



Pulp and Paper Responsible Sourcing Guide 2024

1. Scope

This guide applies to all our direct suppliers across their entire operations, and we also extend this policy to indirect suppliers with the objective of fostering compliance throughout our entire supply chains.

The guide has within its scope all pulp, paper and fiber-based packaging used in Grupo Bimbo products worldwide.

2. Related documents

This guide complements our [Global Agricultural Policy](#), which contains our environmental and social expectations for the responsible sourcing of agricultural raw materials.

3. Criteria

To move towards a Deforestation and Conversion Free (DCF) supply chain, we ask our suppliers to align with the following criteria:

No deforestation or conversion of natural ecosystems

No deforestation and no conversion of natural ecosystems: Protect forests and natural habitats by preventing conversion of High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests and habitats such as peatlands, wetlands, savannahs.

No development on peatlands, regardless of depth

Conversion of peatlands (regardless of their depth) is prohibited, including development of farms or grazing land. Existing plantations on peat should follow Best Management Practices, but we strongly recommend that producers identify and work to restore critical peatland domes on existing plantations.

No Burning

No illegal or destructive burning: Suppliers will not use burning for land clearing or other developments unless there is evidence that burning is legal and controlled and does not result in additional land use change.

Sustainable forest management

Suppliers shall practice responsible forest management that enhances forest cover, carbon, biodiversity & worker/community well-being within supply chains and sourcing landscapes.

Not sourcing from illegal sources

Suppliers will not source from illegally harvested wood.

Preference for recycled fiber

Grupo Bimbo will prefer, when possible, the use of recycled fiber over virgin fiber. This is part of our circularity objectives to increase resource efficiency and reduce pressure on forests.

Traceability

Grupo Bimbo will conduct a traceability exercise at least annually. For virgin fiber materials, suppliers should provide information to at least country of harvest. Suppliers should work towards gathering forest management unit level information. For recycled fiber materials, suppliers should provide information to at least country of origin.

Cut-off date

Grupo Bimbo aligns to sectoral cut-off dates. Where no sectoral cut-off date exists, cut-off date should be no later than 2020.

4. Means of verification for DCF

For our virgin fiber materials, Grupo Bimbo recognize the following tools to advance in our Deforestation & Conversion Free (DCF) goals:

Certification

In Grupo Bimbo we recognize that certification can be a tool to address deforestation risks and will assess its usage. As such, we recognize Forest Stewardship Council (FSC) and Programme for Endorsement of Forest Certification (PEFC) segregated volumes as DCF. In case of MB volumes, DCF controls must be in place to manage uncertified components.

Risk assessment

Grupo Bimbo will assess the risk of deforestation and/or conversion to identify origins with negligible risk to be accounted as DCF. To identify negligible risk origins, we will align with the Consumer Goods Forum (CGF) DCF guidelines if available.

Satellite monitoring

Grupo Bimbo could use satellite monitoring as a tool to assess its DCF status. When needed, we will request the collaboration of our suppliers to work collectively to address improvement opportunities and deforestation alerts.

4. Our ambition

Under this framework, we will work with our suppliers to make progress to achieve the following:

- 100% use of certified or recycled cardboard by the year 2025.

- By 2030, ensure that 100% of our packaging supports a circular economy, waste reduction, sustainable packaging material, efficient operations, reduced water use, and less food waste.