

1. Purpose

Establish the standard to manage the technological innovation projects in the supply chain.

2. Scope

This policy applies to all associates of Corporate and Business Units of Grupo Bimbo that, independently of its level, evaluate, authorize, manage, execute and/or replicate technological innovation projects, in the supply chain.

3. Definitions

Global Technological Innovation Meeting (GTIM): It is a biannual forum in which the Engineering areas of the Business Units participate, in order to share between them and the Top Management of Grupo Bimbo, the technological innovation efforts as well as the replication of validated technologies.

Innovation Model of Grupo Bimbo: It is a model focused on an innovation vision as a Business Unit capability with short-, medium- and long-term objectives, based on the company mission and vision. The system is focused on the end user and the consumer and is fed by innovation platforms that are result of a permanent contact with the ecosystem, trends, needs, opportunities and in response to global and/or local risks.

Technological Innovation Project: Project to which, after verifying its desirability, resources (financial and talent) are assigned, to produce quantitative or qualitative benefits derived from the actions implemented along Grupo Bimbo's supply chain, and that develops or implements technology classified as T1, T2 or T3, according to the definitions of Grupo Bimbo's Innovation Model.

Types of Technological Innovation in the supply chain: There are 4 tiers of technological innovation in Grupo Bimbo, with teams focused in each one:

- **T0: Maintenance:** Projects focused on efficiency, repair or adjustment of machinery, tools, area communication, infrastructure or processes within the value chain to reduce costs or improve performance and/or compliance with regulations and safety standards defined by the same organization or a third party.
- **T1: Care and Improvement:** Challenges to optimize, evolve and improve existing tools and processes in the procurement and handling of raw materials, manufacturing, product storage and logistics that improve the experience of employees/users/customers, the quality of our services and/or favor the environmental impact.
- **T2: Differentiated:** Challenges to expand or take advantage of adjacent opportunities in the operative processes that generate added value by providing answers to current needs that dynamize the present and promote business expansion through the integration of new technologies focused on optimizing and making the supply chain more efficient or having an impact on the reduction of the environmental footprint.
- **T3: Disruptive:** Challenges with a prospective vision to explore and create the future and increase the value, relevance and sustainability of the business in the long term, applying disruptive innovations in the operation (technologies, processes or raw materials), which allow the creation of new business models, new competitive advantages for GB in the market or cost reduction.

4. Responsibilities

Global Engineering Department: Facilitate the development of new operation processes and promote the implementation of new technology that transforms the supply chain of Grupo Bimbo, in order to reduce costs, increase productivity and improve product quality. Develop new business opportunities. Support in

the analysis and validation of technical and financial feasibility of the potential projects to each Business Unit Innovation team. Ensure the training of these Innovation teams to register and keep updated the registers of such projects in the Grupo Bimbo databases. Promote the replication of the knowledge generated in these projects in any of its Innovation levels T0 to T3 according to the definitions of Grupo Bimbo's Innovation Model.

VPs or Business Unit Directors of Operations, Engineering and Maintenance: Comply with this policy and monitor its compliance in all its responsibility areas. Define the structure with the innovation leader inside the Business Unit with the respective Innovation Engineer. Search improvement areas in its own operative processes and include them in the annual CAPEX budget.

Business Unit Technological Innovation Leaders: Overseeing, guiding and promoting the implementation of technological innovation projects in its Business Unit, together with Innovation Project Engineers assigned to their region, as well as to report the Business Unit initiatives of Technological Innovation during the GTIM (at least one per session). Boost the Technological Innovation initiatives, inside its Business Units, aligned to the specific needs of the Business Unit or region, the global internal developments, technological trends, specific needs of the Business Unit or region, and to the associates' contributions or documented practices in the Altamira portal. Make sure to maintain a portfolio of at least 3 Technology Innovation projects.

Business Unit Innovation Project Engineer: Plan and execute innovation projects, ensuring their correct execution and validation of quantitative and qualitative benefits obtained from them. Implement the available replicas that solve specific needs of your operation. Maintain constant contact with our production sites to know their operational needs and promote projects or replicas that can solve them. Conduct, on a semi-annual basis, ideation sessions with your organization, helping to maintain at least three open innovation projects in your organization.

Functional Departments of Technological Innovation and Development (Bimbo Ventures, Research and Development, Operations and Technological Development): Comply with the development requirements, of the systems to deploy, to ensure the operation and the minimum disruption of the daily activities of the Business units.

5. General guidelines

Every installed project in any productive center of Grupo Bimbo must be considered in the annual Business Unit CAPEX, its implementation, installation and de-installation shall be the responsibility of the Local Innovation Team and the Production Center, with constant support from the Global Engineering Management, to whom the Local Engineering Team will report the learnings for documentation.

Likewise, the Innovation responsible of each Business Unit must:

- Generate the projects for its Business Unit, based on identification of operational needs, the research of projects in Altamira or by the ideation sessions based, according to the **PGB-EN-06 Procedure to Foster Technological Innovation in Grupo Bimbo.**
- Ensure that any innovation project implemented in the Business Unit has the required user desirability, technical feasibility and economic viability.
- Ensure that every technological innovation project complies with the time and established criteria in the **FGB-CM-03 Global Project Administration Policy.**
- Ensure that all the designs that are implemented in the Business Units comply with what is established in the **FGB-IR-01 Global Sustainability Policy** referring to:
 - Efficiently use the economic and environmental (water, energy, raw materials and other) resources.
 - Promote the use of renewable resources in our processes.
 - Request to our providers and contractors the integration of sustainable practices and the

- compliance of the correspondent regulatory framework applied to its business.
- Collaborate in the programs and activities that promote sustainability.
- Implement the best practices in all the workplaces.
- Guarantee that every project complies with the **FGB-FP-02 Global Policy of Investment Projects** refer to:
 - Review and report the projects as part of the planning of each Business Unit.
 - Make a financial evaluation, to determine the feasibility and impact of the project, in the integral result of the operation.
 - Justify the investment project with all the elements that the Global Financial Planning Department determines, which, must be included in the classification of Operative or Non-operative investment projects.
- Involve the correspondent Global Functional and Business Unit Departments.
- Define a multidisciplinary team responsible to ensure the compliance of the guidelines of its respective functional areas (systems, commercial, logistics, finance, Engineering, production, maintenance, etc.)
- Comply with the **ST-EN-02 Global Electrical Design Requirements for Process and Utility Equipment**, and the connectivity standards of *GB Connected*.
- Ensure that the return of investment is maximum of 4 years.

6. Responsibility / Ownership

The Global Operations Department is the assigned owner of this policy and is primarily responsible for its contents, updating, monitoring of its compliance and submission for approval, as well as submission for approval to the Global Internal Control and Risk Management Department, the Steering Committee and General Management.

7. 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	August 2020	Alfredo Amador Rivera	Liborio Fernando Villalobos Carranza	
2	October 2021	Roberto Sánchez Acevedo	Alfredo Amador Rivera	The responsibility of the Organization's Innovation Project Engineer was added, and changes were made adapting the guidelines to the new innovation model and in the supporting documentation for the assurance of project times and criteria.