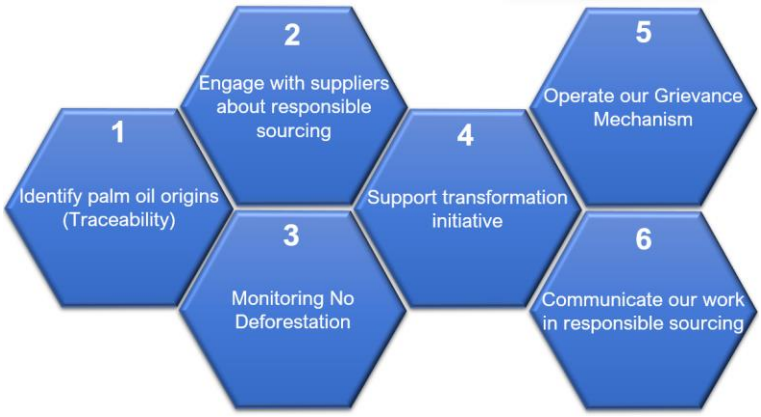
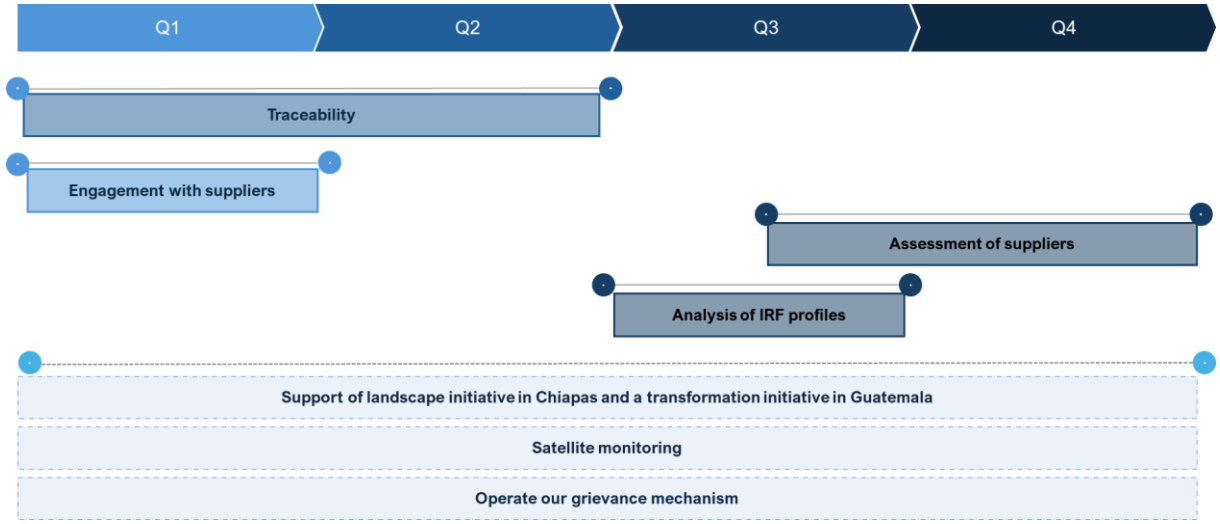
Grupo Bimbo
Global Palm Oil Policy
Year 10 – Action Plan 2025

In 2015, Grupo Bimbo began our journey toward responsible sourcing with the publication of our Global Palm Oil Policy, as part of which we made public and explicit our commitment to responsible palm oil sourcing.

Recognizing the challenges associated with our commitment, we create and implement a yearly Action Plan that includes the activities we will carry out to continue striving for progress on this issue and, in turn, to reinforce and reaffirm our commitment. In general, the activities are structured around the following six pillars which guide our work towards responsible palm sourcing:



2025 high-level timeline



01 Identify palm oil origins (traceability)

A fundamental part of moving toward responsible palm oil sourcing is understanding the regions from which we source our oil and understanding their challenges and opportunities. Bearing this in mind, we will conduct a traceability exercise with our main suppliers to identify the origins of their palm oil at the country level, at our mills, and, if possible, on our farms. This information will inform our risk analyses, supply-base initiatives, and our engagement with our suppliers.

In June we will report the results of the traceability exercise for suppliers categorized as direct palm oil suppliers[1], while in December we will report to the suppliers of indirect palm oil[2]. In both cases, in the interest of transparency, we will publish our list of direct suppliers, the list of mills, and the countries from which we source our products in June and December, respectively.

02 Engage with suppliers about responsible sourcing

In addition to identifying our sourcing regions, another key pillar we will continue to implement is engagement with our suppliers. These conversations, which go beyond commercial topics, seek to understand sustainability priorities. During this engagement, we focus on sustainability issues with the goal of understanding our suppliers' maturity level, the challenges and opportunities they face, and monitoring their improvement efforts.

As part of this pillar, we implement two main activities:

1. **Strategic engagement:** In December 2024, we received the results of the evaluation of six suppliers. With this information, we will meet with them to discuss the results and seek to agree on an Action Plan based on the identified priorities. During 2025, we will follow up on the agreements reached with these six suppliers to monitor their progress and aim to improve their performance in their next evaluation, scheduled for 2026.
2. **Supplier evaluation:** During the second half of the year, six additional suppliers will be evaluated through the EPI[3] process. This process, facilitated by the Earthworm Foundation (EF), will begin with a survey designed by EF. The assessment team, from the same organization, will then review the responses and supporting documentation provided by suppliers. The survey covers the following issues: a) Responsible Sourcing Policy; b) Implementation actions and supplier engagement strategy; c) Transformation initiatives for conservation, land management, and/or labor and social issues; d) Grievance management processes; e) Monitoring and evaluation actions; and f) Traceability.

The survey is aligned with the Working Group for the Harmonization of Palm Supplier Performance Assessment, an initiative that brings together various organizations with sustainability assessment

[1] Fats and oils that contain palm oil.
[2] Ingredients that contain palm oil in their formula, for example, chocolate, coatings, among others.
[3] Engagement for Policy Implementation

questionnaires in the sector. Additionally, the survey responds to the expectations of the Forest Positive Coalition.

In this way, we aim to complete an evaluation cycle for suppliers representing a significant volume of palm oil over a two-year period.

Additionally, for the third consecutive year, we will provide suppliers with two online training sessions focused on responsible sourcing and the areas for improvement identified through the EPI process. The objective of this initiative is to promote and facilitate the adoption of best practices in responsible palm sourcing by our suppliers.

03 Monitoring No Deforestation

Another of our pillars for measuring our progress on responsible sourcing is satellite monitoring of palm oil volumes to identify those that are deforestation-free. For the second consecutive year, we have decided to monitor the entire traceable volume[4], for 97% direct palm oil, and approximately[5] 96% for indirect.

This information allows us to:

a. Establish closer communication with our priority suppliers and discuss strategies to increase our deforestation-free volumes.

b. Take action on identified deforestation alerts.

The data in our report[6], which shows the most recent figures, indicates that 75% of our direct palm oil volume meets deforestation-free criteria. In line with our commitment to achieving 100% deforestation-free sourcing by 2025, we will remain focused on increasing this figure.

Another tool we use to measure progress toward Zero Deforestation is the IRF profiles. Therefore, in 2025, we will continue collecting this information from our suppliers and use it as input to measure our progress and identify areas of opportunity.

04 Support transformation initiatives

While data analysis strategies and engagement with our suppliers are key to advancing responsible sourcing, at Grupo Bimbo we believe it is necessary to invest in transformation initiatives that address challenges identified in our supply chain and where we maintain close ties with the supply base. Both initiatives have a collaborative approach, with various companies, in addition to Grupo Bimbo, co-financing the activities described below.

[4] 97% of the volume for direct palm oil, TBD for indirect palm oil.
[5] The percentage will be confirmed based on the results of the traceability exercise.
[6] Q4 – 2024, reported in December 2024.

Chiapas, Mexico

This landscape initiative is led by the Earthworm Foundation and seeks to address the following challenges: Protecting forests in a coastal ecosystem and strengthening the livelihoods of small producers. The initiative's intervention strategy is the Chiapas Coast, specifically the "La Encrucijada" Biosphere Reserve and its surrounding area.

1. **Supply Chain Transformation:** This line of work is carried out directly with local mills to establish and implement responsible sourcing policies and programs. This year, the landscape initiative will work with two mills to promote the implementation of their Action Plans.
2. **Forest restoration and protection:** Given the importance of "La Encrucijada" Biosphere Reserve, the landscape initiative seeks to achieve the following goals by 2025:
    a. 30 hectares of riparian[7] vegetation and restored mangroves.
    b. 20 hectares of palm plantations are undergoing productive conversion, as the reserve's regulations prohibit cultivation in specific areas.
3. **Resilient Producers:** Through this line of work, we support 30 small-scale producers in establishing Comprehensive Farming Plans (PIPs) that seek to improve palm cultivation practices and establish other strategies that allow them to withstand changes in the market and the environment.
4. **Agroecological farming:** In 2025, we will work with 30 small producers to advance the implementation of agroecological practices.

It is important to mention that, since this initiative encompasses a collaborative approach and is co-funded by different actors, at this stage the mentioned KPIs cannot be attributed to any particular company, nor is it possible to allocate hectares to meet the CGF's landscape ambition for 2030. In 2025, Earthworm Foundation will work to provide this information to the CGF and its members so that they can make attributions.

Guatemala

In 2025, Grupo Bimbo will continue to financially support the Social Excellence in the Palm Oil Sector project in Guatemala. This initiative, led by the Earthworm Foundation in collaboration with the Guatemalan Palm Growers Association (GREPALMA), seeks to strengthen social, labor, and environmental standards within the palm oil industry.

This year's work plan will focus on implementing Phase 3 of this initiative, which includes the following activities:

[7] Riparian vegetation is the flora that grows along rivers, lakes, reservoirs, and wetlands.

At the sector level

1) **Training Platform for Palm Oil Producers:** The second phase of the online platform will be advanced, facilitating access to self-learning materials on Human Rights for production company staff. To this end, a pilot infrastructure will be established to host content focused on:

- Free, Prior and Informed Consultation and Consent (FPIC)
- Freedom of Association and Collective Bargaining
- Health and Safety in the Community
- Effective Complaint Mechanisms
- Conflict Management and Community Relations

2) **Capacity Building in Human Rights Due Diligence:** In collaboration with GREPALMA, guidance will be provided to the sector through the development of guidelines in three key areas:

- Due Diligence Compliance: Development of practical guides for process planning and consultation workshops for sector prioritization.
- Community Investment Strategies: Creating a guide tailored to local context in Guatemala that addresses strategic planning, food security, and social contribution.
- Peaceful Coexistence: Guidelines for promoting dialogue and consultation as key tools.

At the supplier level

We will continue to support palm oil producing companies based in Guatemala in assessing their levels of Human Rights compliance. We will also monitor and support the implementation of their improvement plans to close the identified gaps.

05 Operate our grievance mechanism

Grupo Bimbo has a grievance mechanism specifically designed to receive complaints related to responsible sourcing in our supply chain. Any person, organization, or company can report a complaint through this mechanism. We invite you to learn more about our process, which explains how we attend those who need to use this channel.

06 Communicate our work in responsible sourcing

It is very important for us to communicate to our stakeholders and the public the actions we are taking to enhance progress on responsible palm oil sourcing. With this in mind, we will publicly report on our progress on the pillars outlined in this Action Plan in June and December.