

1. Purpose

Establish general guidelines for primary transportation management as part of the supply chain processes.

2. Scope

This policy applies to associates in the areas of logistics, procurement and/or responsible for the management of primary transportation of all Grupo Bimbo Organizations.

3. Definitions

Logistics node: A point in the supply chain where goods are received, prepared and shipped.

Supply chain: The processes directly or indirectly involved from the purchase of raw materials to the delivery of our finished products to Distribution Centers, Sales Centers and/or business customers.

Primary transportation. Transportation used for the movement of goods from the Production Center or Distribution Centers to the Distribution or Sales Centers, through the use of heavy-duty transport vehicles.

Transportation plan: Scheduling departures and returns between logistics nodes to ensure optimal utilization of resources (Both internal and thirdparty), minimize costs, distances, times and eliminate unnecessary movements.

Order management: Management of the life cycle of a sales order, inventory transfer order and/or purchase order for the acquisition of finished goods.

Trip log: Document (electronic or paper) used to record the trip data (origin, destination, driver, transport equipment, carrier-in case of third parties- and tripitinerary) and any additional information, according to the needs or regulations of each country.

Maneuvering yard: Space or physical distribution area intended for parking maneuvers, hitching, unhitching and any movement required to accommodate trailers at the loading and unloading docks or pits of logistics nodes that include them.

Own fleet: Assets (trailers, power units, vans, dollies) which were acquired or are under a leasing contract, on behalf of a Grupo Bimbo subsidiary, to independently carry out transportation processes.

Third-party logistics operator: External supplier or transportation service provider, including storage and/or distribution services that is independently operated (no shareholding or participation) of Grupo Bimbo's business.

Price agreement: An agreement between a buyer and a seller regarding the price of goods or services. Unlike a quote, which may expire or be modified at any time, a price agreement is generally valid for a defined period between both parties. This type of agreement focuses solely on price and does not include any other requirements; thus, the terms and conditions of the purchase order govern the individual purchase.

Self-regulation: Refers to the internal process for each trip, whereby compliance with the rules and laws governing transport vehicles, permits, physical-mechanical conditions, weights and dimensions, as well as drivers, is certified.

Transportation Management System (TMS): It is the platform authorized by Grupo Bimbo for transportation management.

Master data: Catalogs that allow managing, centralizing, organizing, classifying, locating and updating transportation-related data, in accordance with Grupo Bimbo's policies and business rules, associated with supply chain and commercial strategies.

Equipment lockout: Actions taken to ensure the immobilization of a vehicle when there is a risk of accident, while it is moving within Grupo Bimbo facilities.

Cargo consolidation: The use of available spaces in transportation to maximize load capacity by filling loads, as long as they are compatible in nature.

4. Responsibilities

Global Logistics Department: To inform and enforce compliance with all provisions outlined in this policy, as well as validate processes and systems for primary transportation management.

Global Procurement Department: Negotiates and authorizes contracts with third party logistics operators, as requested by the logistics and procurement departments of each organization.

Organization's Logistics Responsible: Manage transportation, in conjunction with all parties involve in the supply chain process that impact transportation management. Define the transportation plan (own and/or third party) of materials (finished goods, raw material, equipment, etc.) between logistic nodes. Execute and follow up the transportation plan to ensure the delivery of products or materials in the defined quantity, quality and timeliness, at the best possible cost in a safe and reliable manner. Evaluate the execution and service level of the transportation versus the plan. Develop detailed operational procedures for transportation management within the organization. In conjunction with the responsible party for asset security, regulate entry and exit to and from the Maneuvering yards to safeguard associates, facilities, products, delivery equipment and vehicles.

Organization's Procurement Responsible: Negotiate contracts/agreements for pricing and conditions related to transportation services with third party logistics operators. Communicate the agreements to the logistics, procurement and/or primary transportation management departments of all Grupo Bimbo Organizations.


Organization's Property Security Responsible: Regulates the entry and exit to the maneuvering yards, safeguarding associates, facilities, products, delivery equipment and vehicles.

5. General Guidelines

In order to ensure the optimal utilization of resources (both own and third-party), minimize costs, distances, time and eliminate unnecessary movements in the primary transportation management, it is Grupo Bimbo's policy to comply with the following guidelines.

Regulatory Framework

Organizational Logistics responsables should comply with:

- The applicable local primary transportation regulations (owned fleet and third-party logistics operators), through self-regulation and third parties certification included in  **FGB-FL-06 Global Logistics and Transportation Hiring Services Policy.**
- Grupo Bimbo policies and procedures related to the management of primary transportation, applicable to trips carried out with owned fleet and third-party logistics operators included in:

 **FGB-FL-01 Global Policy for Fleet Image**

 **FGB-OP-03 Global Policy for the Operation of Logistic Nodes**



 **FGB-FL-03 Global Policy for Fuel Control and Monitoring**

 **FGB-FL-09 Global Policy for the Use of Grupo Bimbo Vehicles**

 **FGB-QS-02 Global Policy on Food Safety in Distribution Centers and Sales Centers**


Road Safety

The Organization's Logistics responsible shall:

- Maintain a level of safety focused on the prevention of road events, in accordance with the guidelines established in the  **FGB-FL-08 Global Road Safety Policy.**
- Monitor and keep a record, in the system (TMS) or established formats, of the driving time for both owned and third-party drivers, to ensure they do not exceed the maximum allowed driving time, which will depend on the regulations of each country.
- Ensure compliance with resting periods between work Shifts.
- Verify that the owned or third-party transportation equipment has the safety equipment established in the  **FGB-FL-08 Global Road Safety Policy**



Planning

The Organization's Logistics responsible must have a planning that:

- Ensures that products reach the customer with the required quality and in the required quantity and timeliness.
- Aligns the order management model with the sales and operations plan.
- Promote maximum vehicle load utilization according to volume, weight and/or unit load equivalent spaces according to the **Max Cube Global Procedure:**  **PGB-LO-02 Global Max Cube Procedure**
- Allocate means of transportation, between owned and third party, intermodal or multimodal, weighting up the cost, service level and utilization of owned assets.
- Plan the transportation, at the country and/or regional level, to achieve greater consolidation of loads and improved operational coordination.

Assignment and execution

The Organization's Logistics responsible must:

- Develop a procedure that defines the allocation and execution activities, for the transportation of materials and/or products between the different logistics nodes, ensuring that they are delivered according to the established transportation plan.
- Validate that all carriers comply with internal and official documentation, in accordance with the verification procedure established within the Organization and/or self-regulation, where applicable.
- Ensure that each trip has a record in the system (TMS) and/or established formats, with the information required in the travel log, including any changes along with their documentation, justification and authorization by the transportation responsible.
- Document and justify, in the system (TMS) and/or established formats in accordance with the  **PGB-LO-02 Global Max Cube Procedure**, any exception or additional trip that was not considered in the transportation plan, and obtain the approval from the Manager or immediate responsible for logistics.
- Verify that the content of the shipment is not modified or altered during its journey, except for actions by competent authorities, when local legislation requires inspection.
- Receive the documentation that proves the corresponding delivery.
- In the case of third-party logistics operators:
 - Validate that all carriers comply with the internal and official documentation, according to the verification procedure established within the Organization and/or self-regulation, where applicable.
 - Have the evidence that supports payment for the service.
 - Adhere to the  **FGB-FL-06 Global Logistics and Transportation Hiring Services Policy.**
 - Validate that the amount for which the purchase order will be generated coincides with the contracts and service price agreements authorized by the procurement area.
 - Ensure that, in the event that the handling and transportation service of goods has incurred any additional costs, it is recorded and authorized by the responsible for transportation, considering the agreements previously negotiated with the third-party logistics operator and agreed upon with the procurement area.


Maneuvering yard

The logistics responsible at each organization should develop procedures for the management of trailer maneuvering yards that include the following:

- Delimitation areas.
- Road safety measures including speed limits, transport equipment lock out, pedestrian crosswalks, loading docks, access points and exits.
- Personal protective equipment.
- Signage, lighting and monitoring.
- Activities of both internal and third-party transport operators to ensure control over the delivery and receipt of products, equipment and transportation as well as the optimal utilization of Grupo Bimbo facilities.

Auction/Tender

When the contracting transportation services with third party logistics operators is required, the responsible for the logistics area, in collaboration with the procurement area responsible of each Organization, should:

- Comply with the  **FGB-FL-06 Global Logistics and Transportation Hiring Services Policy**.
- Document, in the system (TMS) or established format, the reason and justification for the change, when a change of carrier is necessary.

6. Responsibility / Ownership

The Global Logistics 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.

7. Updates

Changes made between versions are described.

Revisión / history of the revision				
Version	Revision date	Updated by	Approved by	Main changes
1	May 2023	Edgar Dehesa Efraín Alvarez Salvador Cedeño Luis Campos Campos	Andrés Frisbie Lopez	