



2020

A TIME TO RESPOND

#challengeaccepted

2020 INTEGRATED ANNUAL REPORT

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**to face
a new
reality...**

and a global crisis

WE ADAPTED BAKERIES
THAT WERE NO LONGER
IN OPERATION TO MEET
THE DEMAND OF THE
MARKETS WE SERVE

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**to never
stop...**

*and respond to
market needs*

WE MEET THE NEEDS OF
OUR CUSTOMERS AND
CONSUMERS LEVERAGING
THE ADVANTAGES
OF DIRECT DISTRIBUTION
TO STORES

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**to care
for our
people...**

*and protect the health
of our associates*



+6,000

ASSOCIATES WITH
HEALTH RISKS WERE
SENT HOME

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to embrace change...

*and continue working
closer than ever before*

~5K

ASSOCIATES WORK
REMOTELY FROM
HOME IN COMPLETE
COORDINATION

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to continue being close...

*and nourish a
better world*



WE REINFORCED OUR
DIGITAL CHANNELS TO
REACH THE HOMES OF
OUR CONSUMERS



TO EACH AND EVERY ONE OF US WHO ARE PART
OF THE GRUPO BIMBO FAMILY

thank you

WE OFFER OUR DEEPEST RESPECT AND
ADMIRATION FOR COURAGEOUSLY FACING
SUCH A CHALLENGING YEAR THAT WE WILL
ALWAYS REMEMBER...

PURPOSE

nourishing a

better world

MISSION

Delicious and nutritious baked goods and snacks in the hands of all.

PHILOSOPHY

Building a sustainable, highly productive and deeply humane company.

BELIEFS

- We value the person
- We are a community
- We get results
- We compete and win
- We are sharp operators
- We act with integrity
- We transcend and endure

GRUPO BIMBO IS THE WORLD'S LARGEST AND LEADING BAKING COMPANY AND AN IMPORTANT PLAYER IN SNACKS. IT HAS OVER 203 BAKERIES AND OTHER PLANTS, WITH APPROXIMATELY 1,700 SALES CENTERS STRATEGICALLY LOCATED THROUGHOUT 33 COUNTRIES IN THE AMERICAS, EUROPE, ASIA, AND AFRICA. ITS PRIMARY PRODUCT LINES INCLUDE SLICED BREAD, BUNS AND ROLLS, PASTRIES, SNACK CAKES, COOKIES, TOASTED BREAD, ENGLISH MUFFINS, BAGELS, TORTILLAS AND FLATBREAD, SALTY SNACKS, AND CONFECTIONERY PRODUCTS, AMONG OTHERS. GRUPO BIMBO MANUFACTURES MORE THAN 13,000 PRODUCTS AND HAS ONE OF THE MOST EXTENSIVE DISTRIBUTION NETWORKS WORLDWIDE, WITH OVER 2.8 MILLION POINTS OF SALE, MORE THAN 53,000 ROUTES, AND 133,000 ASSOCIATES. ITS SHARES TRADE ON THE MEXICAN STOCK EXCHANGE (BMV) UNDER THE TICKER SYMBOL OF BIMBO, AND IN THE UNITED STATES THROUGH A LEVEL 1 ADR PROGRAM, UNDER THE TICKER SYMBOL OF BMBOY.

(GRI 102-1, 102-5, 102-2, 102-16)

33
countries

+13K
products

+100
brands

+53K
routes

GRI (102-2, 102-3, 102-4, 102-6, 102-7, 102-10)

- ARGENTINA
- BRAZIL
- CANADA
- CHILE
- CHINA
- COLOMBIA
- COSTA RICA
- ECUADOR
- EL SALVADOR
- FRANCE
- GUATEMALA
- HONDURAS
- INDIA
- ITALY
- KAZAKHSTAN
- MEXICO



- MOROCCO
- NICARAGUA
- PANAMA
- PARAGUAY
- PERU
- PORTUGAL
- RUSSIA
- SOUTH AFRICA
- SOUTH KOREA
- SPAIN
- SWITZERLAND
- TURKEY
- UKRAINE
- UNITED KINGDOM
- UNITED STATES OF AMERICA
- URUGUAY
- VENEZUELA

203
bakeries and plants

+133K
associates

~1,700
sales centers

+2.8M
points of sale

NET SALES **+13.4%**



ADJUSTED EBITDA **+19.3%**



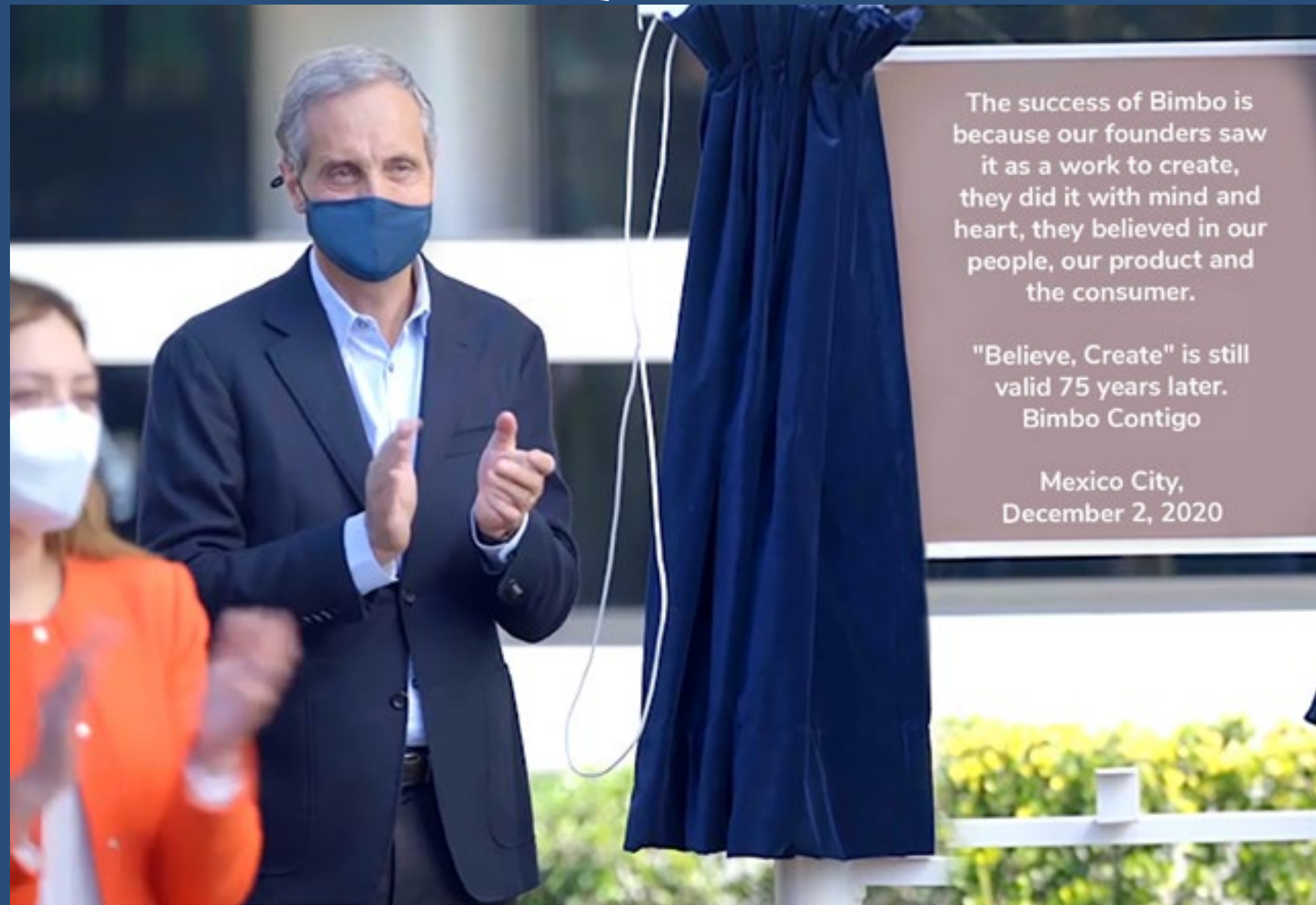
NET MAJORITY INCOME **+44.2%**



2020 was a year in which we were tested...

Dear Shareholders:

(GRI 102-14, 102-15, 102-32, 103-1, 103-2, 103-3, 201-1)



I hope that you and your families are staying safe and healthy.

2020 WAS A HISTORIC YEAR:

2020 was a year in which we were tested, confronted by the uncertainty caused by the proliferation of COVID-19 which required us as individuals, as a family, as a company and as a community, to rise to meet the great challenge of the pandemic with unity, creativity and dynamism.

While the pandemic put the whole world on hold, we at Grupo Bimbo worked with more determination than ever to feed our world, taking care of our associates' health, our customers and consumers, and the communities we serve. We acted with focus, to transform and streamline our processes; with flexibility, to adapt to new ways of working; and with enthusiasm, to fulfill our Purpose of Nourishing a Better World.

Today, I can see the results of 75 years of creation and progress, because thanks to our global leadership in an essential industry, our associates, our geographic, channel and category diversification, our brands and our production capabilities, we were able to proudly serve our consumers during this time of disruption and extraordinary demand.

- We created a comprehensive plan to ensure the safety of our associates by establishing new and enhanced protocols: their safety is our highest priority. We adopted social distancing; we implemented different labor flexibility formats such as remote work or special shifts. Daily, we have taken the necessary measures to optimize the safety of our front-line associates. Unfortunately, due to the pandemic, company associates lost their lives, or lost loved ones, I would like to offer my deepest and most sincere condolences to all who grieve now.
- We endorsed and deepened our commitment on creating a more inclusive company. This year we promoted the "Leadership Circles" program, focused on the development of female leadership. We keep reaffirming our zero-tolerance stance for any discriminatory behavior and condemned any and all manifestations of racism.
- In addition, we ratify our commitment to the best global practices and for this we were named, for the fifth consecutive year, one of the most ethical companies in the world according to the list prepared by The Ethisphere Institute, a firm that recognizes companies that consider ethical commitment as one of the guiding principles in their day-to-day operations.

*the safety of
our associates
is our priority*

- We were able to adequately meet the very pressing needs of our customers and consumers by leveraging our extensive direct store delivery system. We also addressed increased demand for our products; for example, given the increase in demand in the United States, we reopened the Hazleton bakery in Pennsylvania.
- We restructured our routes to better reach our customers, by increasing our presence in the channels with the highest demand, such as retail and e-commerce, and achieving balance in those that were experiencing reduced demand during the pandemic, like foodservice and fast food.
- We are committed to always offer high quality products and ensuring that our innovations satisfy the consumer needs; we optimized our product portfolio with healthier options with launches such as Pan Bimbo Natural in Mexico, Madalenas 0% sugar Bella Easo in Iberia, Umo steamed donuts in Canada or Nutrella whole grain muffins in Brazil.
- We continued to consolidate our global leadership and strengthen our local presence with the acquisitions of Paterna in Spain and the strategic alliance with Food Town in Kazakhstan.
- We accelerated the digital transformation by implementing our “Route to Market” platform in more than 34,000 routes and 370 Robot Process Automations, as well as the virtual training of more than 39,000 associates. Despite the pandemic, we completed the implementation of Oracle Cloud in Argentina, Colombia and Peru, executed our “GB Connected” strategy, the Internet of Things (“IOT”), in 114 plants and enhanced our listening to our consumers through “Connection center” for data-based decision making.
- We reviewed our investments in CAPEX at the beginning of the year due to the uncertain environment, postponing some projects but still investing \$621 million. We reduced general expenses and decided to utilize \$720 million of our committed revolving credit facility, in order to increase our liquidity, prioritizing flexibility and financial strength. However, due to the strong cash flow generation, we were able to fully pay down the revolving line and closed the year with a leverage ratio of 1.9 times net debt to Adjusted EBITDA, the lowest in 10 years.



- We renewed and re-invigorated our sustainability strategy by raising significantly our level of ambition through eight fundamental initiatives that will increasingly align us to our Purpose of Nourishing a Better World. Under this new perspective, Grupo Bimbo will contribute to a better health and well-being with more natural and simpler recipes in addition to promoting plant-based diets. Always thinking in our consumers' needs.
- In the environmental topics, we have committed to achieving zero net emissions by 2050, encouraging the circular economy and supporting regenerative agriculture. As a result, in 2020 we remained firm in the objective of mitigating our environmental footprint throughout our entire value chain, through actions such as innovation in our packaging with biodegradable and compostable technologies; the reduction of our water footprint and emissions due to efficiency in our processes; waste management and the use of renewable energy and alternative fuels, highlighting that by year end, we have increased our global use of renewable electricity from 49% to 80%, meeting our 2020 internal objective and we have signed agreements to achieve 95% renewable electricity by 2023, progressing in our commitment to become 100% renewable electricity by 2025.
- Through the new commitments, we will work very actively to strengthen the communities with which we interact. We support efforts to embrace a culture of inclusion in an increasingly diverse world, both among our associates and in the communities with which we interact. We contributed more than \$230 million pesos in economic and product donations at a global level, benefiting about 8 million people

from the most vulnerable sectors in more than 175 communities in which we operate. Likewise, we contributed to the creation of the Covid Hospital Unit in Mexico City and to its operation until March 2021.

- Under this new plan, we will contribute directly to the Sustainable Development Goals of the United Nations and the Ten Principles of the Global Compact, with whom we renewed our commitment and support.

As a result of these efforts, we achieved record results in both sales and profits, with growth of 13.4% in Net Sales and 19.3% in Adjusted EBITDA, posting growth across all regions. We expanded the net margin by 60 basis points and the return on equity by 310 basis points; while our cash flow generation doubled, being able to return to our shareholders through the cancellation of 169.4 million shares. Additionally, we were able to substantially increase the proportion of profits outside of Mexico from 48.8% in 2019 to 58.5% in 2020.

This would not have been possible without the dedication and focus of our more than 133,000 associates, especially those on the front lines who worked tirelessly to guarantee the continuity of our business, serving our consumers and the communities in the countries where we operate in a unique way, overcoming many challenges, but always meeting the demands of daily service. To each of them, our deepest appreciation and gratitude. Thank you also to our leaders for safely navigating these turbulent waters, to our suppliers who allowed the continuity of the value chain, to our customers who, together with our consumers, our investors and stakeholders maintained their trust in us.

Although we continue to face the most challenging world-wide crisis of the modern era, I am left with the satisfaction of having reached Grupo Bimbo's 75-year anniversary with record results and with the unwavering commitment of our people; excited and energetic to be clear about our strategy in the coming years. I am confident that the future will bring opportunities for progress that will help us continue to fulfill the great responsibility of feeding and better serving our consumers around the world, and a greater opportunity to live our Beliefs, demonstrate our Purpose and fulfill our Mission: delicious and nutritious baked goods and snacks in the hands of all.

To each of our associates, our most profound gratitude and recognition...

A warm embrace,
Daniel Servitje

Chairman of the Board
and CEO

our main categories



TODAY WE ARE
THE GLOBAL LEADER
IN THE BAKING INDUSTRY



1
SLICED BREAD



2
BUNS & ROLLS



3
PASTRIES



4
SNACK CAKES



5
COOKIES



6
TOASTED BREAD



7
ENGLISH MUFFINS



8
BAGELS



9
TORTILLAS & FLATBREADS



10
SALTY SNACKS



11
CONFECTIONERY

+100 leading brands

WE REACHED NEW MARKETS
BY LEVERAGING THE STRENGTH
OF OUR BRANDS AND OUR
INTERNATIONAL PRESENCE

Internal information based on estimated retail sales per brand for the last 12 months, as of Dec. 31, 2020.

Figures expressed in millions of US dollars.

+US\$1Bn



+US\$500M



+US\$250M



+US\$100M

MRS BAIRD'S



We share our most successful brands throughout the world

(GRI 102-2)



WE INTRODUCED IN NEW MARKETS OUR MOST SUCCESSFUL BRANDS THAT HAVE PROVEN THE PREFERENCE OF OUR CONSUMERS

4 PRIORITIES

1

REVOLUTIONIZING VALUE GENERATION WITH FULL POTENTIAL

2

RESHAPING THE FUTURE OF DIGITAL TRANSFORMATION

3

RENEWING AWARENESS WITH SUSTAINABILITY

4

REDEFINING OUR WAYS OF WORKING WITH AN AGILE MINDSET

WE PURSUE CONSTANT
INNOVATION
BY INCLUDING NEW
TECHNOLOGIES

Supply Chain

(GRI 102-9)

With the goal of rising to our commitment with the planet and our stakeholders, we work towards optimizing our resources to enhance our performance. In order to obtain better results, we have joined efforts with our farmers and suppliers through strategic alliances throughout our entire value chain, from production in the fields and distribution, to the final stages with our customers and consumers.

In our aim to apply best practices for the continued improvement of our processes, our actions are based on the highest of quality standards, and we enforce all policies* to comply with the local legislation wherever we operate.

Moreover, we pursue constant innovation by adopting new technologies that enable us to operate with responsibility.

Value Chain



1 SUPPLY
We work together with our suppliers to obtain sustainable supplies

2 OPERATIONS
203 bakeries and plants in 33 countries
7 innovation centers

3 DISTRIBUTION AND SALES
+53,000 routes
1,700 sales centers

4 MARKETING
+100 brands
+13k products

5 POST-CONSUMPTION
Alliances to foster post-consumption recycling

* For further information: <https://grupobimbo.com/en/our-group/policies>

GLOBAL *market share*

(GRI 201-1)

48.1%
OTHER PLAYERS

37.4%
ARTISANAL

US\$449Bn*

VALUE OF THE
GLOBAL BAKING
INDUSTRY

10.3%
PRIVATE LABEL

4.3%



*with further
opportunity for growth
in the coming years*

OUR 4.3% MARKET SHARE IN A
HIGHLY FRAGMENTED MARKET,
IS A CLEAR INDICATION OF THE
OPPORTUNITY FOR GROWTH AHEAD

Source: GlobalData 2019
* Billions of US dollars

Bimbo Ventures

In response to the great challenges currently faced, Bimbo Ventures was created in 2016, an area devoted to seeking technological solutions in global innovation ecosystems.

This area seeks to identify and foster startups having technology or disruptive ideas in the field of new products, ingredients and packaging, operation optimization, and process innovation that will allow us to further the development of our business.

In 2020 we opened our Ventures Israel office, the USA Ventures Hub, and we conducted the third generation of Grupo Bimbo's startup generator; Bakelab for the Central South America regions. With the two offices in Israel and the USA, we seek to have presence and actively participate in these two major ecosystems for innovation.



*innovation is possible
regardless of whether we
are in a meeting room,
or on a video call...*

+200

STARTUP APPLICATIONS
RECEIVED FROM 10 COUNTRIES
IN LATIN AMERICA

8

STARTUPS SELECTED
TO WORK IN A
16-WEEK PROGRAM

+50

HOURS OF TRAINING

350

VIDEO CALLS

+100

GRUPO BIMBO ASSOCIATES
INVOLVED IN THE PROCESS