



## Global Policy for the Management Associates with different Workplaces from the Business Unit they Report to Global Compensation Department

FGB-HR-12

### 1. Purpose

Establish the general guidelines for the management of associates whose place of work, labor relationship, and payroll are different from the Business Unit they report to.

### 2. Scope

This policy applies to the associates of any area or function, who are hired in one Business Unit but perform business activities for another one.

### 3. Definitions

**Associates hired in one Business Unit, but report to another:** Those who are physically working in one Business Unit, but perform functions for another.

For more information on any definition, please consult the [FGB-CS-02 Structure Review Global Policy](#).

**Business Unit associates, at Grupo Bimbo Corporate Offices:** Those who, with a specific position, support a Business Unit, but whose employment relationship, payroll, and physical location are registered at Corporate Offices. It does not consider front-line functions for customer service, customers, and suppliers.

**Center of Excellence (CoE):** Leadership entity made up by a supporting team with experience in its area, responsible of the accurate implementation, standardization and improvement of the processes aligned to the company's risk analysis.

**Global associates, outside Grupo Bimbo Corporate Offices:** Those who are authorized in the corporate structure, but whose payroll is registered in another Business Unit. These associates report to a Global Functional Department and perform global functions, or for one or more Business Unit/regions.

**Vital center of interests:** Location where the associate obtains more than 50% of their total income in the calendar year, where they mainly carry out their professional activities or that established by local or international regulations.

### 4. Responsibilities

**Functional VPs and Business Unit Presidents:** Identify the associates of their Business Unit who fall under any of the assumptions set forth in this policy. Request the authorization of the corresponding Senior VP and Global Functional VP for each specific situation. Monitor compliance with this policy and involve from the beginning the People Department/area of their Business Unit.

**People Department of the Business Unit to which the associate reports:** In collaboration with the immediate manager to whom they will report, select the candidates. Obtain the authorization of both VPs, from the Business Unit to which the associate will report and the Business Unit in which will be hired. Fill the request template, indicated by the Global Organizational Effectivity Management, of the authorized changes and inform any in the associates' structure. Inform the Global Compensation Department of any change in the structure of associates. Inform the Business Unit Controller about the associate's current conditions (e.g. level, functions performed, category, salary, place of work, direct report and functional area) for expense tracking.

**People Department of the Business Unit that hires the associate:** Review each case to guarantee compliance with the local Labor Law of the country where the associate. Confirm that the candidate complies with the "Eligibility" requirements established on this policy. Verify monthly that associates are

registered in the correct cost center and department. Maintain associates' database updated under the assumptions established in this policy. Inform the Business Unit Controller about the current conditions of the associate (e.g. level, functions performed, category, daily salary, place of work, direct report and functional area) for expense tracking.

**Immediate Manager in the Business Unit to which the associate reports:** Notify the Business Unit's People Management of any change in the conditions and responsibilities of the associate. Ensure that the associate maintains documentation in a separate SharePoint folder to support the services provided to the Business Unit.

**Global Mobility Area:** Diffuse, implement and monitor the compliance of the present policy.

**Global Organizational Effectivity Management:** Identify within Grupo Bimbo associates structures, those associates that fall under the assumptions established in this policy. Keep the database updated with the employment conditions of associates. On a monthly basis, send the updated list to the Global Mobility.

**Finance & Administration Directors/Managers of the Business Unit:** Ensure the application and control of payments to associates under this policy.

**Global Tax Department:** request from associates the information that supports the services they provide to the Business Unit and to maintain such in their SharePoint.

## 5. General guidelines

To ensure the management of associates whose place of work, labor relationship, and or? payroll are different from the Business Unit regional offices to which they report, it is Grupo Bimbo's policy to comply with the following guidelines:

### Regulatory considerations

- The Global People Department, through the Global Organizational Effectivity Management, must request the authorization of the Global Tax Departments, prior to assigning associates, that the functions of these associates may be carried out under the existing legal, tax, or regulatory framework.
- In the job descriptions of the associates under any of the assumptions set in this policy, the immediate managers must specify that such associates are not authorized to sign contracts, negotiate prices, have commercial relations, legal powers, contract external services on behalf of any Business Unit, nor to carry out sales and/or purchasing functions.
- Promotions of associates under the assumptions of this policy are not authorized.

### Eligibility

Candidates must comply with the following requirements:

- Be qualified to perform the position.
- Comply with the profile, legal, labor, and immigration requirements.
- Having obtained, in their most recent performance and behaviors assessment, a rating equal to or greater than 3 (meets expectations).
- If a different language rather than Spanish is spoken in the Business Unit, candidates must have an advanced level of the English language, equivalent to 800 TOEIC points.
- Have the authorization of the Senior VP, Global Functional VP, Presidents of the Business Unit involved and the Global Compensation VP.
- Each case will be reviewed individually to determine its feasibility.

- Associates under this policy cannot be considered for any international mobility process or be part of the COE.

### **Associates under any of the assumptions set in this policy**

These associates should:

- Have documentation of the activities they perform for the Business Unit benefiting from the service (e.g. accountability meetings, presentations, review of results, mailings, projects, etc.). Refrain from signing contracts, negotiating prices, and contracting external services on behalf of any Business Unit.
- Refrain from staying outside of the country where the associate is hired for more than 180 days, or the maximum number of days allowed by local law in a calendar year.
- Ensure that their vital center of interest is maintained in the country where the associate is hired.

### **Structures and budget**

The Business Unit to which the associate reports should:

- Report within its structure these positions.
- Submit the positions to the review process defined in the **FGB-CS-02 Structure Review Global Policy**.
- Send the budget of each of these associates to the Budget area of the Business Unit where the associate is hired.

### **Costs and related expenses**

- The Global Organizational Effectivity Management should report, at the beginning of each year, the list of these associates to the Global Financial Planning Department for the global budget report.
- The cost of the Business Unit's associates, at Corporate Offices, will be charged via corporate fee, in which case, the expense will be reported in Corporate and will affect the management profit of the Organization to which the associate reports. **The Global Functional Director, with prior authorization from the immediate manager to whom the associate reports, will authorize the corresponding expenses in Corporate.**
- The Business Unit where the associates provide global services and those who report to another Business Unit are hired must absorb the expenses they incur, include them in their budget and inform the Global Functional VP and the Business Unit President to which they report.
- The Business Unit where associates are hired should record these expenses after the management profit and not consider them for the calculation of bonuses. The services and expenses of the associates include all management fees that may be incurred in accordance with **FGB-TX 01 Global Transfer Pricing Policy**. Any situation not identified in this policy will be subject to the approval of the Global Tax Department.

### **Labor conditions**

- Associates will maintain their employment relationship with the Business Unit where they are hired.
- Hiring must comply with the legal and immigration provisions of the associate's place of residence and of the hiring company.
- Hiring that generates contingencies for Grupo Bimbo is not authorized.
- The People area of the Business Unit who hires the associate must prepare and deliver to the associate the offer letter and contract to specify the conditions of the new position, which must be authorized by the Global Compensation Department, and include the start date.
- If the associate was already part of Grupo Bimbo prior to this movement, they will not lose seniority.
- If an associate changes to a position in which they will report to the Business Unit where they are hired:

- They will receive local benefits
- Any benefits received based on this policy will be permanently eliminated.

### **Salary and benefits**

- Salary will be determined in the local currency where the associate's payroll is registered, considering the responsibilities of the position for its valuation and in accordance with the compensation package in force for all equally situated associates.
- Benefits will correspond to those of local associates at the same level in the Business Unit where the associate is hired, considering their seniority at Grupo Bimbo.
- The base days for the payment of the annual bonus for results and the Long-term Incentive based on BEAV will be in accordance with the table of the Business Unit where the associate is hired. The financial factors that will be applied to both bonuses correspond to the Business Unit to which he/she reports.
- The salary increase will be determined according to merit budget of the operation where the associate is hired, and following the recommended guidelines based on final individual performance rating plus the corresponding guidelines based on final individual performance rating based on contributions to Business Plan

### **Associate record**

- The Global Organizational Effectivity Management should report the position, under any of the assumptions set forth herein, to the Global Health & Safety Department for the associate's registration in the People Administration Systems.
- The Global Health & Safety Department should ensure that the People Management of each Organization complies with the corresponding guidelines at the time of associate's assignment. See **FGB-HR-12 Annex I**.

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

The People area of the Business Unit where the associate is hired must ensure the complete termination of the labor relationship with Grupo Bimbo, considering the internal separation policies and the tax and labor legislation of the Business Unit where the associate's payroll is registered.

## **6. Annexes**

- **FGB-HR-12 Annex I**

## **7. Responsibility / Ownership**

The Global Compensation Department is the assigned owner of this policy and remains 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.

## **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	June 2022	Gerardo Gordillo, Ana	Trinidad Carrandi	

		Elena Ramos y Enna Guerrero		
<b>2</b>	March, 2023	Enna Pilar Guerrero	Trinidad Carrandi Negrete	<ul style="list-style-type: none"> <li>The definition of the Center of Excellence (CoE) was added.</li> <li>The guidelines about non promotions to associates that are located under the assumptions of this policy and neither could be considered under the international mobility framework or being part of the CoE.</li> <li>The responsibilities of the Global Mobility Area and the Global Organizational Effectivity Management were added.</li> </ul>
<b>3</b>	Jul, 2023	Enna Pilar Guerrero	Gerardo Gordillo	In the "Costs and Related Expenses" section, it will be added that after obtaining authorization from the direct manager on the related expenses, the Global Functional Director must also authorize