

1. Purpose

To define the guidelines and deliverables of the functional reviews carried out by the Global Functional Departments to the Regional and / or National Offices of the Business Units of Grupo Bimbo.

2. Scope

This policy is applicable to the Functional Global VPs in Corporate and to their counterparts in the following areas of the Business Units:

- Procurement
- Operations
 - Manufacturing
 - Logistics
 - Engineering & Maintenance
- Marketing
- Research & Development
- Quality Assurance
- Vehicles
- Human Relations
 - Talent Planning & Development
 - Compensation & Structures
 - Labor Relations
 - Institutional Relations
 - Corporate Affairs
 - Safety and Wellness
- Sales
- Controller
- Financial Planning
- Treasury
- Real Estate
- Legal
- Corporate Management

3. Definitions

Functional Reviews: Evaluation of the alignment and maturity level in the execution of processes carried out by the Business Units of Grupo Bimbo according to the definition of the Grupo Bimbo Processes Model recorded in the Operative Compendiums of the Global Functional Departments. This evaluation seeks to advise and support the Business Units, accelerating their competitive advantages and strengthening their abilities to solve problems.

Operative Compendium: Handbooks aimed primarily at standardizing the execution and measurement of the Company's key processes. The link where these handbooks are recorded is the following:
<https://gbconnect.sharepoint.com/sites/EN-SitioCompendios>

4. Responsibilities

Functional Global Department: To advise and provide support to Business Units, through a deep previous analysis, by closing of gaps in place and by replicating good practices. To generate, each December, an annual plan of functional reviews of the year immediately preceding that in which they will be executed, as

well as to establish the format and content for the realization of said revisions, based on the processes defined in their respective operative compendiums.

Business Unit Functional Area / Department: To accept and ease the execution of the functional revision to the corresponding Functional Global Department, assigning the necessary time and resources to those responsible for the processes to be evaluated. To perform an internal functional review, through a self-assessment control model, to ensure compliance with the processes in the Business Unit and share the results with the Global Functional Department as input for the corporate functional review.

Global Corporate Management Department: To define the format of the executive report to present the compliance of the annual functional revision plan in Pre-Committee meetings, and to report on the results and highlights of the latter.

5. General guidelines

In order to ensure the alignment of Grupo Bimbo's strategy, through support and consulting on the gaps identified in the functional reviews, the following guidelines must be met:

Annual Plan Definition

- The functional reviews programming will be determined according to the results of the control self-assessments, audits, complexity, special circumstances and other criteria determined by the corresponding Global Functional Department.
- The plan must consider carrying out at least one functional revision of the Business Units every year and a half.

Functional reviews execution

Every functional revision must begin and end with a formal meeting with the President and functional responsible of the Business Unit, to report on the goals, length and results of the revision, as well as to comply with the following:

- The Global Functional Department must:
 - Carry out a preliminary analysis of information based on the results of self-assessments, operational indicators, audits and other criteria that the Functional Department considers necessary to optimize field work.
 - Notify their counterpart in the Business Unit in a timely manner about the execution date of the corresponding functional revision and the topics to review.
 - Invite key personnel from other Business Units to accompany the functional revision execution in a certain Business Unit and strengthen the exchange of information with other Grupo Bimbo operations / processes. Support of key personnel can be remote or in person.
 - Carry out the plan to close gaps on site and identify good practices to replicate them inside and outside the Business Unit.
 - Establish a monitoring model to ensure compliance with the closing gaps plan that was defined at the end of the functional revision.
 - Share the full report of the functional review, in the collaboration site established by the Global Corporate Management Department, and send the executive report on the results, agreements and commitments of the review, to the Organization's VP and corresponding functional responsible person, copying the Global Corporate Management Department.
 - Present relevant topics and follow-up plan to close gaps in the Pre-Board meeting.
- The Business Unit functional area must:

- Comply with the control self-assessments, based on the **GGB-008 Global Internal Control Policy**.
- Share the results of the control self-assessments with the corresponding Global Functional Department.
- Follow up on the plan to close gaps and present progress quarterly to the Global Functional Department.
- Replicate to the rest of the operations, business units or Business Unit countries those good practices that are a result of the revision through an annual replication plan.
- Share the annual replication plan with the corresponding Global Functional Department and, on a quarterly basis, send an executive report of the results of the replications with a copy to the Global Corporate Management Department.
- Send the executive report of the results of the replications to the corresponding Global Functional Department with copy to the Global Corporate Management Department.

Deliverables Summary

Global Functional Department

- Annual Functional Reviews Plan
- Complete Report of the functional revision
- Executive Report of the functional revision

Global Functional Department and Business Unit Functional Area

- Annual monitoring plan to close gaps and / or replication of good practices, depending on the maturity of the Organization.

6. Responsibility / Ownership

The Global Corporate Management Department is the assigned owner of this policy and is primarily responsible for its contents, updating, monitoring of its compliance and submission for approval before the Global Internal Control and Risk Management Department, the Steering Committee, and CEO.

7. Updates

The changes implemented in between versions are described below:

Revision / History of the revision				
Version	Revision Date	Updated by:	Approved By:	Main Changes
1				
2	July 2019	Daniela Talamantes	María López	<ul style="list-style-type: none"> • Highlight that the functional reviews are a support towards the Corporate. (Purpose, definitions and responsibilities were complemented).