

1. Purpose

Establish the general guidelines for the sale and commercial management of products and brands involved in exports between Grupo Bimbo Business Units ("BU") that are located in different countries.

2. Scope

This policy applies to associates from all Grupo Bimbo Business Units, affiliates and subsidiaries (all referred to Business Unit – "BU"-) involved in export, import and product trade process of Grupo Bimbo.

3. Definitions

Negotiated agreement: Agreed and signed document physically or electronically, by mutual agreement between the foreign trade team representatives of the BU and the external client, containing, among other things, sold products description, price, quantity, minimum purchase, conditions of sales, logistics conditions, compliance time, validity, cancelation conditions, etc.

Internal client: Grupo Bimbo BU that buys a product from the seller.

Foreign trade: Foreign trade activities (e.g. sale of goods and services) between members of two countries. It is done using currencies and it is subject to additional regulations established by the participants in the Exchange and the governments of their origin countries. Involves recruitment, attention and development of the clients.

Incoterms: Standard foreign trade terms established by the International Chamber of Commerce (ICC) are part of the negotiation with the external client and must be include in the negotiated agreement and in the distribution contract (See appendix I).

Commercial plan: Established and communicated plan by the Marketing area of the internal client for the commercialization of imported products in the markets it defines. It guides all the parts that make up the value chain for the placement of products in the market and based on this, the vendor commercial manufacturing and export plan of the UN is established.

Payment term: Time given to the internal client for the payment of the products purchased.

Investment budget: Authorized amount, if it is the case, to invest in an internal client or market, in exchange of a benefit or business condition for the selling BU.

Transfer or transit time: Time it takes to ship the product to the agreed transport, until it is delivered and received by the internal client.

4. Responsibilities

Business Unit, Functional and area VP's: Responsible to distribute and comply with the established in the policy.

BU Trade VP's: Comply with the **FGB-TX-01 Global Transfer Pricing Policy**. Review and authorize yearly commercial conditions for each internal client (e.g. discounts, investments budgets). Review and adjust the structures of the foreign trade teams according to the sales plans and the market penetration that are established.

Global Sales Department (Corporate foreign trade team): Establish and promote the policies, criteria and required references to boost foreign trade. Coordinate the required activities to boost the sale and benefit the brands of Grupo Bimbo to international level, generate synergies, replication of good practices

and collaboration between areas and BU. Keep up to date a global consolidated of the Grupo Bimbo third parties' exports.

Local foreign trade executives and teams (seller BU): Manage the relationship with the internal clients. Negotiate and follow the negotiated agreements and distribution contracts to comply with the sales objective, rentability, collaboration and service. Comply with the investment Budget. Promote brands, products, reputation and current business of Grupo Bimbo protection. Notify to the Global Sales Department the products and export markets that are being promoting with the internal clients.

Global Marketing Department: Collaborate with new products area for the definition of global formulas and international or multinational packaging / labeling for marketed products at global level. Advise the international, local and Corporate trade teams, for proper promotion of the image of the brands and products of Grupo Bimbo (packaging, brand use and category expansion) and in events or international activities. Have visibility on the use of brands globally, in packaging and designs.

BU Marketing areas (Internal client): Elaborate the import commercial and marketing plan, from which the selling BU establishes its commercial plan. Notify the Global Marketing Department the products and exporting markets that are being promoted with the internal clients.

Selling BU operational areas (production): Produce the products to be purchased by the internal clients at the lowest possible cost, under the established specifications and in accordance with the transit times, under the current ordering scheme in the BU, as well as comply with the certifications and export standards required. Please see FBG-SL-06 document for changes as the terms below are the same as that document

Seller BU cost areas: Develop and communicate to the foreign trade teams the costs and analysis that determine the price of the products according to the **FGB-TX-01 Global Transfer Pricing Policy** and the negotiated considerations with the internal clients. Review the fixed prices and communicate to the foreign trade teams the necessity of modify the prices for the internal clients when it is necessary.

Seller BU pricing areas: Fix the market prices (public sale) of the sold products, considering the public price scale, the possible future production of the product in the destination geography and other variables of the brand and product, typical of the Marketing strategy. Communicate these prices to the foreign trade teams and to marketing to validate the implications with the internal clients.

Seller BU logistic areas (Supply): Supply the products on the agree times according to the negotiated agreement. Communicate to the foreign trade teams the advances and compliance of the service and supply levels. Coordinate with the Sales and Marketing areas of the BU seller and with the procurement area of the internal client the placement of the orders to avoid over-inventories and/or missing in the supply chain.

Internal client procurement areas: Enable and facilitate the acquisition of the agreed products between the BU vendor and the internal client, that is, carry out the procedures, transfer schemes and arrival of the product necessary to comply with the defined business plan.

Procurement areas of BU seller: Search with input suppliers for possible purchase ladders, to offer alternatives to internal clients, so that obsolete inventories are minimized in the sale between Business Units.

Internal client new products area: Review the formulations of the products to be imported to comply with the regulations and laws of your country. Review and determine the implications of labeling and, where appropriate, communicate them to your Marketing area so that it requests the selling BU to modify the packaging when necessary. Determine or adjust the formulas of the products to be marketed, prior to importation.

Legal areas of each BU: Review the negotiated agreements and other documents that apply, according to the strategic and tactical needs of international trade, between the Grupo Bimbo BUs, in order to provide legal certainty to them.

5. General guidelines

In order to comply with the principles of sale, profitability, growth and efficiency, as well as with the promotion and care of Grupo Bimbo's brands and reputation, it is its policy that, in international trade operations between its Business Units, the following guidelines are met:

General

- It is not allowed to sell below cost.
- Price changes will depend on the change in inflation in the country of the seller BU.
- If necessary, as is the case for global brand products and "crown jewels", retail prices should be part of the agreement negotiated with internal clients, so that the established price ladder is preserved. by Marketing
- Price competition between selling BU should be a clear and transparent process seeking the benefit of Grupo Bimbo.
- The corporate international trade team will regulate and approve the controversies that arise, in which case the BU involved must abide by the resolution issued.
- For the conclusion of the negotiated agreements, the signatures of the representatives of the selling BU and the internal client will be the only ones considered as authorized.
- As the case may be, the BUs involved must pay the corresponding royalties established by Grupo Bimbo for the use of their brands.

Collaboration between foreign trade teams (Corporate and BU)

- Corporate and local international trade teams must work together to achieve the goals established in the commercial plan.
- Such collaboration may be led by the corporate team, or where appropriate, by the local team, to ensure the achievement of local and global results, in order to avoid uncoordinated individual action by the teams.
- Sales and service negotiations may be carried out by local international trade teams, provided they are communicated to the Corporate foreign trade team.

Selling BU

Selling Bus must:

- Define and implement the team structure necessary to manage, operate, serve and develop the existing and planned portfolio of internal clients
- Know the structure and procedures of internal clients to give them better attention, in order to strengthen the relationship with them and to develop the business between both parties.
- Document, safeguard and have signed negotiated agreements with internal customers and any related documents.
- Comply with negotiated agreements, without compromising the level of compliance just because they are internal clients.
- Communicate operational or continuity changes that affect the negotiated agreement between the selling BU and the internal customer.
- Improve business with internal customers through joint analysis of the following items:
 - Sales budget or exported product goals compliance
 - Selling products portfolio.
 - Returns of the product in the destination market.

- Key performance indicators (e.g. sale, inventories, orders, fulfillment of orders, supply in the market, presence in the market, competition, etc.)
- Knowledge of the situation of the products of the Grupo Bimbo brands at the point of sale.
- Profitability obtained from the commercial relationship with the client.
- Commercial discount conditions and payment terms granted to the internal client, if there is the case.
- Payment situation of credits granted to the internal client.

Internal client

Internal clients must:

- Comply with all the obligations agreed in the negotiated agreement, including those related to the payment of the consideration agreed for any reason (e.g. existence of obsolete materials, raw materials).
- In the event that they decide to transfer the purchase of a product from one selling BU to another, agree with the selling BU on the times and transition conditions necessary to ensure that the transfer is carried out without economically damaging existing investments in materials, ingredients, equipment or any others that could affect it at that time.
- Avoid unnecessary competition between selling BUs, for which they should share with the selling BUs the parallel quotes they would have received from each and choose the quote that suits them best.
- Refrain from promoting the price war between selling BUs for a lower cost.

Market

Both selling Bus and internal clients must carry out market supervision, separately or together, to assess the execution, development and fulfillment of the negotiated agreements, such supervision must conclude with a plan to attend to the identified areas of opportunity.

Payment terms

The payment terms, agreed by the parties in the negotiated agreement, must follow the criteria established by the local areas of Finance for transactions between Grupo Bimbo subsidiaries and, if necessary, adjust to the times involved in the distances to be covered. between origin and destination of the product.

Process of attention to internal clients for export

For the internal client service for export, the following basic phases must be met:

- Preparatory
- Needs detection and attention
- Agreements negotiations and closing
- Delivery management and follow up
- Client continuity and development

Consult the **PGB-SL-01 Global Policy on the Commercial Excellence Award.**

Demand and supply planning

- The sales and operations planning (S&OP) process shall govern the creation of supply plans and comply with the guidelines established in **FGB-OP-05 Global Policy for Sales and Operations Planning.**
- In this process, the internal customer will be responsible for creating the demand plan while the vendor UN will be responsible for the supply plan.

- The S&OP process leader between the two BUs will always be on the side of the internal client, focusing on attention and saturation of the target market.

Certifications and standards for export to the United States of America

In the case of exports to the United States of America, the production bakery must:

- Have the required good manufacturing practice certifications (e.g. BRC certification).
- Verify that the ingredients comply with the North American food regulation (FDA).
- Have a registration number with the FDA; If you do not have this registration, the Corporate export team will support this management under the global account of Grupo Bimbo.

6. Responsibility / Ownership

The Global Sales 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. Annexes



Appendix I

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				