



GRUPO BIMBO

Global Agriculture Policy

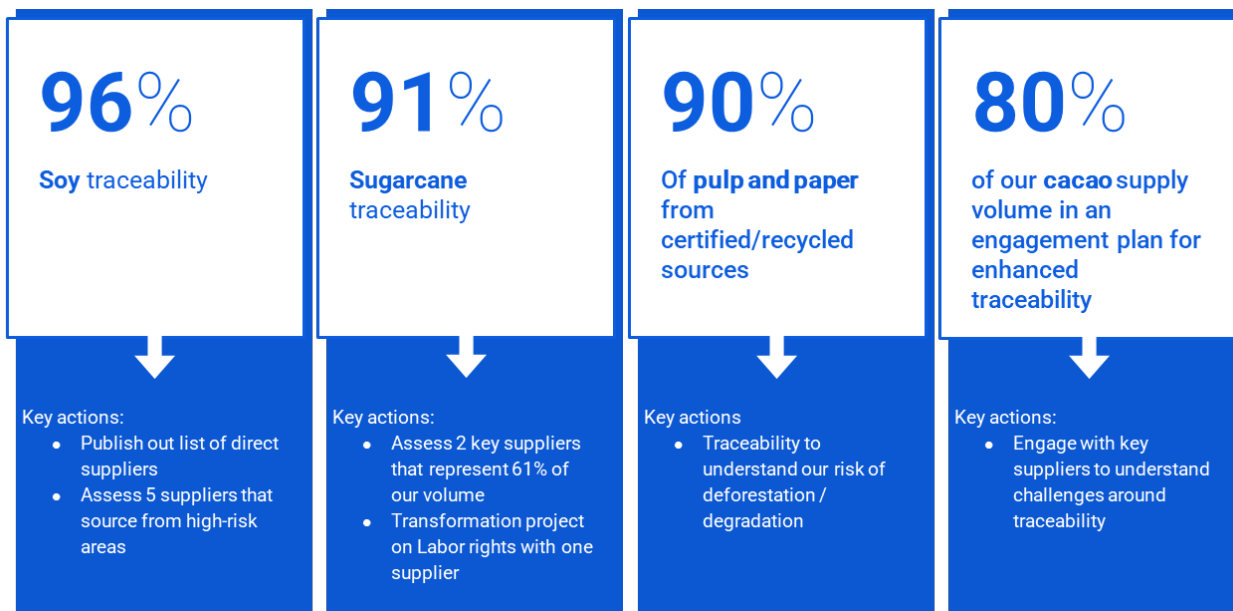
2023 Action Plan

At Grupo Bimbo, we have a firm commitment to work towards increasingly responsible and sustainable supply chains. Our first efforts started in 2015 with initiatives related to palm oil and in 2017, we decided to broaden our reach, publishing our [Global Agriculture Policy](#). At Grupo Bimbo, we want to contribute to ensuring that our ingredients are Forest Positive, meaning that they are free from practices pertaining to deforestation and that they respect the human rights of producers and communities.

The main actions that we are implementing through our [Global Agriculture Policy](#) to progress towards our objectives are the following:

- 1) Understand where our raw materials come from to identify the associated sustainability challenges.
- 2) Establish a dialogue with our suppliers to understand their knowledge of the challenges, the actions they are performing and, if necessary, agree on action plans.

The goals that we have set for ourselves this year for responsible sourcing are:



The activities we are currently advancing and the progress made for each raw material will be described in each of the sections of this Action Plan.

1) Soy

Our work with soy contributes to further enhancing our commitment to raw materials that are free from deforestation and conversion. In order to further this work, we will map our soybean supply chain annually, placing special emphasis on soy sourced from South America, as it is the region with the highest risk of deforestation and conversion. Additionally, we will publish our list of direct suppliers. Both activities will be completed in June.

In August, we'll also engage with suppliers linked to regions at high risk of deforestation to understand their progress towards responsible soy sourcing, as well as striving to identify opportunities for improvement and establish an agreed Action Plan. This year, we will work with 5 suppliers on the following points 1) Responsible sourcing policy; 2) Traceability; 3) Implementation plan and relationship with suppliers; 4) Grievance mechanism and Non-Compliant Supplier process; 5) Monitoring and Verification; 6) Human Rights; 7) Labor Rights; and 8) Certification Processes.

2) Sugarcane

In the second half of the year, Grupo Bimbo will once again map its sugarcane supply chain to identify the main supply regions. Our analysis of the problems associated with sugarcane cultivation has identified that they are linked to social issues, so our actions will be focused on those areas.

For this reason, in 2023, we will focus on engaging with two priority suppliers to measure their progress on their commitments established around the responsible supply of sugarcane and the actions required to fully implement them. To better understand this, they will be asked to complete a survey that evaluates the following factors: 1) Responsible supply policy; 2) Traceability; 3) Implementation plan and relationship with suppliers; 4) Grievance mechanism and Non-Compliant Supplier process; and 5) Monitoring and Verification, with special emphasis on Human and Labor Rights.

Additionally, as part of the follow-up actions and promotion of the transformation of the sugar supply chain, we'll continue our work this year with a strategic supplier in Mexico to develop a guide that supports the understanding and implementation of best practices on labor issues. The final version of the guide will be ready at the end of June.

3) Certified and/or recycled paper and cardboard

In 2023, we will also trace paper and cardboard materials to identify priority pulp supply regions. This exercise will allow us to continue evaluating the challenges associated with our chain and identify priority suppliers to work on responsible sourcing and supply. Additionally, this year we will include volume information in our sourcing data to make better decisions on prioritization and visibility into our supply chain coverage for these goals.

In alignment with our goal of achieving 100% certified or recycled pulp and paper packaging by 2025, we will conduct an in-depth review of our global packaging to refine our roadmap and close

any gaps, including the development of new packaging. In our progress reports this June and December, we will share information on our progress towards goals around certified and recycled packaging. Finally, for the fifth year, we will use [CDP](#) to review the progress of our main packaging suppliers on Climate Change and Forest initiatives.

4) Cacao

In 2022, we did initial mapping to understand the regions where the cacao in our ingredients comes from. Using this mapping, we understood that there are important challenges in achieving traceability beyond the direct suppliers and countries of supply. Therefore, this year we will focus on engaging with two cacao suppliers to understand the challenges they face in their traceability, understand whether they have mapped their own chain, the type of information they have at the cooperative and plantation level, the challenges when it comes to collecting it and seek to understand if both providers present similar challenges. Through this action, we seek to improve information about our shared supply chain beyond the countries that supply us.

5) Animal welfare:

In line with our goal of achieving 100% cage-free eggs in our products by 2025, we are working with our key egg suppliers in North America, Europe, Asia, and Latin America to support the market transition by increasing our purchase of cage-free eggs in the coming years. In 2023, especially in Mexico and the United States, we will seek to make significant progress in our supply chain and establish fair agreements that ensure our commitment. Our partner, Humane Society International (HSI), has been instrumental in finding and developing suppliers in underserved markets. We continue to collaborate with HSI to advance this initiative globally.

Using this initiative in our local work plans, and stimulating the Asian and Latin American markets, where we see major sourcing challenges, we are confident to continue making progress towards our 2025 goal. The global egg context has been very challenging due to various factors, including avian flu since March 2022, which affects supply in many regions. With our commitment to cage-free eggs, we encourage and support our suppliers in this shift to ensure animal welfare for chickens is embedded in our supply chain.

6) Transparency and communication

As in previous years, our progress on the actions proposed in this action plan will be detailed in our June and December progress reports.