1. Purpose

Establish general guidelines for project management, traditionally or using agile frameworks.

2. Scope

This policy applies to all leaders and members of project teams in Corporate Management and in Grupo Bimbo Business Units, in their different locations and functions, who participate in any kind of project requiring an economic investment, for which the ***FGB-FP-02 Global Policy for Investment Projects*** will also apply.

3. Definitions

Client: The main party interested in the product or service to be developed and who will evaluate the results and determine whether the project meets expectations or not.

Deliverables: Necessary supporting documentation for the project execution and to achieve its objectives throughout its life cycle.

Leader: The person responsible for the execution and monitoring of the project.

Project ("project"): A set of planned, interrelated and coordinated activities that are aligned with the strategic planning of Grupo Bimbo, it´s Business Units, the corporate functional departments, or any other strategic action by Grupo Bimbo, have limited financial or non-financial resources, and are implemented within a defined period of time to create unique benefits, products, services or results, that contribute to the Business Plan of Grupo Bimbo.

Project charter: Document formally authorizing a project in which the main variables, such as purpose, benefits, scope and budget are documented.

Project progress report: Report on the current status of the project, which shows its performance, progress and deliverables, as well as budget monitoring and benefits.

Project team: Associates who have participated throughout project´s life, including the execution of the activities required to achieve the project´s objectives.

Sponsor: The party that gives support and contributes financial resources for the execution of the project.

Work plan: Detailed schedule that allows for ordering and systematizing the tasks required to meet the objectives of the project and its contents, the identification of responsible parties, definition of goals, objectives, activities with sequence and duration, allocation of resources and deliverables clearly identified by each of the phases that make up the project.

4. Responsibilities

Business Unit Presidents: Enable a project office in their Business Unit, with the objective of monitoring compliance with this policy and regularly reviewing projects and following up on the project´s monthly progress to ensure that the objectives/benefits are met.

Functional Vice Presidents (Global and Organizational): Enable an office or person responsible for projects in their department to monitor their monthly progress and ensure the fulfillment of objectives and benefits.

Management Offices Leaders at the Business Units (Functional and Organizational): Monitor the projects in their field of responsibility, train and support project leaders and members on institutional project management tools, policies, procedures and methodology in the countries, regions, areas and departments of the Business Unit to which they belong; manage the portfolio and project program and detect and report to the Functional Vice Presidents and/or Business Unit any risks and deviations in the execution of projects in their Business Unit.

Global Corporate Management Department: Ensure the correct functioning, constant updating, communication and training of the institutional tools, policies, procedures and methodology of project management in Grupo Bimbo, and inform the Functional Department and/or responsible Business Unit of the status of each of its projects, as well as inform the status of the **strategic** project portfolio to the Functional and Organizational Vice Presidents on a monthly basis.

5. General guidelines

The management of any project, traditionally or using agile, must comply with the following guidelines:

Methodology

- All projects and their phases must be defined, authorized, executed and concluded under the procedures contained in the compendium of the Global Management of Corporate Management.
- All fields, analyses, documents, changes, authorizations and reports required by the project management methodology must be documented in the project management tool in force at Grupo Bimbo (Owner, Softools, etc.)

Initial

- Every project in its initial phase must have a project report, which must contain the elements defined by the Global Corporate Management Department defines (e.g. objectives, benefits, scopes, project team, risks, action plan, etc.) and must be approved by the Project Manager (PMO) and by the client.
- The roles of leader, client and sponsor cannot be assigned to the same person.

Planning

The planning phase of any project must comply with the following:
- Have a work plan.
- Define the project deliverables, KPIs, benefits and budget with a planned determined value.
- Have a financial evaluation, documented by the project leader, in which Value Targeting and Value Realization justify its economic profitability following the ***FGB-FP-02 Global Policy of Investment Projects.***

Execution and control

- The monitoring of each project must include compliance with the tasks established in the work plan, budget exercise, compliance with deliverables, benefits, and the target established in each performance indicator.
- The Functional Global and Organizational Vice Presidents must review their project(s) each month to check the progress.
- The Project Progress Report must be done in the official format (available on Owner), using the information from the official tools for project management (e.g. Owner, Results Accelerator, Power BI, etc.).
- All projects that present deviations of more than 5%, whether of time, budget or deliverables, must be reported with a plan of action to the Functional Department and/or Business Unit.

- All change in scope, time or budget must be documented on the institutional tool for project management with track changes and be authorized by the client.
- To define corporate quotas or additional fiscal issues, for the projects determined by the Global Tax Department, they must be documented in the project management tool, with all deliverables and emails supporting its upload, the follow-ups are done throughout the project, the responses to queries made by the Business Units, and any document or (tangible) presentation supporting its monitoring.

Closing and guarantee

The closing of all projects executed in Grupo Bimbo must:
- Be authorized by the client and the PMO of the Business Unit or Functional Department.
- Have a Project Closing Report displaying the results obtained for the documented variables in the initial and planning phases, and the lessons learned.

Evaluation criteria

- The project progress will be defined by the following criteria:

Indicator	Color	Result
Blue	🔵	Deviation: 0
Green	🟢	Deviation: > 0 y <= 5%
Yellow	🟡	Deviation: > 5% y <= 10%
Red	🔴	Deviation: > 10%

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 Internal Control and Risk Assessment Department, the Steering Committee and CEO.

7. Updates

The changes implemented among versions are described below:

Revisions / History of the revision				
Version	Revision Date	Updated by	Approved by	Main Changes
1				
2	June14th, 2019	Stefany Sánchez Téllez	Verónica Castillo/ María López	Value Targeting and Value Realization management model was integrated in scope. The AGILE Management Model was integrated to simplify and facilitate project management.
3	Oct. 16th, 2020	Verónica Castillo	María López	The differences between the *FGB-FP-02 Global Policy*

				for Investment Projects were integrated. Actions derived from Internal Audit's observations.