition to new technologies in ovens, fryers, boilers and generators like electric ovens or fryers, and green hydrogen technologies.
 3. **Refrigerants:** Migration to natural refrigerants with zero GWP (Global Warming Potential).
 4. **Innovation and New Technologies:** Research and development of new technologies for the generation of clean energy, elimination of fossil fuels, optimization of resource consumption, carbon capture technologies, etc.
- More than 500 electric vehicles with lithium battery technology were added in 2021 to our delivery fleet for Bimbo Mexico and Barcel, powered by wind and solar energy that allows us to avoid creating 5,300 tons of CO2 per year. All these vehicles are manufactured by our Moldex affiliate. We have the largest electric fleet in Latin America with over 2,400 electric vehicles with which we avoid creating an average of 12,000 tons of CO2 annually.
 - We have been working closely with our OEMs to include electric ovens in our bakeries. As of 2021, we have around 8 electric ovens already installed and will continue down this path as we search for new technologies as well.
 - In accordance with our Refrigerant Policy, we closed 2021 with over 57% of natural refrigerants.

KPI 2: Greenhouse Gas Emissions (Scope 3) Reduction

Sustainability Performance Target: Reduce Scope 3 GHG emissions by 12.5% by 2025, 17.5% by 2027, and 28% by 2030.

Baseline: 2019 (Total Emissions CO2 e (ton))

Observation Date: The observation dates and SPTs for KPI 2 are shown in the table below.

	Dec 31, 2025	Dec 31, 2027	Dec 31, 2030
Target	12.5% reduction	17.5% reduction	28% reduction

We plan to reach this very ambitious goal by implementing the following actions:

Upstream Actions:

1. **Low Carbon Supply:** Support our suppliers to become net zero carbon themselves, if possible, under the Science Based Target Initiative by the sharing good practices from our own strategy.
2. **Regenerative Agriculture/Zero Deforestation:** Sustainable practices to be implemented by our farmers to improve the health of the soil our crops grow in, generate water efficiency, and carbon sequestration.
3. **Waste Management Reduce/Reuse/Recycle:** Reduction of the waste generated in our facilities and implementation of solutions for the reuse, reduction and recycle of materials (includes food and packaging).
4. **Efficient Energy Production:** Boost Scope 1 and 2 initiatives to mitigate the emission of external energy sources.

Downstream Actions:

5. **Employees:** Implementation of clean alternatives for employee commuting, such as carpooling, electric company transportation, etc. and focus on carbon reduction strategies for business travel in partnership with airlines and hotels.
6. **Zero Carbon Mobility:** Research and migration to new technologies and initiatives of suppliers to mitigate carbon emissions, by sharing best practices we are applying in our scope 1 Zero Carbon Mobility initiative.
7. **Client's Carbon Footprint:** Implementation of strategies so that our clients can reduce their emissions through the reduction of our footprint and the sharing of best practices.
8. **Investments:** Investment of our resources in net zero carbon emissions projects.

Regenerative Agriculture will play a key role in reaching our Scope 3 goal. We are committed to the Regenerative Agriculture systems that not only reduce our carbon footprint, but also improve soil healthiness, biodiversity and ecosystems through region-particular practices that minimize soil impacts and improve water cycles, while communities are positively impacted by an integral project.

We are committed to empower farmers and suppliers to protect nature and promote a resilient food system by ensuring that **200,000 hectares of wheat are farmed using regenerative agriculture practices by 2030.**

As starting point, our target is to set the working standard of Regenerative Agriculture for Grupo Bimbo, with this definition allowing the rollout strategy. The progress and rollout process will proceed with two action lines that complement each other:

- 1) The results of ongoing pilot projects, applying the lessons learned from each one, and
- 2) Best practices in value chain and industries.

We currently have 2 ongoing pilot projects in Bimbo Mexico that started in 2018, the first being a conservation agriculture project in Mexico through CIMMYT (the International Center for Maize and Wheat Improvement), project in which we have encompassed sustainable wheat farming practices in Sonora and Sinaloa; and for maize in Jalisco. The second one is a pilot project in France with one of our major clients.

For the 2022-2023 fall/winter maize cycle in Sinaloa, there are 7,000 hectares that are expected to produce at least 70,000 tons under regenerative farming practices.

In parallel, technical capabilities and training are being considered for our associates and suppliers to ensure that our working standards are well understood, aiming to facilitate the rollout plan execution internally and externally.

This year we have consolidated the work done thus far with a global approach, establishing the bases and operations guidelines, whereas the pilot program in Mexico shall continue moving forwards towards meeting local goals, as well as disseminating and implementing practices that help farmers be more efficient in their use of resources, and to reduce carbon and water footprints.

Key activities to launch our regenerative agriculture projects to meet our specified goals include:

- Building alliances with strategic partners;
- Creating workshops for strategic suppliers and industry benchmarks, in alliance with universities and other research agencies;
- Promoting the use of regenerative agriculture practices in crops of our key ingredients, helping to reduce the use of agrochemicals and irrigation cycles, thus optimizing harvest periods.

KPI 3: Renewable Energy (Scope 2)

Sustainability Performance Target: Supply 100% of our operations with renewable energy by 2025

Baseline: 2020 (Renewable Electric Energy Consumption)

Observation Date: The observation date and SPT for KPI 3 is shown in the table below.

	Dec 31, 2025
Target	100%

We plan to reach this very ambitious goal by implementing the following actions:

1. **Energy Efficiency and Sustainable Buildings:** Connect our electric installations to an intelligent system to monitor our facilities and increase the efficiency of energy usage.
2. **Clean Energy:** Supply clean electric energy to our operations such as wind, hydro and solar energy through the installation of onsite generation systems, long-term contracts, or green tariffs (where applicable).
3. **Energy Storage and Maintenance:** Implementation of storage systems to avoid flickers and black outs, maintain the continuity of the operation, do energy arbitrage, load shifting and peak shaving.
4. **Electric Installations:** Ensure the good and updated condition of our electric installations aligned to the energy regulations of each country.

Historical Performance:

In 2018, we joined the RE100 initiative²⁰ and announced our commitment to use 100% renewable electric energy globally by 2025. As of year-end 2022:

- 85% of the electric energy used in Grupo Bimbo comes from renewable sources
- In 20 countries, the electricity we use is 100% renewable and with this we avoid more than 500,000 tons of CO2 annually
- We have 115 solar rooftops worldwide (United States, Italy, Peru, Mexico, Chile, India, Portugal and Spain) with which we avoid more than 25,000 tons of CO2 annually

²⁰ <https://www.there100.org/grupo-bimbo-0>

- Amongst them we have the largest solar roof top in Mexico which has more than 6,000 solar panels and has an installed capacity of 2.2 MW
- We also have the largest solar roof top in South America, located in Chile with an installed capacity of 2.3 MW
- We have received energy from the wind farm “Piedra Larga” for more than 10 years, which supplies us with over 70% of our consumption in Mexico
- Our organization in the United States has been named the 35th company in the country to consume a 100% of renewable energy that comes from clean sources as part of the “Green Power Partnership” of the United States Environmental Protection Agency (EPA)²¹.

KPI 4: Reused Treated Water

Sustainability Performance Target: Increase by 100% Total Reused Treated Water by 2025

Baseline: 2020 (Total Reused Treated Water Percentage)

Observation Date: The observation dates and SPTs for KPI 4 are shown in the table below.

	Dec 31, 2023	Dec 31, 2024	Dec 31, 2025
Target	96%	98%	100%

Roadmap for SPT Achievement:

We intend to achieve SPT 4 through our water impact reduction strategy, primarily through investments in upgrading existing water treatment plants. For those facilities with no local water treatment plants, we plan to build new infrastructure.

Moreover, we will:

- develop and implement inner cycles water treatment loops with technologies such as filters, membranes, disinfection, ionized water, among others, to ensure water food safety to reuse water in different cleaning applications
- Increase wastewater treatment capacities/technologies to achieve water conditions that allow such water to be reused according to local regulations (to ensure food safety water quality standards) and reuse it in non-contact with product cleanings

²¹ <https://www.epa.gov/greenpower/green-power-partnership-national-top-100>

4.3 Instrument Characteristics

The financial characteristics of any security issued under this Sustainability-Linked Finance Framework, including a description of the selected KPI(s), SPT(s), margin adjustment or the premium payment amount and their magnitude, as applicable, will be specified in the relevant documentation of the specific Sustainability-Linked Instrument (e.g., the prospectus or offering memorandum for the relevant SLB).

Selected SPTs will be tested at their respective Target Observation Date(s), which will be defined in the relevant Sustainability-Linked Instruments documentation. A financial adjustment in the form of a step-up and/or step-down will be triggered and accrue from the date specified in the relevant Sustainability-Linked Instrument documentation depending on the relevant SPT(s) performance, applicable to interest periods following such date.

A step-up of the coupon shall be triggered if:

- A KPI has not achieved the SPT on the Target Observation Date;
- The verification (as per the verification section of this Framework) of the SPT has not been provided and made public by the time of the Notification Date, as defined in the bond documentation; or We fail to provide a Satisfaction Notice as of the Notification Date related to achieving the SPT, each as defined in the bond documentation.

For the avoidance of doubt, if the relevant SPT(s) has been achieved and reporting and verification of SPT(s) have been provided and made public according to the reporting and verification sections in this Framework, the financial characteristic of the Sustainability-Linked Bond shall remain unchanged.

Baseline Recalculations

Baseline figures may be restated as the result of future material divestments or acquisitions of assets. For the avoidance of doubt, any significant structural change to the Company, including from divestments or acquisitions, will not result in any adjustment to the Sustainability Performance Target (SPT) levels for the KPI(s). Grupo Bimbo follows the WRI GHG Protocol's and international references guidance for base year recalculation methodologies for structural changes in the Company.

Emissions or water sources from an acquired company are included in both base year and the current years. Similarly, emissions and water sources from divested companies are excluded from both base year and current years. The Company's standard practice is to externally assure baseline emissions when that data has been restated for acquisitions or divestitures.

Any such restatements will be communicated in the company's annual sustainability reports²². In order to provide the best year-over-year comparison, sustainability metrics starting with the applicable baseline year reflect our current Company footprint in any of the KPI(s).

Some of the data may change at the final calculation of the base line, this will be reported and explained.

Reporting

Annually, and in any case for any date/period relevant for assessing the trigger of the SPT performance leading to potential adjustments, Grupo Bimbo will publish and keep readily available and easily accessible on the Grupo Bimbo website²³:

- Up-to-date information on the performance of the selected KPI(s), including the baseline(s) where relevant
- A verification assurance report by an independent external party relative to the SPT outlining the performance against the SPT

Any other relevant information which may enable investors to monitor the progress and ambition of the selected KPI(s) and SPT(s) Information may also include when feasible and possible:

²² <https://grupobimbo.com/index.php/en/investors/reports/annual-reports>

²³ <https://grupobimbo.com/index.php/en/investors/reports/annual-reports>

- Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis
- Illustration of the positive sustainability impacts of the performance improvement
- Any re-assessments of the KPI(s), restatements of the SPT and/or pro forma adjustments of baselines or KPI scope

4.4 Verification

Second Party Opinion (pre-issuance)

Grupo Bimbo has obtained a Second Party Opinion (“SPO”) from Sustainalytics, an internationally recognized external verifier, confirming the alignment of Grupo Bimbo’s Sustainability-Linked Financing Framework with ICMA SLBP and LMA SLLP. The SPO will be made available on the SPO provider’s website as well as the Company’s website.

Verification (post-issuance)

Annually, and in any case for any date/period relevant for assessing the KPI performance leading to a potential financial adjustment, Grupo Bimbo will seek independent and external verification of its performance level for the stated KPI(s) by a qualified external reviewer with relevant expertise. The verification of the performance of the KPI(s) will be made publicly available on its website for Sustainability-Linked Bonds or to the relevant lenders in the case of any other Sustainability-Linked Instruments.

5. Amendments to the Framework

We expect to adhere to best market practices and will review this Framework's alignment to updated versions of the relevant sustainability finance principles as these are released. Such review may result in this Framework being updated and amended. The updates, if material in nature, will be subject to the prior approval of an external verifier. Any future updated version of this Framework is expected to either keep or improve transparency and disclosure and will be published on the Investors section of Grupo Bimbo's website (www.grupobimbo.com).

Grupo Bimbo Disclaimer

In this disclaimer, “Grupo Bimbo,” “Company,” “we,” “us” or “our” refer to Grupo Bimbo, S.A.B. de C.V. and its consolidated entities.

This Framework has been prepared solely for informational purposes and should not be construed as containing any offer, invitation or recommendation to purchase, sell or subscribe for any Green Finance Instruments or other securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity. Securities may not be offered or sold in the United States unless they are registered or exempt from registration under the U.S. Securities Act of 1933, as amended (the “Securities Act”). This Framework should not be regarded by recipients as a substitute for the exercise of their own judgment in connection with any investment activity. The merit and suitability of an investment in the Company should be independently evaluated and any person considering such an investment in the Company is advised to obtain independent advice as to the legal, tax, accounting, financial, credit and other related advice prior to making an investment. This Framework contains certain non-IFRS measures, including Adjusted EBITDA. These non-IFRS measures should not be considered alternatives to the IFRS financial measures.

This Framework may contain forward-looking statements within the meaning of the U.S. federal securities law. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements within the meaning of the U.S. federal securities laws.

Such forward-looking statements are based on certain assumptions and current expectations and projections about future events and trends that may affect the Company’s business and are not guarantees of future performance. You are cautioned that any such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and other unknown factors, including those relating to the operations and business of the Company. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from historical results, performance or achievements and/or from results, performance or achievements expressly or implicitly anticipated by the forward-looking statements, information and/or opinions contained in this Framework, or otherwise could have an impact on us. These and various other factors may adversely affect the estimates and assumptions on which these forward-looking statements are based, many of which are beyond our control. Forward-looking statements speak only as of the date on which they are made. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. The Company’s independent public auditors have neither examined nor compiled this Framework and, accordingly, do not provide any assurance with respect to any information included herein. In light of the risks and uncertainties described above, the future events and circumstances discussed in this Framework might not occur and are not guarantees of future performance. Neither this Framework nor anything contained herein shall form the basis of any contract or commitment whatsoever. The information included in this Framework may not be reproduced or redistributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person or published in whole or in part for any purpose or under any circumstances without the Company’s prior written consent.

Some of the risks, uncertainties and other important factors that could cause results to differ, or that otherwise could have an impact on us, include, but are not limited to: our ability to continue growing organically and through acquisitions; our ability to integrate our recent or future acquisitions and strategic alliances and benefit from expected synergies; global economic conditions, the economic conditions in the countries in which we conduct our business and any significant economic, political, regulatory or social development in those countries, as well as the inherent risks to international operations, including, changes in economic, political, social and other conditions in the countries in which we operate as a result of the pandemic caused by the coronavirus identified as SARS-CoV-2 that causes the disease known as COVID-19 (“COVID-19”); the continuous impact of the COVID-19 pandemic and of other pandemics on our business and on our results of operations, financial situation and cash flows, as well as our ability to timely and efficiently implement any necessary measures in response to, or to mitigate, the impact of the COVID-19 pandemic on our business, operations, cash flow, prospects, liquidity and financial Conditions; costs, difficulties, uncertainties and regulations related to mergers, acquisitions, strategic alliances or joint ventures; competition, loss of market

share or lack of market growth; any damage to our reputation or the perception of our brands; our ability to implement our strategy; the performance of our clients, our retailer clients and any preference they give to their own products or those of our competitors; disruption of our supply chain or the failure of our suppliers to perform in a timely manner; changes in consumer preferences and consumption patterns, including changes resulting from concerns over nutritional or safety aspects of our products; fluctuations in foreign exchange or interest rates and stock market volatility; the decrease in the buying power of our consumers; increases in commodity or other raw material costs; product recalls and other health and product liability risks related to the food industry; trade barriers (including the imposition of tariffs on imports from the countries where we operate or import taxes and changes in existing trade policies or changes to, or withdrawals from, free trade agreements, including the United States Mexico Canada Agreement, or USMCA) and our ability to export certain of our products and/or import supplies; governmental actions, including health and nutritional regulations (including restriction or limits to certain ingredients or restrictions to sell products to certain population groups), packaging, advertising and labeling laws, the imposition of price controls over our products, exchange rate controls or changes in tax regulations; environmental legislation, regulations or similar legal developments (including regulation on packaging materials), and actual or potential environmental liabilities; antitrust legislation, regulations or similar legal developments, and actual or potential antitrust liabilities; our ability to obtain and maintain the licenses and permits necessary to conduct our business; risks inherent in international operations; deterioration of labor relations with our associates, labor disruptions, increases in labor costs or changes in labor laws; loss of key personnel; loss of significant customers; our ability to comply with the contracts with our clients, customers and suppliers; interruptions or failures of our technology systems, including interruptions caused by external factors and internal factors such as maintenance, updates to or changes in our technology systems; increases in our operating costs or our inability to meet efficiency or cost reduction objectives; the interruption of energy supply or increases in energy costs; possible disruptions to commercial activities due to natural and human-induced disasters, including health epidemics, weather conditions, terrorist activities and armed conflict; difficulties, uncertainties, liabilities, unenforceability of provisions (including indemnifications) and regulations related to mergers, acquisitions, strategic alliances or joint ventures; terrorist and organized criminal activities as well as geopolitical events; social, economic, political and other developments in the countries where we operate and worldwide; the impact of U.S. and Mexican recent and upcoming elections; limitations on our access to sources of financing on competitive terms and compliance with covenants; our ability to service our debt; risks relating to our hedging strategies; the outcome of claims and litigation we face and any future claims, administrative proceedings, investigations and litigation; our failure to comply with antitrust, anticorruption, anti-bribery and anti-money laundering laws; and the other risks and uncertainties described in our annual report for the year ended December 31, 2021 and in other reports filed from time to time with the Mexican Stock Exchange (Bolsa Mexicana de Valores, S.A.B. de C.V.). Any or all of the forward-looking statements referred to herein, as well as any other information and opinions contained in this Framework, may turn out to be inaccurate and the factors identified above are not exhaustive. None of the future projections, expectations, estimates or prospects in this Framework should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared, are correct, exhaustive or fully stated in the Framework. No assurance can be given that any goal or plan set forth in forward-looking statements in this Framework can or will be achieved, and readers are cautioned not to place undue reliance on such statements, information and/or opinions contained in this Framework.

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