



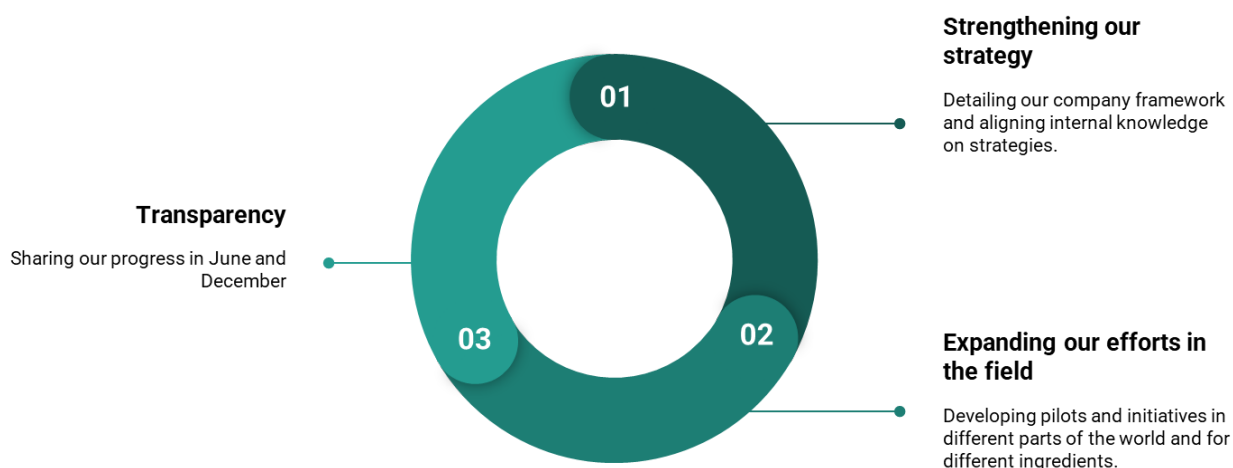
## GRUPO BIMBO

### Regenerative Agriculture

#### Progress Report DECEMBER 2023

### Regenerative Agriculture

In 2022 we set an ambitious goal: By 2050, 100% of our key ingredients must be sourced from land that has been farmed using regenerative agriculture practices. Our activities in 2023 focused on the following lines of work:



This report highlights the progress we have made in the second half of this year toward our regenerative agriculture (RA) goals in each of our three focus areas for 2023: **Strengthening our strategy**, **Expanding our efforts in the field**, and **Transparency**. Working alongside strategic partner [Earthworm Foundation](#) (EF), from July through December we engaged in the following activities to strengthen our understanding of RA to meet our goals:

#### 01 Strengthening our strategy

Reported below is a brief overview of strategic workstreams completed from July through December 2023, working toward achieving our regenerative agriculture goals:

- a) Internal Capacity Building:** A second workshop involving interdepartmental participants took place in-person in Mexico this November. Topics covered included foundations for understanding

**2 workshops**  
on RA  
foundations and  
GB's RA  
framework goals

regenerative agriculture, peer companies' RA implementation strategies, and our strategic approaches to RA. This participatory workshop encouraged alignment across several global business units in understanding strategic efforts and our Regenerative Agriculture Framework goals.

**b) Understanding Regenerative Agriculture Certifications and Applicability:** In July with EF's support, we explored the rapidly changing landscape of RA certifications to evaluate whether there was value in pursuing certification to ensure integrity of RA claims and facilitate data needs. EF conducted research, analyzed the different RA certifications, and led a presentation attended by multiple cross-functional teams. The presentation and subsequent full report provided insights on the criteria used by the leading certifying bodies compared with our own criteria for thoroughly evaluating supplier programs. We will continue to follow the relevant emerging certifications as they develop.

**c) Strategies for Scaling Beyond Pilots:** Our current strategy to scale RA is through supplier programs in our key sourcing regions. We know there are other strategies available that can help us reach our RA goals, potentially with more industry collaboration. In collaboration with EF we identified and analyzed the different leading strategies to scale RA as well as individual company approaches to meet their goals. Approaches that stood out as having the potential for scaling RA included precompetitive relationships with peer companies and programs that focus on technical assistance for training farmers and crop advisors in RA practices. Cross-functional groups participated in the discussion of the findings. From this exercise we gained ideas on which initiatives might help us meet our 2050 and interim RA and net-zero goals, including a strategic focus shift from attributing progress at the pilot level to contributing to wider systems level changes, developing partnerships for regional initiatives, and continuing to learn from strategic pilots. Moving forward we anticipate engaging diverse strategic approaches depending on the key ingredient, sourcing region, partnership opportunities, and supporting systems level change for scaling RA.

**Evaluated  
leading  
strategies** with  
potential to help  
us reach RA  
goals

## 02 Expanding our efforts in the field

As a global company reliant on agriculture for our product ingredients, Grupo Bimbo values the producers and their livelihoods. Through key partnerships in primary sourcing regions, we have supported producers in their transition to RA practices by working to understand what practices they are already implementing, the barriers to further practice implementation, and incentivizing RA.

We currently partner with several leading vendors in our primary sourcing regions for wheat to help support change, expanding our RA program's reach to more producers and hectares, surpassing our goal of 150,000 hectares enrolled. Working with our strategic suppliers, we align our program to ensure that we encourage RA practice adoption through soil health education, technical assistance and incentives to improve soil health, biodiversity, and producer communities.

## Mexico

In Mexico, we increased the number of hectares planted up to 8,500 Hectares , and a volume of 48 thousand metric tons was harvested in the states of Guanajuato, Sinaloa, and Sonora. Along with these results, we achieved a potential reduction of up to 70.4% in CO2e/Ha emissions, verified by South Pole and a reduction of 15% in water consumption, verified by CIMMYT. These outputs were reached by implementing no-till, reduction of fertilizer use and reducing chemical footprint.

In terms of corn, we increased the number of hectares planted with regenerative practices and saw a production of just over 72 thousand metric tons in the states of Sinaloa and Jalisco. We achieved a potential reduction of up to 75% in CO2e/Ha emissions. In Sinaloa and Sonora 143 farmers were trained by Educampo in 11 events such as organizational governance, human development, and resource management.

## United States & Canada

In the United States, we continue to focus on our largest wheat-producing regions such as Kansas, Minnesota, North Dakota, and Colorado. Through no-till/reduced till and efficient fertilizer use practices, amongst others, we are encouraging RA practices through on-field agronomic support to drive long-term positive changes for farmers.

In addition, Grupo Bimbo collaborated with EF and supply chain partners to co-develop a pilot to learn from the process and expand our efforts for regenerative wheat.

- We conducted **in-person RA trainings** and site assessments for participating farmers in partnership with a key wheat miller and a local elevator and agronomy company.
- **Based on site assessments and soil test results, farmers have been provided with specific recommendations for further integrating RA practices.**
- We offered the services of a leading RA implementation partner for **one-on-one consultation with farmers.**
- We provided **a two-day training course for agronomists from the elevator company** to facilitate wider adoption of regenerative practices across the sourcing region.

This year we have also expanded our program to Canada as it is the second-highest sourcing region for Grupo Bimbo. We are looking forward to getting the first-year results and sharing them next year.

### 03 Transparency

This report provides a high-level overview of progress made on our RA strategy in the months of July through December, 2023. At Grupo Bimbo, we are committed to our RA and net-zero goals, and will take the learnings from these efforts and incorporate them into approaches to strengthen our RA strategy and enhance our fieldwork. We are developing RA workstreams for 2024 for scaling our impact while Improving Soil Health, Increasing Biodiversity & Ecosystem Health, and Enhancing Producer Communities.