

1. Purpose

Establish the general guidelines for the local purchase of insurance, to avoid duplication of coverages already considered by the global insurance of Grupo Bimbo, as well as for the claims management affecting the global insurance policies, except for those related to people, whose responsibility falls into the Global People Department.

2. Scope

This policy applies to associates of the Procurement and Administration and Finance areas from all the Organizations and subsidiaries of Grupo Bimbo ("Business Units"), responsible for hiring local insurances.

3. Definitions

Insurance company: It is a company specialized in providing coverage for goods or obligations arising from their possession, so that, if an accident occurs (loss), it will be responsible for compensating or repairing the damages, up to the sum of the insured limit.

Insurance broker: Also known as an insurance agent, it is an intermediary between the insurance companies and Grupo Bimbo and / or any of its Business Units that focuses on finding the insurance that best meets their needs, no matter which insurance company is.

Insurance coverage: It is the committed amount assumed by the insurance company that issues the policy, to compensate Grupo Bimbo and / or any of its Business Units, with the aim of repairing the consequences of a loss. The coverage has a limit called sum insured, stated on the front page of the policy.

Insurance policy: It is the contract between Grupo Bimbo and / or any of its Business Units and an insurance company, which states the rights and obligations of both, regarding the purchased insurance.

Annual premium: It is the cost of the insurance that Grupo Bimbo and / or any of its Business Units must pay to the insurance company for the transfer of the risk to the insurer. This premium is negotiated from Corporate by the Global Insurance & Surety Department, who distributes the annual cost among all Business Units, for Global insurances, and by those responsible for the administration and finance areas of each Organization, for the case of local insurance.

Global insurance: They respond for the damages occurred in any of the operations of Grupo Bimbo that are covered by any of the global insurance policies. They are negotiated from Corporate, by the Global Insurance & Surety Department, who annually communicates the cost (premium) and coverage to each Business Unit.

Local insurance: Insurance policies purchased by each Business Unit, to respond to specific risks of the operation and which coverage is not considered by global insurances. They meet particular needs of each operation, including insurance policies that are mandatory according to local regulations.

Risk transfer: It implies the purchase of insurance policies, through the negotiation of the terms and conditions that best align with the risk appetite of the company.

4. Responsibilities

Global Insurance & Surety Department: Define the guidelines of this policy, keep it updated and communicate it to those responsible for purchasing insurance in each Business Unit. Maintain up to date the Grupo Bimbo Insurance Manual, that serves as a guide for all Business Units.

Administration and Finance Areas of Organizations and subsidiaries: Ensure, in its management area, compliance with this policy, as well as with the procedures derived therefrom, established in the Grupo Bimbo Insurance Manual.

Global / Local Procurement Areas: Know and adhere to this policy in all aspects related to the insurance policies acquisition.

5. General guidelines

In order to preserve the integrity of the resources, transfer risks and ensure the continuity of the operation of Grupo Bimbo and its subsidiaries, the following guidelines are established:

Generalities

Those who purchase local insurance must:

- Obtain authorization from the Global Insurance & Surety Department, for the acquisition of any local insurance which coverage is not considered by the global insurance policies of Grupo Bimbo.
- Observe that the Global Insurance & Surety Department is the only one:
 - Authorized to identify, evaluate, manage and transfer the risks to which Grupo Bimbo is globally exposed, in order to mitigate the adverse impact of economic losses arising from claims.
 - Authorized to purchase global insurance policies.

Global Insurance & Surety Department

This Department must:

- Search, along with the local team and the authorized insurance broker appointed, the alternatives that best solve the need for local coverage.
- Collaborate with the Administration and Finance areas of the subsidiaries in the selection and implementation of local insurance that the Business Unit requires, when requested.

Administration and finance areas

These areas must:

- Maintain up to date mandatory insurance policies in accordance with local regulations.
- Pay the annual premiums of global insurance on time and in accordance with the instructions issued annually by the Global Insurance & Surety Department.
- Inform the Global Insurance & Surety Department about any incident that affects a global policy, in accordance with the claims procedure described in the Grupo Bimbo insurance manual.
- Consider insurance premiums, global and local, in their annual budget.

6. Responsibility / Ownership

The Global Insurance & Surety 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. Updates

The changes implemented in between versions are described below:

Revision / History of the revision				
Version	Revision date	Update by	Approved by:	Main changes
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Global Policy for the Acquisition of Local Insurance
Global Insurance & Surety Department

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