

## GRUPO BIMBO GLOBAL AGRICULTURE POLICY 2019 Action Plan

In 2017, Grupo Bimbo published its <u>Global Agriculture Policy</u> outlining its vision for agricultural practices that support economic, environmental, and social resilience, its commitment to promote these practices throughout its supply chains, and its expectations for suppliers to drive implementation. Grupo Bimbo's Global Agriculture Policy builds upon lessons learned through the ongoing implementation of its <u>Global Palm Oil Policy</u>, published in 2015. Details related to its palm oil goals and progress can be found here.

Also in 2017, Grupo Bimbo launched two 3-year pilot programs in Mexico – run by the International Maize and Wheat Improvement Center (CIMMYT) – to provide technical assistance to corn producers in Hidalgo and Bajío and wheat producers in Sinaloa and Sonora. The goal of these pilots is to support sustainable practices, including conservation agriculture, in order to improve soil health, decrease water use, improve farmer livelihoods, and build resilient farms for the future. As of the end of 2018, one or more best practices had been applied on 1,465 hectares of land. To learn more about these pilot programs, see our 2018 Annual Report.

In November 2018, Grupo Bimbo announced the roll-out of this Policy at its annual Global Vendors Meeting, reaching 254 suppliers that attended the event.

In 2019, Grupo Bimbo will continue to work on Global Agriculture Policy implementation, prioritizing five objectives. Specifically, Grupo Bimbo will:

1. **Publish a Global Agriculture Toolkit for suppliers,** describing 19 key aspects of the Policy:

Social	Environmental	Economic
Child Labor	Healthy Soils	Smallholder Engagement
Forced Labor	Water Management	
Wages & Working Hours	Responsible Pest Management	
Harassment & Abuse	Air Quality	
Respect for Diversity	Waste Management	
Freedom of Association		
Health & Safety		
Safe Accommodation		
<b>Employment Contracts</b>		
Ethical Recruitment		
Free, Prior, and Informed		
Consent (FPIC)		
Access to Remedy		

The purpose of this Toolkit is to support and strengthen our suppliers and outline Grupo Bimbo's expectations for Policy implementation.

- 2. **Conduct a Materiality Assessment** for Grupo Bimbo's agricultural supply chains in order to identify thematic and commodity priorities related to economic, environmental, and social impact for follow-up. This Assessment will guide Grupo Bimbo's implementation strategy in subsequent years.
- 3. **Ongoing implementation of corn and wheat pilots,** in partnership with the International Maize and Wheat Improvement Center (CIMMYT) and two key suppliers.
- 4. **Map its soy supply chain in Brazil** in order to identify priorities for follow-up related to the conversion of critical Cerrado habitat. Grupo Bimbo is a signatory of the Cerrado Manifesto.
- 5. **Animal Welfare:** We will continue working on the socialization of our cage-free egg policy, which comprises minimum requirements for the cage-free farms that meet international standards for animal welfare.

Cage-free migration will be implemented gradually and regionally by mapping the availability and capabilities of suppliers (aligned to our Global Policy)

Objectives 1, 2 and 4 will be supported by <u>Earthworm Foundation</u> (previously The Forest Trust). Grupo Bimbo will report semi-annually on progress towards these objectives.