

Annex I Sales Channels of Grupo Bimbo



Traditional: All customers who do not pertain to any chain and who use our products as their raw materials. They market perishable and non-perishable household items (e.g. groceries, miscellaneous dairy products, beverages, household cleaning items, etc.). Frequently they are managed by the owner; they have a small number of personnel to serve customers and consumers located in fixed and semi-fixed establishments; their payment is either in cash, electronic, and/or with credit; the negotiation is conducted between the salesperson and the establishment; supply is accomplished off-the-truck or with a previously-established geographic route.

Convenience: Commercial chains that may be franchised to independent operators or which form part of a centralized operation. Therefore, they are governed by commercial agreements planned in anticipation with an institutional negotiation; our sale is not done in cash. Replenishment can take place with specialized channel routes or mixed routes that serve different channels.

Supermarket: Self-service format store. Points of sale that are part of a chain, with large surface area formats; the negotiations are centralized. Supply may be centralized or done off-the-truck with a specialized route managing specialized products. They are governed under commercial agreements planned in anticipation with an institutional negotiation.

Schools: Customers located within an educational institution.

Food Service: All those who use our products as raw material to be transformed and marketed; the former case is usually paid in cash at the point of sale. The portfolio and supply agreement are defined in the establishment; whereas the latter case has a negotiated contract, and there are no payments in cash.

Vending Machines: The vending machines are owned by Grupo Bimbo and are located in areas of dense public or private traffic. There is a centralized negotiation to define the rules of operation and the commercial terms. It is served by off-the-truck routes where the responsibility for supply, operation, and collecting of cash lies with the salesperson.

(Clubs) Cash and carry: An establishment where purchases are wholesale under a self-service scheme. The customers who shop there use the products purchased as raw material or for consumption. The negotiations are centralized. Supply can be centralized or off-the-truck, with specialized routes managing specialized products.

Wholesale: Purchases are in large volumes of products, at prices lower than those for retail amounts; negotiations are centralized; supply is conducted via cross-docking.

Hard-discount stores: This designation is for retail distribution establishments that sell products at very low prices (hard discount), the majority of which are private label items. They are supermarket formats, governed under commercial agreements planned in advance with an institutional negotiation. Our sale is not done in cash. These stores can be replenished with specialized channel routes or mixed routes serving different channels.

Electronic commerce (**E-commerce**): Consisting of the sale and distribution of our products via an internet platform. The supply order is delivered to the distribution center of each platform. It is governed under commercial agreements planned in advance with an institutional negotiation. Our sale is not done in cash.