

## 1. **Purpose**

Grupo Bimbo supports agricultural practices that promote economic, environmental, and social resilience. We recognize that, in the long term, agriculture livelihoods will depend on the health of natural resources. In turn, the health and well-being of all people are connected to the agricultural production systems that feed us and impact our air, water, and forests. Grupo Bimbo will contribute to building transparent and sustainable agricultural systems by mapping our supply chains and requiring our suppliers to produce according to current best practices and emerging innovations. We will work together with our suppliers at all levels of the production chain to support change: direct suppliers, manufacturing and contracting partners, marketers, and farmers. Finally, we will draw on the expertise of local and indigenous communities, scientists, civil society, and public institutions to enrich our knowledge of sustainable agriculture and how best to implement our policy, collaborating with our suppliers to identify and implement the best solutions for each regional context.

## 2. **Scope**

This Global Agriculture Policy includes all agricultural raw materials used in Grupo Bimbo products worldwide. This policy applies to all our direct suppliers, throughout all their operations, and we also extend this policy to indirect suppliers to promote compliance throughout the entire supply chain. The policy establishes criteria in three categories:

- Economic resilience;
- Environmental care;
- Social Well-being , including respect for workers and communities.

Grupo Bimbo intends for the criteria described below to guide an ambitious strategy to expand best practices throughout the supply chain and promote innovation where practices are insufficient or have not been implemented at the necessary scale. This policy clearly demonstrates Grupo Bimbo's commitment and expectations for our suppliers and external partners.

This Global Agriculture Policy aligns with various international standards, such as the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. Furthermore, suppliers are required to comply with all applicable laws and regulations in the countries where they operate.

## 3. **Commitments**

### **Economic Resilience**

Grupo Bimbo recognizes the importance of the economic viability of agricultural production for farmers and communities worldwide and particularly acknowledges the importance of smallholder farmers in global agricultural supply chains. It is our goal to ensure that smallholder producers in our supply chain are not negatively impacted during the implementation of our production criteria. Grupo Bimbo will make a concerted effort to facilitate the inclusion of smallholder farmers in our supply chain and support them in achieving compliance with our policy. Specific information regarding support for smallholder farmers will be included in our annual Implementation Plans (see section 4).

Economic viability is achieved through strategic production practices, efficient resource use and cost optimization, as well as fair prices for agricultural products. Grupo Bimbo will support agricultural practices and supply chains that create value for farmers and their communities and that prevent environmental degradation and social conflict.

Grupo Bimbo expects suppliers at all levels of our supply chain to create economic, social, and environmental value for agricultural producers by committing to the following criteria:

- Fair pay and reasonable prices for agricultural products.

- Maintaining the soundness and productivity of agricultural assets through responsible environmental and social practices (see criteria in the categories detailed below). Selecting effective, low-consumption production methods as a way to protect assets and reduce production costs.
- Reduction of post-harvest losses and food waste through the development of an efficient quality control and management system from field operations to storage, transportation, processing and delivery.

### **Environmental Care**

Agricultural production should not result in the detriment of natural habitats or ecosystems. At Grupo Bimbo, we believe that agriculture and nature can and should coexist. Therefore, suppliers at all levels of our supply chain must commit to the following criteria:

- **Soil conservation and preservation:** Protect or improve soil health by avoiding monocultures, preventing degradation and erosion, reducing runoff, and supporting regenerative agriculture practices that improve soil fertility and biodiversity. Where possible, implement regenerative agriculture practices such as crop rotation, intercropping, no-till/conservation tillage, cover crops, and agroforestry.
- **No deforestation:** Protect forests and natural habitats by avoiding the conversion of High Conservation Value (HCV) areas (1) and High Carbon Stock (HCS) forests (2) and habitats such as peatlands, wetlands and savannas.
- **No destruction of peatlands:** The conversion of peatlands (regardless of their depth) is prohibited, including for the development of farms or pastures.
- **No illegal or destructive burning:** Suppliers will not use burning as a means of clearing land or other developments unless it is proven that such burning is legal and controlled and will not result in a change of land use.
- **Responsible pest management and limits on the use of agrochemicals:** Eliminate the use of paraquat, as well as any other chemical classified by the World Health Business Unit as Class 1A or 1B, listed in the Stockholm or Rotterdam Conventions, or prohibited by law. Where possible, suppliers will use appropriate Integrated Pest Management techniques in their context and will seek to gradually reduce the use of agrochemicals.
- **Water management:** Promote the responsible use of water in crop production. Prevent and mitigate impacts on the quality and quantity of water used by implementing water management plans, including additional conservation measures in water-scarce areas. Implementation should include strategies to responsibly manage the risk of contaminant runoff or groundwater or surface water contamination with pesticides, nutrients, or soil. Long-term access to water resources for local communities must be guaranteed.
- **Air quality:** Promote high air quality through responsible manure management, storage, and disposal, use of proper application techniques for agrochemicals, and regular machinery maintenance. Implement measures to reduce atmospheric emissions where possible.
- **Greenhouse gas management:** Suppliers are expected to continuously work to optimize energy use and minimize greenhouse gas emissions in crop production, field activities, livestock management, and agricultural waste. Maximize the use of renewable energy as available.
- **Animal Well-being :** Respect the “Five Freedoms” for animals: Freedom from hunger, thirst, and malnutrition; freedom from fear and suffering; freedom from physical discomfort or temperature extremes; freedom from pain, injury, and disease; and the freedom to express normal patterns of behavior. Develop plans to phase out the routine use of antibiotics in animal husbandry.
- **Waste management:** Use waste storage, treatment, and disposal practices that do not endanger human health or the ecosystem. Recycle all possible materials. Organic waste should be composted or otherwise processed for use as fertilizer or bioenergy.

## Respect for workers and communities

In accordance with the Fundamental Conventions of the International Labour Business Unit (3), the International Bill of Human Rights (4), and Grupo Bimbo's Supplier Code of Conduct (5), suppliers at all levels of our agricultural supply chains are expected to commit to not exploiting people and communities, including the following criteria:

- No to forced labor: Suppliers must not use forced labor, bonded labor, or human trafficking.
- No to child labor: No child under the age of 15 shall be employed, unless local legislation establishes the age as 14, as defined by ILO Convention 138. Appropriate measures shall be taken to prevent the use of child labor and to remedy cases of child labor. Where young workers (aged 15 to 18) are employed, they shall not perform hazardous work.
- Freedom of Association and Collective Bargaining: We respect and recognize the right of workers to organize collectively and to do so without interference.
- Non-Discrimination: We prohibit discrimination or harassment in employment or occupation; we promote practices that empower fair and equal conditions for all women, as a pillar of agricultural community development.
- Legal and decent wages and working hours: Compensate workers in accordance with applicable laws and regulations, including those pertaining to minimum wage, overtime, maximum hours, and benefits. Working weeks, including overtime, must not exceed the maximum number of hours permitted by applicable laws and regulations. Workers must not work more hours than the national legal maximum; overtime is voluntary, and workers have at least one day off every seven days.
- Safe and healthy work environment: Provide a safe and healthy work environment, including access to clean water, hygienic and safe conditions, appropriate personal protective equipment (PPE), and safe and sanitary housing. Workers must have access to medical care, and employers must have contingency plans and programs in place in case of emergency.
- Ethical Recruitment: We utilize ethical recruitment practices, ensuring that recruitment processes are documented and transparent, and that costs borne by workers are transparent, justified, and legal. We support the United Nations Global Compact to eliminate labor recruitment quotas and expect suppliers to develop plans for their phase-out. We aim to create a transparent and fair relationship with our employees, including long-term agreements with them and written employment contracts in a language they understand.
- Prevent and prohibit corruption, including extortion and bribery.
- Respect for land rights and FPIC: When producers in Grupo Bimbo's agricultural supply chain are involved in the acquisition, lease, or use of land, they must respect land tenure rights and obtain and demonstrate the Free, Prior and Informed Consent (FPIC) of indigenous and local communities regarding lands to which they have legal, communal, or customary rights (6). New or existing conflicts, including those arising from a lack of FPIC, must be managed and resolved through a transparent, balanced, and accessible dispute resolution process. This may require remediation for indigenous peoples or local communities.

Suppliers in Grupo Bimbo's supply chain must have a reliable and accessible complaints mechanism, appropriate to their scale, that allows interested parties to report complaints without fear of recrimination, retaliation or dismissal (7).

## 4. Implementation

This policy is effective immediately. However, Grupo Bimbo recognizes that its full implementation will require restructuring production systems; this will take time and must be carried out as a continuous improvement process, including monitoring and innovation. The following actions will be developed to ensure compliance with this policy.

- **Traceability:** Grupo Bimbo will work to identify the origin of the agricultural raw materials we source, ensuring they are relevant given their materiality. Suppliers are expected to support and collaborate with Grupo Bimbo in providing details about the origin of their products. Our goal is to understand key risks and opportunities for change by answering three questions: (I) What are the problems associated with the agricultural raw materials we purchase, and where are they located? (II) Where does Grupo Bimbo have the most influence to promote and support change? (III) Which suppliers are best positioned to partner with us on innovative pilot projects? By answering these questions, Grupo Bimbo will be able to prioritize products and/or regions for collaboration and identify appropriate interventions to contribute to improved practices.
- **Adapted approach based on agricultural raw materials:** Grupo Bimbo recognizes that the context of agricultural raw materials in our supply chains varies significantly depending on the product, geography, and existing environmental conditions. Therefore, we will publish specific criteria and indicators for each raw material and/or region as we learn more about the particular contexts within our supply chains. This will allow Grupo Bimbo to prioritize raw materials and/or regions for engagement and identify appropriate interventions to contribute to best practices.
- **Transparency:** We will develop annual Implementation Plans that outline the objectives and timelines for our immediate steps toward achieving and monitoring compliance with this policy. These Implementation Plans will be publicly available, and we will report on our progress at least annually.
- **Collective action:** Grupo Bimbo recognizes that collaborating and partnering with others is key to accelerating the path towards sustainable supply chains. As such, we are members of the Consumer Goods Forum (CGF) and the Roundtable on Sustainable Palm Oil (RSPO).

Grupo Bimbo will seek innovative strategies to ensure positive change in the field and will identify appropriate third parties to measure and verify our progress.

This Global Agriculture Policy will be communicated to suppliers and used as a reference in Grupo Bimbo's supplier selection process. In the event of non-compliance, we will work with suppliers to create a corrective action plan with commitments that allow a reasonable timeframe for meeting our requirements. Suppliers who fail to meet our requirements within the established timeframes may be subject to non-renewal or termination of contracts.

Global best practices in sustainable and regenerative agriculture are constantly evolving as knowledge expands and is shared. Therefore, Bimbo will periodically review the criteria in our policy to ensure they reflect current knowledge in sustainable farming practices.

## **5. Responsibilities**

All purchasing areas in all regions at Grupo Bimbo must work with their supply chain to comply with this policy, and others that are published on the Grupo Bimbo website, for example, the Grupo Bimbo Supplier Code of Conduct, the Responsible Palm Oil Sourcing Policy and the Global Integrity Policy.

## **6. Responsibility / Ownership**

The Global Procurement Department is the designated owner of this Policy. The purchasing department, in conjunction with other functional areas when necessary, is responsible for its implementation, content, updating, and monitoring of compliance, as well as for submitting it for approval to the Global Internal Control Department, the Steering Committee, and the Top Management.

## **7. References**

1. HCV defined according to the HCV network: <https://www.hcvnetwork.org/hcv-approach>
2. HCS forests according to the High Carbon Stock (HCS) Approach Steering Group <http://highcarbonstock.org>

3. ILO Declaration on Fundamental Principles and Rights at Work [http://www.ilo.org/declaration/info/publications/WCMS\\_095895/lang--en/index.htm](http://www.ilo.org/declaration/info/publications/WCMS_095895/lang--en/index.htm)
4. International Bill of Human Rights <https://www.ohchr.org/en/human-rights/universal-declaration/translations/english>
5. Supplier Code of Conduct.
6. Grupo Bimbo will follow the definitions and guidelines established in the United Nations Declaration on the Rights of Indigenous Peoples, as well as in the FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land.
7. Suppliers should follow the guidelines on grievance mechanisms of the UN Guiding Principles on Business and Human Rights.

**8. Updates**

Review / Review History				
Version	Review date:	Updated by:	Approved by:	Main Changes
1	July, 2017	Global Purchasing Director	Global Procurement VP	First publication
2	October, 2023	Global Purchasing Director	Global Procurement VP	Document validation No changes
3	February, 2026	Global Sustainability Department	VP Sustainability	Change of responsibility from Global Functional Purchasing Department to Global Functional Sustainability Department