

1. Purpose

Establish the general guidelines regarding the regulatory compliance management model that each Grupo Bimbo Business Unit must implement and maintain to avoid affecting Grupo Bimbo's reputation and business objectives due to the breach of any official regulations.

2. Scope

This policy applies to the Business Unit Presidents, Country or Regional Directors, Corporate Functional VPs, the associates responsible for regulatory compliance, and the legal representatives of any affiliated company and/or subsidiary of Grupo Bimbo.

3. Definitions

Regulatory compliance management model (the "model"): For purposes of this policy, it is defined as the structure that includes the official regulations applicable to the properties of Grupo Bimbo. It is contained in a technological platform and supports regulatory compliance and control in each property.

Regulation: Rules established by the Government of a country/location in a law, ruling, decree, resolution, norm, or other mandatory documents.

4. Responsibilities

Business Unit Presidents: Comply with and enforce the regulatory rules that correspond to the activities and services performed in the properties of their Business Unit. Provide the personnel structures and resources needed for the model to operate. Assign the associates in charge of regulatory compliance in their Business Unit and review, at least every quarter, the status of regulatory compliance to establish the necessary corrective plans.

Country or region Directors: Assign the associates in charge of regulatory compliance by functional area, property, or region. Ensure the integrity and validity of the information recorded in the model and review the regulatory compliance status every month, to establish the necessary corrective plans

Associate responsible for regulatory compliance: With full adherence to the GGB-001 Grupo Bimbo Code of Ethics, the GGB-004 Global Integrity Policy, and the FGB-CA-01 Global Policy for Relations with Authorities and Institutions in the Public Sector, manage the validity of the regulations of their country. Alert the regional or functional Director regarding any breach of a critical, relevant, or basic regulation.

Local Functional Departments: Review the list of regulations that make up the "model" of each country, annually. Review with the Country Manager or Business Unit President the corrective plans of those critical regulations that, for more than three months, have maintained a "non-compliant" status.


Global Internal Control and Risk Management Department: Promote the observance of this policy in all Grupo Bimbo's Business Units and monitor the operation, reliability, and integrity of the "model" in each country or Business Unit, annually.

Global Procurement Department, and global/local departments that hire third-party products and services: Ensure that all of Grupo Bimbo's suppliers comply with the FGB-EPR-03 Grupo Bimbo Supplier Code of Conduct, regarding the regulatory compliance of properties, products, or services, clearly establishing the terms and conditions in purchase orders, contracts, requests for proposals (RFP), or others. Guarantee that all suppliers comply with the legal/fiscal provisions, essential for their country/business unit.

5. General guidelines

To ensure the growth and sustainable consolidation of Grupo Bimbo, it is mandatory to fully comply with the laws, regulations, and other official rules of the countries where they are present; therefore, the Business Unit President and the Director of each country must:

- Strengthen the regulatory compliance culture, safeguarding the reputation of Grupo Bimbo and affirming the institutional values included in the **GGB-001 Grupo Bimbo Code of Ethics**.
- Adopt the IT platform chosen by the Global Internal Control and Risk Management Department and authorized by the Global Transformation Department for the implementation and functionality of the “model.”
- Include, in the model, truthful and current information regarding:

Applicable official rules. These must have a description of their requirement, be grouped by topic and sub-topic, according to the  **FGB-IC-01 Annex I** and have, at least, the following information:

- The title of the law, regulation, decree, resolution, or norm.
- Article number or section corresponding to each rule.
- Applicable sanction in the event of non-compliance.
- The name of the Government Entity that regulates and oversees its enforcement.
- The type of property or activity/service to which it applies.
- The compliance status of each of the applicable official provisions.
- Identify the risks associated with regulatory compliance and implement the necessary action plans to correct any deviations from such.


Classification of regulations and risks

The regulations grouped by topic and sub-topic will be classified based on the impact of their sanction, in accordance with the following table:

Regulation	Sanction
Critical	Closing of the property or business interruption.
Relevant	Warnings, penalties, or conditions that imply a financial sanction.
Basic	Warnings or conditions that do not include an economic fine.

Evaluation criteria

- Failure to comply with one or more regulations classified as **critical** will put the property and the subject evaluated as **critical risk**
- Critical, relevant, and basic regulations will get a score of **6**, **3**, and **1**, respectively, when in compliant.
- Regulations that are in “non-compliance” will get a score of 0.

The IT platform will determine the percentage (%) of regulatory compliance according to the following table. The non-adoption of the platform does not exempt any country or Grupo Bimbo’s Business Unit from compliance with this policy; the calculation is explained in  **FGB-IC-01 Annex II**.

Risk	% of regulatory compliance	Color
Critical	<=70%	Red
High	>70% - 85%	Yellow
Moderate	>85% - 95%	Green
Low	>95%	Blue

Penalties

Failure to comply with this policy could jeopardize Grupo Bimbo's reputation and business objectives; thus, may enforce the following actions:

- Verbal feedback and written warnings if necessary
- Administrative report
- Termination of labor and contractual relationship with justified reason

6. Annexes



FGB-IC-01 Annex I



FGB-IC-01 Annex II

7. Responsibility / Ownership

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

8. Updates

The changes implemented in between versions are described below:

Revision / History of the revision				
Version	Review date	Updated by	Approved by	Main Changes
1	November 2019	Delia Altamirano	Gabriela López Juárez	
2	October 2021	Ana del Rocío Villegas Lozano, Daniel Alberto Nava Guarneros	Gabriela López Juárez	<ul style="list-style-type: none"> • Evaluation criteria for regulatory compliance was modified. • The official topics and subtopics list were added.
3	January 2023	Ignacio Manjarrez Fonseca	Gabriela López Juárez	<ul style="list-style-type: none"> • The weightings of critical regulations were updated from 5 to 6; and basic ones, from 2 to 1.