



Grupo Bimbo Global Palm Oil Policy Progress Report, June 2026

Since the publication of our Global Palm Oil Policy in 2015, at Grupo Bimbo we have strengthened our commitment to responsible sourcing.

As part of this effort, we developed an annual Action Plan to support the implementation of our policy and track progress against our commitments. During the first half of 2026, we continued advancing the execution of our priority initiatives amid ongoing challenges and the inherent complexities of global agricultural supply chains. This report highlights the key results achieved to date, along with the insights and lessons learned that continue to strengthen our approach to continuous improvement.

01

Traceability

During the first half of the year, we focused on carrying out our traceability exercise for direct palm oil¹ volumes. To do so, we contacted suppliers representing 97% of our volume and asked them to share information regarding the shared supply chains. The list of our suppliers can be consulted [here](#).

As a result of this exercise, we achieved 96% Traceability to Mill level (TTM) and 69% Traceability to Plantation level (TTP), of our total palm oil volume². The latest figure reflects an increase of more than 15% compared to the previous year, reflecting significant progress both in the industry and across our supply chain.

The list of identified mills can be consulted through the following [link](#).

Likewise, below we present the countries of origin associated with our palm oil sourcing.

¹ Direct palm oil: Fats and oils containing palm oil.

² Percentage calculated based on 100% of the volume of direct palm oil. Source: Traceability Exercise 2026 (FY2025).

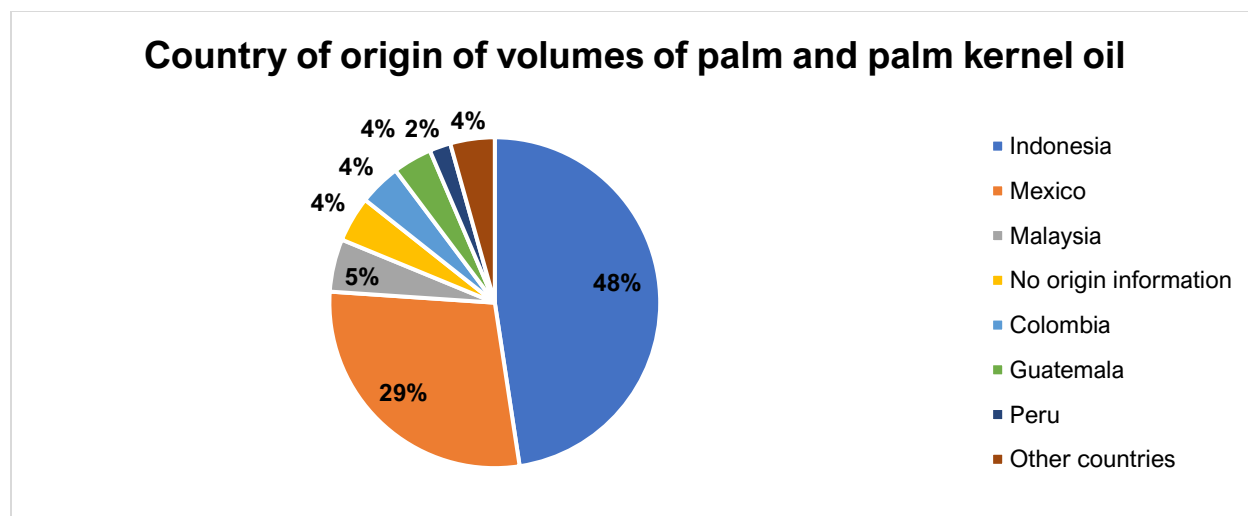


Image 1. Country of origin of palm and palm kernel oil volumes³

In our next Progress Report, we will share the results of the traceability exercise corresponding to indirect palm oil volumes⁴. However, the most recent traceability exercise can be consulted in our [December 2025 Progress Report](#).

02

Supplier engagement on sustainable sourcing

At Grupo Bimbo, we maintain ongoing dialogue with our suppliers to strengthen responsible sourcing and promote sustainable practices throughout our supply chain.

During the first half of the year, we held meetings with six suppliers — five direct palm oil suppliers and one indirect palm oil supplier — to discuss the results obtained in their 2025 assessment conducted through the Engagement for Policy Implementation (EPI) survey. This assessment was carried out by Earthworm Foundation, based on public information and documentation provided by the suppliers themselves on non-deforestation and non-exploitation topics, organized into the following categories:

1. Responsible sourcing policies;
2. Implementation and supplier engagement;
3. Social and landscape transformation initiatives;
4. Grievance mechanism and non-compliant supplier;
5. Monitoring and verification actions; and

³ Of the 4% classified as “no information”, 2.78% of the volume is outside the scope of the Traceability exercise, and 1.67% corresponds to volume for which we did not obtain information on the origin.

⁴ Indirect palm oil: Palm oil incorporated into other sourced ingredients, such as chocolate, emulsifiers, among others.

6. Traceability.

To facilitate understanding of our progress on **NDPE** topics within this report, we classified the assessment results into three performance levels: **high, medium, and low**. This classification allows us to present suppliers' level of progress more clearly and guides the definition of priorities for the development of action plans.

Performance Category	EPI Score
High	85%-100%
Medium	50%-84%
Low	0%-49%

Table 1. Performance categories based on the score established in the EPI questionnaire

In the case of direct palm oil suppliers, results are mainly concentrated at intermediate performance levels. This shows that, while relevant progress has been made, there are still opportunities to strengthen their practices and continue supporting the implementation of improvement actions.

Performance Category	Number of suppliers
High	1 supplier
Medium	3 suppliers
Low	2 suppliers

Table 2. Supplier report regarding performance category

Table 2 includes the results as well for the indirect palm oil supplier, which was placed in the low performance category.

Based on this analysis, we highlight the following:

One supplier improved its performance, moving from the low to the medium category.

Two suppliers showed significant progress compared to their previous assessment, although they remained in the same medium category.

Most suppliers recorded improvements in topics previously identified as areas of opportunity.

Two suppliers — one direct and one indirect — categorized as low performers, exemplify the opportunity to continue promoting improvements, as well as to coordinate the information that can be shared during the process.

Based on these results, we worked jointly with each supplier to define priorities and establish specific action plans. During the second half of 2026, we will follow up on

these commitments to support their implementation and continue promoting progress in responsible sourcing.

These efforts allow us to maintain active engagement with suppliers, representing 35% of the volume⁵ of our direct palm oil suppliers and 49% of the volume⁶ of our indirect palm oil suppliers.

In addition to the actions described above, we maintain spaces for dialogue and follow-up with various suppliers on complementary topics, such as deforestation- and conversion-free sourcing.

03

Tools for a sustainable Palm Oil

In addition to identifying the origin of our palm oil through the traceability exercise, at Grupo Bimbo we conduct continuous satellite monitoring, with quarterly reports at the level of production units linked to our sourcing. This monitoring allows us to classify deforestation-free volumes, as well as those that require additional information or that could be associated with potential deforestation alerts.

The methodology used for this analysis can be consulted through the following [link](#). In general terms, volumes are classified into three categories:

- **Green:** volumes confirmed as deforestation-free.
- **Yellow:** volumes without traceability to plantation level, which limits complete satellite monitoring and analysis.
- **Red:** volumes that could be linked to potential deforestation events.

This year, in addition to satellite monitoring, we incorporated version 6 of [the IRF Profiles](#) as part of our analysis to identify deforestation-free volumes. This new version aims to improve the level of detail regarding suppliers' sourcing bases by incorporating, among other elements, traceability at both plantation and smallholder levels.

According to the most recent Deforestation- and Conversion-Free (DCF) analysis for the second quarter of 2026 (Q2 2026)⁷, Grupo Bimbo identified 82% of its volume as deforestation- and conversion-free. Of this percentage, 41% was assessed through satellite monitoring and another 41% were verified through control mechanisms, including the IRF Profile v6. The remaining volume consists of 17% classified as yellow, due to insufficient information to determine its DCF status, and 1% classified as red, as it is potentially associated with deforestation processes.

⁵ Percentage calculated on 100% of the volume of direct palm oil. Source: Traceability 2026 (FY2025).

⁶ Percentage calculated on 100% of the volume of indirect palm oil. Source: Traceability 2025 (FY2024).

⁷ Percentage calculated on 100% of the volume of direct palm oil. Source: Traceability 2026 (FY2025).

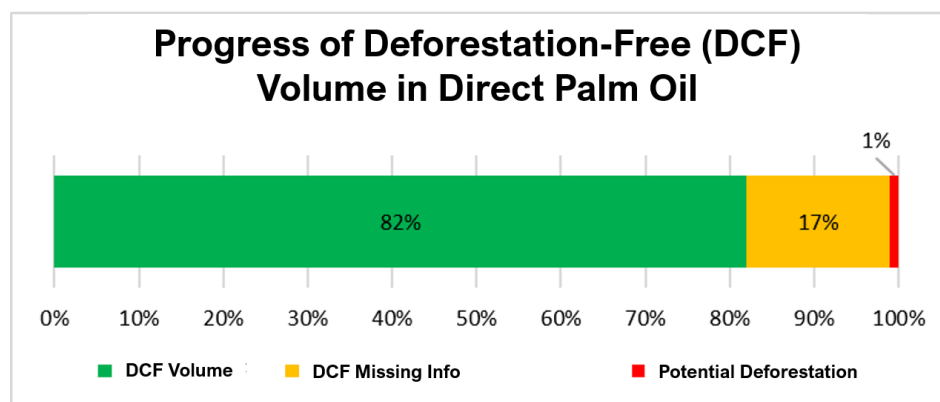


Image 2. Progress of the volume of deforestation-free conversion (DCF) in direct palm oil from Grupo Bimbo

For indirect palm oil, the results corresponding to Q4 2025⁸ indicate that 70% of the volume is identified as deforestation-free, as shown in the chart below.

According to this analysis, 64% of the DCF-classified volume was assessed through satellite monitoring, 4% through the identification of minimal-risk areas, and 2% through a control mechanism. Regarding the remaining volume, 29% was classified as yellow due to insufficient information to complete the assessment, while 1% was classified as red because it was identified as potentially linked to deforestation.

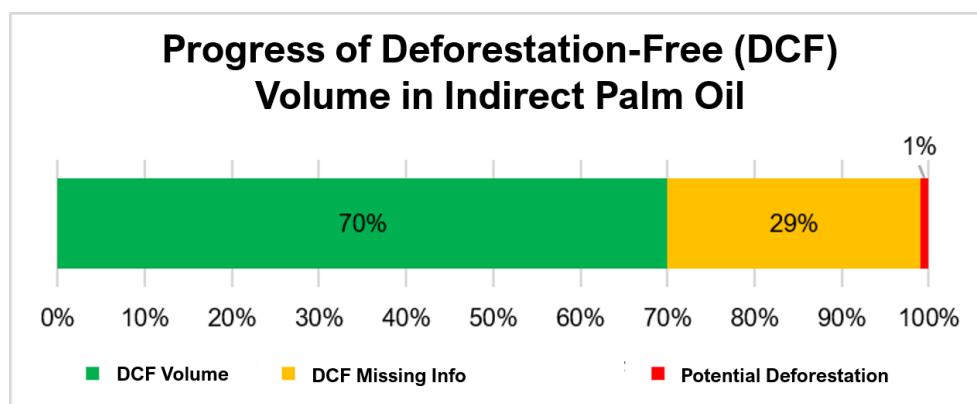


Image 3. Progress of the volume of deforestation-free and conversion-free (DCF) indirect palm oil from Grupo Bimbo

04

Initiatives for transformation in the field

With the objective of contributing to the generation of positive environmental and social impacts, at Grupo Bimbo we continue to co-finance transformation initiatives

⁸ Calculation based on 100% of FY2024 indirect palm oil volume.

within our supply chains. Below, we present a summary of the main activities carried out during the first half of the year.

Chiapas

This landscape initiative aims to contribute to the conservation of forest ecosystems, especially in coastal areas, while strengthening smallholder livelihoods. To achieve this objective, the project follows a multi-stakeholder approach; that is, it promotes collaboration among non-governmental organizations (NGOs), producers, companies, and government entities in the region.

Through this coordination, the initiative seeks to build an integrated and long-term vision for the landscape, aligning efforts and coordinating actions that contribute to the sustainability of production systems, particularly in the oil palm sector.

To achieve this, the project is structured around four main lines of action:

1. Supply chain transformation;
2. Ecosystem restoration and conservation;
3. Resilient producers; and
4. Promotion of agroecology.

1. Supply Chain Transformation

This line of action aims to support palm oil mills in fulfilling their sustainability commitments and aligning with market and company expectations. The approach focuses on social mills, identified as the most vulnerable in this area, by strengthening their capacities to develop and implement their sustainability policies.

During the first half of 2026, work plans were defined with two social mills. We highlight the following:

With one mill, sustainability tools were updated to follow up on its Responsible Sourcing Program (RSP). Information was also shared about the development of the mill's website, with the objective of communicating and providing transparency on its RSP and its progress. In addition, information began to be compiled to prepare its due diligence document.

With the other mill, its sustainability policy was validated, and support was provided for the development of communication materials. Its technical team was also trained in the use of tools to improve plot traceability, the map of members located within the Reserve was updated, and the first version of its RSP was developed. The establishment of demonstration plots was also agreed upon to promote responsible practices among its members.

Additionally, together with DERMAC — Desarrollo Rural y Medio Ambiente A.C., an exploratory exercise was initiated to characterize the cocoa supply chain in the region. This will allow us to understand how much cocoa is produced, how it is commercialized, where it is sold, and other relevant topics. This exercise will allow us to confirm whether cocoa can be an alternative for palm producers in unsuitable areas. A field visit was also conducted to identify collaboration opportunities with local organizations.

2. Ecosystem Restoration and Conservation

This thematic axis aims to maintain and restore ecosystem services related to sourcing areas and mitigate the impacts of palm.

Within the initiative, progress has been made on a preliminary version of the detailed High Conservation Value (HCV)⁹ study in the Chiapas landscape. This study analyzes the most relevant conservation values, as well as the threats they may face; based on this, conservation areas and mitigation actions are defined. This study may serve as a basis for mills seeking RSPO certification.

During the next semester, work will focus on refining the study, after which it will be shared with the industry and producers. This study will help strengthen the verification of NDPE and responsible sourcing commitments.

Progress was also made on a collaboration agreement with Ecosur Campeche and the Cooperación Internacional en Investigación Agronómica (CIRAD) to analyze the potential for palm cultivation in the intervention area, considering agronomic and ecological land-use planning criteria.

3. Resilient Producers

This pillar seeks to strengthen the capacities of producers, especially smallholders, so they can adapt to and address environmental and commercial changes, improving the sustainability of their production systems and livelihoods.

During the first half of the year, the 2026 work plan was updated with the diversification group. As part of its implementation, financial analyses of key crops were updated, inputs were delivered to promote regenerative practices, and technical visits were carried out with producers, in collaboration with experts from the local organization Desarrollo Rural y Medio Ambiente (DERMAC).

Also, linked to the supply chain workstream, the establishment of demonstration plots with members of one of the social mills was defined, and the preparation of Comprehensive Plots¹⁰ Plans with participating producers began.

⁹ This study analyzes 6 conservation values: 1) Species diversity, 2) Ecosystems and mosaics at landscape scale, 3) Ecosystems and habitats, 4) Ecosystem services, 5) Community needs, and 6) Cultural values.

¹⁰ *For the purpose of this report, the Spanish term "**parcela**" is translated as **plot** and refers to a specific area of land within a farm that is managed as a distinct production unit and can be individually identified for traceability purposes.*

4. Ecological Agriculture

The objective of this line of action is to implement regenerative production practices that contribute to restoring and maintaining soil health.

During this period, technical follow-up of the biofactory continued, and support was provided for the production of inputs for the preparation of supermagro, an organic fertilizer that contributes to replacing conventional inputs.

Guatemala

During 2026, Grupo Bimbo's co-financing continued to support Phase 3 of the Social Excellence initiative in Guatemala's palm oil sector, focused on the implementation and follow-up of action plans. This initiative is developed in collaboration with Earthworm Foundation (EF) and the Guatemalan Palm Growers Association (GREPALMA).

At the Sector Level

At the association level, actions focused on the development of practical tools and the strengthening of technical capacities to promote the adoption of due diligence standards in the sector.

In this regard, the design of the Social Excellence Center (SEC) technology platform was completed, including the upload of content corresponding to four human rights training modules, along with their assessments and supporting materials. The platform is currently under review and in the process of being adapted for implementation in Spanish.

Earthworm Foundation delivered specialized workshops for producers and refineries affiliated with GREPALMA, focused on integrating due diligence as a tool for risk management, strengthening transparency, and meeting market requirements. One of these was a webinar on Human Rights Due Diligence, focused on establishing the fundamental theoretical basis for the sector.

Likewise, two practical guides were developed on community engagement and conflict management, aligned with the United Nations Guiding Principles. These tools were validated by GREPALMA, and their implementation began through three technical workshops for operational staff from companies in the sector. The workshops covered the following topics:

- i. Introduction, key concepts, due diligence, and stakeholders;
- ii. Governance and community relations; and
- iii. Conflict management.

At the Supplier Level

At the palm oil mill and plantation level, actions focused on field verification and follow-up on the implementation of commitments.

At the end of 2025, a second technical visit was conducted to a priority company, with the objective of assessing labor, environmental, and community engagement aspects. Based on this diagnosis, corrective actions were defined to strengthen risk management and relationships with local stakeholders. The report is currently being validated with the company in order to move forward with the implementation of the recommendations.

At the beginning of 2026, a follow-up visit was conducted with a second producer company, as part of the continuity of the baseline assessment carried out in 2025. This intervention focused on assessing progress in the implementation of its human rights action plan. The exercise made it possible to verify the level of application of its policies and actions in the field, moving from risk recognition toward practical mitigation. The company is currently continuing to work on the implementation of the identified improvements.

05

Grievance Mechanism

At Grupo Bimbo, we have a [responsible sourcing grievance mechanism](#) available for our stakeholders and the public to report any concerns related to the environment, human rights, and labor rights connected to our supply chain.

To date, our mechanism has received six grievances, 100% of which relate to environmental topics. Although these are associated with environmental matters, we understand that they may also have social and community-level impacts.

As part of the mechanism's process, upon receiving a grievance, we validate our connection to the case. Subsequently, through an understanding of the context and the relevant connections, we establish communication with the linked suppliers. We are currently following up and/or engaging in dialogue with our suppliers regarding 85% of these grievances, as in many cases they involve additional actors beyond our direct relationship with the supplier.

Within the framework of our grievance mechanism process and our commitment to shared responsibility, we have implemented a monthly follow-up action plan with a direct supplier. This plan focuses on maintaining constant communication, allowing us to understand the progress achieved by the supplier and provide timely recommendations regarding the actions contemplated in the plan.

Through this process, we seek to strengthen accountability, with the objective of assuming an active and responsible role in the management of this specific case and achieving remediation at the field level.

We understand that socio-environmental conflicts are not inherent to a single cause; on the contrary, they are the result of structural issues and market dynamics. Based

on this, at Grupo Bimbo we remain open to cooperation through collaborative grievance calls with the collaborative group led by Earthworm Foundation, as well as through the efforts led by the Consumer Goods Forum through the Human Rights Coalition, in shared social grievance sessions.

These collaborative sessions focus on seeking solutions or pathways to achieve positive progress and are aligned with antitrust guidelines and with the guidelines of each collaboration group. In both forums, there are guidelines requiring abstention from any discussion or activity that could infringe competition law; likewise, members do not share commercially sensitive information.

As part of our commitment to continuous improvement and the strengthening of our due diligence processes, during this period we conducted a comprehensive assessment of the grievance mechanism to identify gaps, improvement opportunities, and priority actions for its consolidation.

Through this exercise, we reviewed fundamental components for its effectiveness, such as governance, role clarity, accessibility, traceability, case management and follow-up processes, as well as the elements needed to support more consistent and reliable management. We consider this analysis to be key to guiding strengthening actions more strategically and contributing to the progressive development of a more robust and effective mechanism.

06

Transparency and communication.

For Grupo Bimbo, keeping our stakeholders and the public informed is essential. Therefore, in December we will publish a second update on the progress made across the workstreams established in our **2026 Action Plan**.