

## 1. Purpose

Establish the general guidelines for the provisional transfer of associates, either to give support that Grupo Bimbo requires, to occupy a specific position or to receive training in a different country from the country of origin, for a defined time.

## 2. Scope

Applies to Vice Presidents, Directors, Managers and Supervisors of all Business Units, affiliates and subsidiaries of Grupo Bimbo, in their different geographies and functions.

## 3. Definitions

**Country or operation of destination:** The one where the associate will be transferred to cover a position for a defined time.

**Country or operation of origin:** The one where the associate was hired at the beginning of his / her employment relationship with Grupo Bimbo.

**Gross-Up:** Calculation of the necessary total compensation figure so that once the taxes are deducted, the expected net amount is paid.

**Nuclear family:** Refers to the associate, his / her spouse, and unmarried children, economic dependent and dependents under the age of 23.

**Reference salary:** It is the current salary of the associate before the transfer.

## 4. Responsibilities

**Global Functional Vice President:** In collaboration with the Business Unit Functional VPs, select the associates that will be participating in the exchange and obtain, from the Business Unit Presidents and the Steering Committee of Grupo Bimbo, the transfer authorization. Ensure that, once the transfer period is over, the associates involved return to the same position they had before the movement and maintain their position in the line of succession.

**Business Unit Presidents:** Comply with and enforce this policy and involve the Business Unit Department of People in the transfer process.

**Global Compensation Department:** Through the Global of International Mobility area, disseminate, implement and ensure compliance with this policy, keep the record of associates who are in exchange and their general working conditions. Monitor the entire relocation process and ensure that the associate is properly supported by the destination Business Unit's People team. Coordinate the People functions of both origin operation and destination operation on all matters of documentation, travel, immigration procedure and others related to the movement of the associate. Register in the international assigned insurance policy, the associate and the members of his / her nuclear family who will change residence.

**Origin Operation People VP:** Support the associates in obtaining the documents required for the processing of work permits in the country of destination, as well as processing the withdrawal in the operation of origin for his / her transfer.

**Destination Operation People VP:** Ensure compliance with this policy and manage the payment of the benefits indicated. Keep the database of associates transferred in their Business Units updated and obtain the corresponding immigration authorizations.

**Manager of destination operation:** Follow up and ensure compliance with the defined program. Support the associate in the administrative and labor processes.

**Associate:** Ensure that both he / she and his / her nuclear family have a passport prior to transfer, valid for at least 24 months, provide the necessary documents for visa process of the destination country. Maintain valid work authorization and visas valid. Maintain satisfactorily the migratory conditions and fulfill their fiscal obligations both in the country of origin and destination.

## 5. General guidelines

The transfer of associates between countries represents an opportunity for Grupo Bimbo to ensure knowledge of their philosophy, culture, and processes, and to have adequate talent in countries where GB has operations, it is necessary to comply with the following guidelines:

### Generalities

- This program is designed for associates who have expertise in their function, whose experience is required in another operation, and for those who will hold a new function and for which they must be trained in another country where that experience is developed.
- For these transfers, it is required that an exchange be established between two countries of associates of the same level. The exchange does not have to be simultaneous, but within the same exchange period.
- In case of failure to comply with the above requirement, the authorization from the Executive VP Grupo Bimbo of the original operation is required.
- The period that an associate can be in the country of destination is a minimum of 12 months and a maximum of 24 months.
- The transfer of his / her nuclear family be left to the associate for consideration. The associate must state his/her decision at the time of signing the offer letter.
- To ensure that the original operation position is available at the return of the participant, it must be filled with a temporary associate or another who has a defined career plan. The associate(s), who temporarily covers the participant's responsibilities, will receive a salary supplement during the substitution period, if covering him / her represents an increase in their own responsibilities.
- The transferred associate cannot be promoted in the destination country during the transfer period.

### Eligibility

Candidates for exchange between countries must meet the following requirements:

- Have obtained, in their most recent performance evaluation, a rating of 3 (meets expectations) or greater.
- If spoken language in the destination country is different than the country of origin, the associate must have a minimum level of advanced English language proficiency, equivalent to 800 TOEIC points, and an intermediate level of proficiency in the language of the country to which it will be transferred.
- Obtain authorization from the Global Functional VP, Business Unit President of the destination operation, the Global VP of People and the Executive VP Grupo Bimbo of the destination Business Unit.

Once the associate is selected, to have the benefits of this policy, he / she must sign the offer letter that his / her direct manager of the destination operation will deliver to start the process.

### Formalization of working conditions

- The direct manager of the destination operation will deliver the letter with the labor conditions corresponding to the period in which the associate will be in provisional transfer.

- The destination company will not recognize the seniority of the associate in Grupo Bimbo, seniority will be guaranteed in the country of origin with the corresponding legal protocols means.

### **Reconnaissance trip**

The objective of this trip is to know the new labor, migratory, cultural, school and housing conditions, as well as medical services, assistance and government programs. This trip will apply under the following guidelines:

- It will have a maximum duration in the destination country of 3 additional working days to the days of transfer.
- The related expenses of the associate and his / her spouse (if it is the case) will be covered by the company of origin, adhering to the definitions and guidelines of the **GGB-013 Global Travel Expense Policy**.
- The destination operation is authorized to hire and pay for a company specialized in international mobility, authorized by the Procurement Department, for a maximum of 2 days for the orientation of the associate in his / her reconnaissance trip.
- If the associate is already supporting the destination operation and knows the environment in which he / she will move, but his / her spouse does not, they can take the reconnaissance trip to involve him / her in the transfer decision.

### **Immigration procedure**

The immigration process will be carried out in accordance with the local laws for the legal entry to the country of destination, both of the associate and his / her nuclear family, according to the following:

- It is the responsibility of the direct manager and the associate to comply with the regulations corresponding to the visa, work authorization and immigration laws of the country where the associate will be transferred.
- The company in the country where the expense originates will pay the immigration fees for the associate and his / her nuclear family, during the entire exchange program.
- Associates and managers who violate immigration laws and regulations, from the place where they have been transferred, will be subject to disciplinary measures that could include the dismissal from the Company without liability regardless of the legal measures that the countries involved may take against them.
- The People area of the destination operation will support the associates to keep his / her work authorization and the visas of his / her nuclear family in force, in the cases in which it applies, this obligation will cease at the moment in which the associate concludes his / her transfer.

### **Termination in operation of origin**

The origin operation must:

- Suspend the employment relationship, in accordance with the usual legal practices in the organization of origin and ensure that the associate does not lose his / her seniority and that no payments are processed for this concept.
- Settle all accrued vacations to the associate, except those corresponding to the last year, which the associate must take in the destination operation, unless a local law does not allow it.
- Ensure that the associate is not paid the annual bonus for results, since he will be paid in the operation where he is working according to their regular payroll payment process.

### **Transfer and installation**

The concepts contained in this topic will be covered by the destination operation.

### **Transfer**

- Airline tickets in tourist class to the destination country of the associate and of the members of his / her family who change their residence once they have the corresponding visas.
- If necessary, the cost of excess baggage of two bags per person according to the weight authorized by the airline.

### Lodging

The rent, during the transfer period, of a furnished apartment or flat in the destination country.

### Transfers

- Transfers from the associate's house – airport – apartment – airport – associate's house.
- Where appropriate, the car provision, corresponding to the one that the associate had in his / her home country, adjusting the values to the type of car that is granted to personnel of his / her level in the country of destination.
- The support for transfers that the Fleet and Administration and Finance departments of the destination operation will determine according to the criteria applied locally.

### Cultural training

A cultural training for the associate, given by an expert in international mobility to help the understanding of cultural differences in the country of destination, lasting 1 day.

### **Compensation and benefits during the transfer**

The total compensation of the associate and the concepts contained in this topic must be paid in the company of the country of destination.

### Salary, benefits and other payments

- The associate will be paid the benefits in force in the destination operation.
- The salary in the country of destination will be the equivalent to the reference salary of the position in the country of origin and will be determined in the local currency from the country destination.
- In addition to the base salary, the associate will receive:
  - The amount by the cost of living differential in current expenditure between the country of destination and the country of origin.
  - When the quality of life index of the destination city compared to that of the city of origin is greater than or equal to 30 points at the time of the transfer, the associate will have an additional bonus for loss of quality of life, defined as a percentage of the base salary.
- The amount corresponding to quality of life will not be integrated into the salary for the calculation of the bonus or benefits and will be paid by payroll with the corresponding tax discounts.
- The annual base salary merit increase and the cost-of-living supplement increase in the country of destination is determined by the general percentage of increase of the country of destination plus the percentage points corresponding to the individual Business Plan contribution score in which the associate participates.
- The annual base salary taken for reference in the country of origin is determined by general percentage increase of the country of origin plus the points corresponding to the individual Business Plan contribution score in which the associate participates. For countries where there is no general increase, the average increase will be considered minus 1.5 percentage points.
- For associates who need to transfer funds between the country of destination and the country of origin, they will receive a full refund of the remittance commission cost of up to 2 monthly remittances, and a complementary bonus for any losses incurred due to difference between the purchase price and the sale price of the currencies of the two transfers indicated.
- When the currency of the destination country is devalued more than 7% in relation to the currency of

- the country of origin, the associate will receive
- An annual compensatory bonus for the foreign exchange loss on the proportion of the related-savings perception calculated by the mobility consultant, and will be paid in **February** at the end of the fiscal year.
  - A bonus for exchange loss from the total annual bonus to be paid on **April**.

Both bonuses will be paid via payroll, subject to all applicable taxes.

## Bonus for minor goods

The company will pay a maximum allowance of US \$500.00 (five hundred US dollars) to the associate to compensate for the purchase of household items, necessary for daily use, which may not be available at the new destination and which cannot be transported from the home country (does not include cleaning supplies, clothing, luggage, furniture, electronic equipment and other similar items; this list is not exhaustive).

To confirm whether a domestic item is applicable to this benefit, please contact the Global International Mobility Team.

Payment will be made via payroll for the net amount (gross expenses less taxes) at the end of your provisional transfer or when you have used the maximum amount, upon presentation of the appropriate receipts.

## Annual bonus for results and BEAV shares

- The base days for payment of these concepts will be in accordance with the following table, except in those cases where the bonuses of the country of destination or origin are higher, in which case those of such country will be applied.

Level	Annual bonus	BEAV shares Bonus
Supervisor	53	-
Manager	80	-
Director	80	40
Vice President	107	60
Sr. Vice President	118	60

- During the transfer period, the financial factors will be applied to the one that is the highest among Corporativo Bimbo, S.A. from C.V. ("CB") and the destination operation, as long as the individual Business Plan contribution score is 3 or greater, otherwise the bonus will be paid with the factor of the destination operation.

## Biannual bonus

It will be paid only in those countries of destination in which it applies.

## **Trip to the country of origin**

- The associate and his / her nuclear family will have a round trip, in tourist class, to their country of origin, once every year. If the associate decided not to transfer his / her nuclear family to the country of destination, he / she can use this trip so that his / her family members can visit him / her.
- If the associate decides not to transfer his / her nuclear family to the country of destination, he / she may choose to return to his / her hometown every 90 days.

- The associate must state at the time of signing the offer letter the type of trip he / she will use.
- Additionally, 3 paid days off will be granted on each trip. This benefit applies regardless of where the nuclear family lives. Additional days of stay in the country of origin will be considered as part of the associate's vacation.
- Other expenses such as food, transportation, lodging, car rental, etc., are borne by the associate.
- If for personal reasons, the members of the nuclear family decide not to enjoy this trip, it is possible that other family members or friends may use it to visit the associate up to the number of tickets and cost equivalent to that used by the associate and the members of the nuclear family, in which case the members of the nuclear family will no longer be able to use of these tickets during that year.
- This benefit is not cumulative, and nor will it be paid in cash.

#### Emergency air travel

In the case of the death of an immediate family member (includes: parents, children and their spouses and siblings), the destination operation will cover the costs of the tourist class airplane ticket for the associate and the nuclear family and will grant 3 paid days off, in addition to the transfer ones.

#### Medical expenses

In case of a medical emergency during the transfer, the destination company will be responsible for the associate's medical attention, making use of the contracted medical insurance. It is the responsibility of the manager of the destination operation to support the associate during the process.

#### Successful transfer bonus

- The associate may receive a bonus of up to 8% of the salary paid during the period of the transfer, not including additional support, if, in the opinion of his / her immediate manager, the **General Manager of the Business Unit, the Global Functional VP, the Global Compensation VP** and the Executive VP Grupo Bimbo or Global VP member of the corresponding Steering Committee of Grupo Bimbo, he / she met the objectives established at the beginning of the transfer.
- The bonus will be paid in the currency of the country of destination at the end of the transfer and the corresponding taxes will be deducted.

#### Death of the associate and life insurance

- In the case of the associate's death abroad, the company will cover the cost of the transportation of the body to the city of origin.
- The company will cover, for the family member who will carry out the transfer of the body, the tourist class airplane tickets to the country of destination and back to the country of origin, as well as temporary accommodation for up to 10 days from the arrival in the destination country.
- The life insurance will apply in accordance with the conditions established in the operation of origin of the associate.
- The company will cover the expenses of repatriation of the family, the payment of the breach of the rental contract, and support of temporary lodging for up to 30 days from the arrival to the country of origin.
- In case of the death of any member of the nuclear family, the company will cover the same expenses of transportation of the body to the country of origin and the tourist class airline tickets for the nuclear family at the associate's request.

#### Social security / Contributions for retirement

- In countries of origin where the Company can do these contributions to the corresponding institution, they will do so directly.
- In cases where the Company cannot do the contributions to the corresponding institution, but if the



associate can do them, he / she will make the payments and presenting a proof of it, to be reimbursed the amount in the country of destination.

- In cases where social security contributions have not been done in the country of origin for retirement, the destination operation will include in the settlement 5% of the last base salary in force for the period of the transfer as compensation for the lack of contributions for retirement, in which case the associate will pay the corresponding taxes.

### Repatriation

The associate will return to work in the country of origin at the end of the agreed transfer period, or earlier at the request of Grupo Bimbo, with the following benefits, as long as the transfer has not been finished due to a serious cause attributable to him/her:

- o Return to the same level and position the associate had before the transfer and with the updated reference salary.
- o Maintain the benefits corresponding to the last position she/he held.
- o **Total commission reimbursement and complementary bonus for the difference between the purchase and selling prices of the currencies of the last funds transfer between the destination country and the origin country. This benefit has to be taken during the year when the movement happened.**

The return trip will be covered by the destination operation.

### **Termination of the relationship with Grupo Bimbo**

- The People area of the destination operation will ensure that the associate closes the labor relationship with Grupo Bimbo in its entirety, both in origin operation and destination operation, considering the internal separation policies and the tax and labor legislation of each country.
- In all cases the associate will pay the corresponding taxes.

### By resignation of the associate or dismissal

- Severance payment will be calculated with the updated reference salary in the country of origin.
- If the associate resigns from Grupo Bimbo or is dismissed and decides to settle in the country of destination, the company will not pay any amount that compensates for travel expenses or services for repatriation.
- If the associate resigns from Grupo Bimbo or is dismissed, due to poor performance or breach of policies and procedures of Grupo Bimbo and decides to return to their country of origin, the destination operation will terminate the employment relationship and cover the cost of the transfer to his / her home country.
- The Gross-Up benefit will not be granted under any circumstances.

### **Tax aspects**

- The Global Compensation Department, with the support of the Global Tax Department, will hire an international tax expert for advice and support to associate to ensure that he / she meet his / her tax obligations both in the country of destination and in the country of origin.
- Tax consulting costs will be covered by the destination operation.

### **Transitory**

The policy is valid from July 6<sup>th</sup>, 2020, and therefore it is not authorized to apply retroactive payments of benefits or bonuses.

As long as the COVID-19 pandemic continues, the cost of the clinical tests, required to travel by the

destination country or airline, will be covered.

## 6. Responsibility / Ownership

The Global Compensation Department is the assigned owner of this policy and main responsible for its contents, update and submission for approval to the Global Internal Control and Risk Management Department, 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 29 <sup>th</sup> , 2020	Miriam Contreras Cruz	Trinidad Carrandi Negrete	<ul style="list-style-type: none"> <li>The position "Vice President" is added in the scope section.</li> <li>The positions "Vice President" and "Sr. Vice President" are added to the table of annual bonus for results, with its correspondent bonus days.</li> </ul>
3	November 17 <sup>th</sup> , 2020	Enna Pilar Guerrero Hevia	Trinidad Carrandi Negrete	<ul style="list-style-type: none"> <li>From the "Generalities" section, the condition of transfers less than 12 months is deleted and its specified that must be stated the transfer of his/her nuclear family of the associate at the moment he/she signs the offer letter.</li> </ul>
4	3-05-21	Enna Pilar Guerrero Hevia	Trinidad Carrandi Negrete	<p>Following guidelines were added:</p> <ul style="list-style-type: none"> <li>A transitory one on clinical tests for COVID-19.</li> <li>The base days for BEAV shares bonus.</li> <li>Repatriation.</li> </ul>
5	16-03-23	Enna Pilar Guerrero Hevia	Trinidad Carrandi Negrete	<ul style="list-style-type: none"> <li>In the "Salary and other payments", the payment month of the annual compensatory bonus was updated and another bonus related to exchange loss from the total annual bonus was added, including its payment month.</li> <li>In the "Successful assignment bonus" the authorization was changed with the General Manager of the Business Unit, Global Functional VP and Global Compensation VP.</li> </ul>
6	18-08-23	Enna Pilar Guerrero Hevia	Gerardo Gordillo	<ul style="list-style-type: none"> <li>"Bonus for minor goods" section was adjusted.</li> <li>For the "Successful transfer bonus" section the Global Talent VP will approve the regarding bonus</li> </ul>



				<ul style="list-style-type: none"><li>In the “Repatriation” section was added the total reimbursement of the commission and complementary bonus for the difference between the purchase and selling prices of the currencies from the last funds transfer between the destination country and the origin country.</li></ul>
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