

## 1. Purpose

Establish general guidelines for the electric energy supply for Grupo Bimbo operations, either through its generation or acquisition.

## 2. Scope

This policy applies to associates responsible for acquiring electric energy for all of Grupo Bimbo's operations, including all its assets, properties, and vehicles.

## 3. Definitions

N/A

## 4. Responsibilities

**Global Engineering and Net Zero Carbon and Global Procurement Departments:** Define and implement the company's energy strategy aligned with Grupo Bimbo sustainability objectives. Develop the strategic initiatives aligned to the ***FGB-FP-02 Global Policy of Investment Projects***, the ***FGB-PR-01 Global Procurement Policy***, and the ***FGB-OP-13 Global Execution of Supply Chain Investment Projects Policy***. Regulate, consolidate, and manage the implementation of initiatives and their proposed benefits. Make the final recommendation for electric energy acquisition to the Business Units. If needed, negotiate local commercial conditions with the agreed suppliers, and involvement of the local procurement team.

**Global Engineering and Net Zero Carbon Department:** Analyze, evaluate, and implement the initiatives for electric energy acquisition or generation. Establish the general guidelines for equipment and safety measures that must be complied for any generation system. Report to the Global Sustainability Department about the executed strategic initiatives.

**Global Procurement and Financial Planning Department:** Support Global Engineering and Net Zero Carbon and Global Procurement Departments with the evaluation and validation of business cases.

**Global Sustainability Department:** Support Global Engineering and Net Zero Carbon and the Global Procurement Departments with the management of key performance indicators (KPIs) and the accomplishment of the Net Zero Carbon goals.

## 5. General Guidelines

In order to have the electric energy required to provide business continuity, it is Grupo Bimbo policy to comply with the following guidelines.

### **Electric Energy Acquisition**

The responsible associates of acquiring electric energy for Grupo Bimbo operations can do so, through each country's regulated or non-regulated market, as long as the transaction is aligned to the Global Engineering and Net Zero Carbon and Global Procurement Departments strategy, as well as Grupo Bimbo objective to use clean energy in all their consumption centers, according to the following guidelines.

- To supply the electric energy consumption for the operation:
  - The Business Units Operations Management must:
    - Have the validation of the Global Engineering and Net Zero Carbon and Global Procurement Departments of the strategy to assure the technical, economic, social, environmental, and legal viability.
    - Have a documented business case that supports the energy acquisition strategy.

- Global Engineering and Net Zero Carbon and Global Procurement will elaborate the business case and look for its approval according to **FGB-FP-02 Global Policy of Investment Projects**.
- For normal acquisition in the regulated market, Global Procurement Department in agreement with Global Engineering and Net Zero Carbon Department must:
  - Negotiate and ensure the electric energy acquisition for the operations from local utility companies, in contracts that do not exceed the maximum allowed time of 24 months, or in open contracts that allow withdrawal at any moment without penalty.
  - For contracts longer than 24 months:
    - Evaluate the convenience of the contract, based on electric market information.
    - Define its economic viability, followed by a bidding process involving at least 3 players with the support of local procurement teams.
- For normal acquisition in the non-regulated market:
  - The Global Engineering and Net Zero Carbon Department together with Global Procurement Department:
    - Will be responsible for the outlet operations from the non-regulated market.
    - Must previously evaluate the outlet to the non-regulated market in each country, from an economic and legal perspective.
    - At no time a withdrawal decision cannot be taken without justification.
  - Global Engineering and Net Zero Carbon will notify by email to the Business Unit President and Operation Management, of the outlets to the non-regulated markets with their respective business cases, but not before coordinating the communication with the local procurement team.

### **Investment in electric energy generation projects**

All renewable energy generation projects, proposed by Business Units, must be previously approved by Global Engineering and Net Zero Carbon and Global Procurement, who will monitor and ensure compliance with the provisions of the **Solar Safety and Quality Manual**.

### **Suppliers**

All business partners performing energy activities at any Grupo Bimbo facilities must be authorized by the concerned operation, with the support of Global Engineering and Net Zero Carbon Department and previously negotiated by Global Procurement Department.

### **Electric infrastructure**

Global Engineering and Net Zero Carbon Department, through local teams, must ensure that all electric infrastructure in Grupo Bimbo facilities:

- Complies with the guidelines established by local standards.
- Have the corresponding certifications required by local regulations.

### **Backup equipment**

Global Engineering and Net Zero Carbon must define the appropriate back up alternative for each operation, depending on the needs, and based on **ST-EN-05 Global Standard to Reduce Impacts on Production Lines due to Failure in the Electric Power**.

### **Regulation**

Global Engineering and Net Zero Carbon Department must ensure that operations always comply with local energy regulations, otherwise, it will propose the necessary modifications for compliance to the Global/Local Asset Management Departments, who will execute and report to the Global Engineering and Net Zero Carbon at the agreed date.

## Savings

To comply with market practices on energy savings reporting, Global Engineering and Net Zero Carbon Department must:

- Calculate cost savings:
  - On a monthly basis, aligned with Global Procurement practices.
  - Based on the market prices, previously validated by Global Financial Planning Department, for the business case.
- Report savings in the ZBB (*Zero Based Business*) initiatives, through the Business Unit Finance teams, to avoid double counting.
- For budget purposes:
  - Request to the Business Unit the projected consumption in kWh.
  - Estimate the integrated electrical tariffs to provide the Business Units with the annual expense per site with the new contract prices as a new baseline.
- Ensure compliance with the business case every year by reporting the value realization of the projects.
- Report additional savings, only against the new baseline in the budget, after the first year of the project.
- Communicate the estimate of the annual savings to the local procurement team, who will have 48 hours to validate it before final submittal to the Business Unit.

## 6. Reference

- *FGB-FP-02 Global Policy of Investment Projects*
- *FGB-PR-01 Global Procurement Policy*
- *FGB-OP-13 Global Execution of Supply Chain Investment Projects Policy*
- *ST-EN-05 Global Standard to Reduce Impacts on Production Lines due to Failure in the Electric Power*

## 7. Responsibility / Ownership

The Global Operations Department is the assigned owner of this policy and main responsible for its content, update, monitoring of its compliance, and the submission for approval to the Global Internal Control and Risk Management Department, the Steering Committee and CEO.

## 8. 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	December, 2022	Irene del Carmen Espínola	Liborio Villalobos Carranza	