

#challengeaccepted

to protect and regenerate

our environment



WE SEEK TO REDUCE THE ENVIRONMENTAL FOOTPRINT OF OUR ENTIRE VALUE CHAIN



WE BUILD RESILIENT ECOSYSTEMS THROUGH REGENERATIVE AGRICULTURE PRACTICES





OUR ENVIRONMENTAL management

At Grupo Bimbo we maintain an environmental commitment through our Planet Pillar in which, aligned to the UN Agenda 2030, we work on strategies related to reducing the environmental impact of our entire value chain.

The efficient use of natural resources, waste reduction, and continuous improvement in environmental performance, are our priority. We therefore continue enhancing practices in favor of the planet, prioritizing our actions according to Grupo Bimbo's materiality study carried out during 2019.

Planet Pillar works under a Global Environmental Compendium which is based on the International Standard ISO 14001:2015. Said document establishes the minimum standards needed so GB business units ensure legal compliance and manage the environmental aspects and impacts for continuous improvement, both in its plants as well as throughout the entire value chain.

Within our production processes we focus on standardization, replication, and the research for new low environmental impact technologies that serve as minimum standards to be followed. These encompass from project designs for new production lines or plants, to the implementation within asset management, thereby driving continuous improvement.

For more than 10 years, our standards include the best practices for the efficiency in the use of resources, such as the case of energy with actions such as replacement of equipment with highly efficient ones; eliminating boilers in our processes; waste-heat recovery systems; improved insulation, among others. Regarding water, we follow practices that optimize their use in services like cleaning processes including their treatment, and guaranteeing its reuse quality; and, lastly, practices related to waste reduction and recycling to achieve zero waste to landfill.

We continue monitoring with BEST (Bimbo Environmental Sustainability Tool) our improvement derived from the implementation of said actions, as well as its environmental performance, thereby allowing us to identify progress made and opportunities that can guide our decision-making process.

*we continue improving
in favor of the planet*

Along with our value chain, we work on six strategic action lines; carbon, water, sustainable sourcing, sustainability in buildings, food waste, and packaging. These have been cross-functionally managed for a couple years by environmental champions in each functional area. Said champions establish and supervise specific lines of action according to the impacts of their own area, and they define and monitor objectives and goals for the comprehensive follow-up by global and local committees coordinated by an environmental expert.

Both entities work with a global standard per area and a dashboard per organization. Consequently, all areas are involved in environmental management, being the general managers of the business units who periodically report their progress, achievements and goals to Top Management.

Moreover, some areas have knowledge communities to interact amongst each other and replicate sustainable best practices.



Raw materials

Packaging and materials

DESIGN

At Grupo Bimbo we reiterate our commitment to the environment. By 2025, 100% of our packaging will be recyclable, biodegradable or compostable; in addition, we continue with technology development to optimize our packaging and reduce the amount of plastic used.

Currently, **over 90% of our packaging is recyclable** and, in recent years, we have developed compostable packaging technologies that will be evaluated in 2021 for global use with the Vital bread line launched in 2019. We also continue implementing d2w® biodegradable packaging technologies in Latin America, including Mexico, as a complement to our recycling strategy.

Equally important, we have driven recycling projects with the goal of minimizing the amount of virgin material used in our packaging. For example:

- In Spain we launched packaging for the large white bread that uses recycled material (pre-consumption).
- In UK, the PET trays were replaced with cardboard for Morrison® and Asda® croissants.



+90%

OF OUR PACKAGING IS RECYCLABLE

- In USA, bag weight was reduced 7% for Bimbo®, Sara Lee®, Freihofer®, Arnold®, Oroweat®, Brownberry® and Ball Park® brands.
- In Mexico, bag weight was reduced 15% for Bimbo hamburger and hot dog buns, and the packaging weight for Chip's snacks was reduced 12%.

Through these initiatives, we have achieved an approximate **reduction of 3.6 million kilograms of packaging plastic** from 2010 to date. This is equivalent to reducing CO2 emissions by 5,900 tons.

In 2020 we have defined our GB sustainability strategy with clear objectives towards 2030, wherein 100% of our packaging supports a circular economy by being reusable, recyclable, biodegradable or compostable.

For this reason, our objectives for 2022 - 2025 establish the steps we must undertake to achieve our goals for 2030. Therefore, it is crucial to drive the research and development of new technologies, integrate circular economy projects, reuse and recycling of plastic waste, contributing to the protection of natural resources for future generations.

2025

COMMITMENT
100% RECYCLABLE,
BIODEGRADABLE
OR COMPOSTABLE
PACKAGING



PACKAGING OPTIMIZATION

YEAR	REDUCTION (KG)
2010	394,862
2011	99,804
2012	164,706
2013	963,965
2014	205,326
2015	133,250
2016	80,856
2017	333,399
2018	510,040
2019	446,346
2020	290,246

3.6MILLION

KILOGRAMS OF REDUCTION

PACKAGING FROM 2010 TO DATE

MATERIALS PER WEIGHT AND VOLUME (METRIC TONS)

(GRI 301-1, 301-2)

Renewable	138,734	
Non-renewable	89,039	
Total raw materials	227,773	
Recycled	21,338	9%
Recyclable	80,327	92%
Biodegradable	30,810	35%
Compostable	16	0.02%

*Post-industrial material recycled

100% PAPER AND CARDBOARD FROM CERTIFIED SUSTAINABLE SOURCES BY 2025

During 2020, Grupo Bimbo worked closely and proactively with its global supply chain to speed up the transition of both packaging material as well as indirect paper and cardboard from being conventional material to becoming sustainable certified or recycled material.

To accompany suppliers in this process, Grupo Bimbo recognizes the importance of developing capacities in its supply chain. This is why sessions have been scheduled with forestry-certification organizations, so they can give detailed explanations on frameworks that are part of these standards, and in turn the suppliers can prepare for this migration within their organizations.

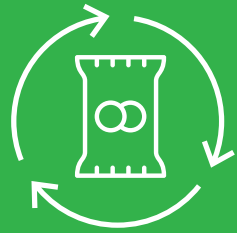
Moreover, **for the second consecutive year, Grupo Bimbo has joined the CDP Supply Chain program**, requesting that its suppliers, who represent **90% of the expenses under packaging and overhead**, to fill out the Climate Change and Forest questionnaire. The purpose of undergoing this process with suppliers is to become familiar with the certification standards managed, their best practices, mitigate potential risks, and identify opportunities for collaboration. **During 2020 a response rate of 95% was achieved in the Climate Change program, and 94% regarding Forest.** Grupo Bimbo was one of the top performing companies in response obtained by their supply chain in the CDP program.

As a result of this hard work with our supply chain, over 60% of our paper and board packaging currently has a forestry certification system recognized for the raw materials that supply Grupo Bimbo globally.



+60%

OF OUR PAPER AND CARDBOARD PACKAGING HAS A RECOGNIZED FORESTRY CERTIFICATION SYSTEM OR RECYCLED SOURCES



*promoting
post-consumption
recycling*

MOTIVATING THE POST-CONSUMPTION MARKET

(GRI 301-3)

We maintain alliances to provide better disposal of our materials, thereby driving and promoting actions in favor of post-consumption recycling in the different countries where we operate:

Mexico

As of 2016 we collaborated with **ECOCE** to promote a material management plan, for aluminum, PET, and flexible film.

We participate on the Flexible Plastic Films Committee with other companies to motivate post-consumption recycling, supporting recovery for proper recycling and/or coprocessing. In 2020, over **4,400 tons of flexible film was collected by all member companies.**

In addition, 2020 was our second consecutive year where we participated in the synergy recycling exercise with Walmart de México y Centroamérica, Ecolana and others companies, called *Recyclemania*; where was collected and recycled + 1000 Kg of materials, including packaging and flexible plastic films from Bimbo in Mexico City, Oaxaca, Puebla and Monterrey, along with other companies.

We have conducted circular economy activities with post-consumption packaging. One example of this was the manufacturing of 250 export pallets with 20% of post-consumption packaging.

Spain and Portugal

Through our participation in programs driven by the governments of Spain and Portugal -called **Ecoembes and Ponto Verde**, respectively- **680 tons of plastic** were recovered.

Brazil

In Brazil, we are part of the **DAMF (De As Mãos para o Futuro)** program.

Canada

We are involved in **6 post-consumption programs** in Canada, where approximately **75% of the material** was recovered.

USA

Through the **Terracycle** program, nearly **1,200,00 Little Bite bags** were collected and recycled, thus accruing over **6,400,000 bags since we joined the program.**

In 2020 we included additional bread brands to this initiative and to date some 103,000 bags have been recovered and recycled.

Colombia and Chile

We continue participating in the pilots driven by associations and industrial groups in each country, to promote and define recycling strategies.



Natural Capital and Sourcing

(GRI 102-12, 204-1, 308-1, 414-1, 414-2, 408-1, 409-1)

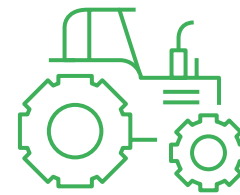
At Grupo Bimbo we are committed to taking care of the sources from which we obtain our raw materials, so we can endure and grow responsibly. This is why we work with our suppliers so they can implement actions that help to comply with our sustainability strategy.

CODE OF CONDUCT

From the moment they are hired, compliance with our code of conduct is extended to all our suppliers, which encompasses subjects related to ethics, anti-corruption legislation, food quality and safety, child labor, labor conditions, and environmental regulations; this is done through the contracts which include our global integrity policy and the code of conduct for suppliers.

For some years now, our business units have used different means to ensure that our suppliers adhere to this code. As of 2020, a tool was put in place that, on a global level, provides support for following these processes, and full migration to this tool is currently underway.

This year we achieved adherence in this new tool for 200 strategic suppliers worldwide.



GLOBAL SUPPLIER EVALUATION AND DEVELOPMENT

As part of our strategy with the supply chain, we have worked with different tools that inform us of the current situation for our suppliers of raw materials at risk. This lets us know the risks and opportunities to work on while also capacities and continued improvement in sustainability performance.

Today, through said tools, we have evaluated **161 strategic suppliers worldwide**.

DEVELOPING LOCAL SUPPLIERS

We are convinced that lasting relations with our suppliers based on shared principles and values is key to responsible sourcing, and for us it is very important to remain close to our commercial partners, listen to them, hold dialogs, and build lasting relations that generate value for both parties.

For several years now we have been working on actions to collaborate and face the great challenges of the future, we are convinced that together we can achieve more, always working under a sustainable and regulatory compliance scheme.

*driving the development
of our suppliers*

Mexico

In Mexico, we have worked on the inclusion and development of our local suppliers. Currently, 95% of the purchases in this region is from local suppliers.

Moreover, we drive development programs for small and medium-sized companies, as is the case of our DESEO program, which consists of a continuous training model for different subjects related to quality, food safety, occupational safety, the environment, and ethical standards in their processes, thus facilitating business management.

The program is enriched with the direct participation of suppliers in identifying, mapping, and strengthening processes and Grupo Bimbo's minimum requisites deemed as indispensable. This program is tailor made for each of participating categories.

To date, the DESEO program has 9 categories, with a total of 450 active suppliers.



95%

OF PURCHASES
FROM LOCAL SUPPLIERS

450

SUPPLIERS IN THE
DESEO PROGRAM

Global Agriculture

SOYABEAN

During 2020, Grupo Bimbo continued with the traceability process regarding its soybean supply chain, to identify those suppliers who may be sourcing from risk areas. It was finally determined that 11% of soybean oil potentially comes from a risk area -South America. For that volume, traceability at the crusher level is 88%. Progress in traceability is one of the challenges for the next few years, together with our suppliers and the progress achieved in maturity.

Traceability conclusions of 11% of aforementioned volume are as follows:

- 69% comes from Brazil, 31% from Argentina, and a minimum amount from other countries such as Bolivia.
- 89% of the volume sourced comes from two major traders in the region, both directly and indirectly. During the second semester of 2020, Grupo Bimbo began evaluating suppliers who source from risk regions such as South America. Two traders have been approached, as well as other local ones. The reason for the approach has been to evaluate the following:

1. Equivalent policy
2. Traceability
3. Transformation into action
4. Claims mechanism
5. Verification and monitoring

By gathering data and having an open dialog with the suppliers, Grupo Bimbo is building a maturity baseline for the soybean industry in the region, identifying areas of opportunity.

Through this dialog, the results have been discussed and action plans established for annual work, all with the purpose of helping suppliers close gaps in responsible sourcing. In addition, Grupo Bimbo has now been able to socialize not only the commitments encompassed in its Global Policy on Agriculture, but also other ones taken on by being a member of the Consumer Goods Forum and a signee of the *Cerrado Manifesto* Statement.

Moreover, Grupo Bimbo has finalized the risk analysis for the supply chain of said traders, which began in 2019. Thanks to these activities, priority regions have been identified in Brazil for Grupo Bimbo's supply chain. What is more, in the second half of 2020 sustainable soybean initiatives in Brazil were detected, which shall serve as input to evaluate the intervention in transformational projects for the coming year in these priority regions.

On the other hand, to better understand the soybean supply chain for the Company, Grupo Bimbo, together with one of its major soybean suppliers in the USA, is collaborating with the Earthworm Foundation and Blue Number to feed a digital platform designed by them with the purpose of mapping the soybean supply chain in said country.

With this, Grupo Bimbo expects to gain a better understanding into their soybean supply chain and work more proactively on the challenges associated with this raw material.

*alliances
for sustainable
raw materials*



PALM OIL

Grupo Bimbo has continued updating traceability data for the supply chain. This year, our focus was on **14 suppliers who represent 96%** of the total volume of palm oil. Finally, almost the totality of this volume was traced, reaching a **traceability score of 96%** at the mill level. This data provides information on refineries, traders and plants and helps in the decision making on the most important challenges and areas to improve supplier performance.

In 2020, Grupo Bimbo continued working with direct suppliers to understand the progress they have made regarding the Palm Oil Policy.

Significant improvement has been noted at the maturity level of the suppliers, in addition to identifying work areas for 2021. Available tools and technology are currently under evaluation to monitor deforestation in the supply chain.

96%

TOTAL TRACEABILITY
AT THE MILL LEVEL

OTHER RESULTS

OBTAINED

25,485

SMALL FARMERS

DIRECTLY RELATED TO THE
SUPPLIERS ARE NOW IN SMALL
FARMER PROGRAMS

50%

OF SUPPLIERS REPORTED
THEIR PARTICIPATION IN
LANDSCAPE PROJECTS

46,344

HECTARES OF FOREST

ARE INCLUDED IN THE
FORESTRY CONSERVATION
ACTIVITIES OF THEIR COMPANY
OR OF THIRD PARTIES



protecting native ecosystems

IMPLEMENTATION OF TRANSFORMATION PROJECTS

Grupo Bimbo has continued with its follow-up on field work, adapting to the uniqueness of the worldwide COVID-19 situation.

As done in previous years, investment continued in two landscape projects in the state of Chiapas, which is in southeastern Mexico.

This region is a priority because **over 70% of the palm oil for Grupo Bimbo comes from Latin America**, and it is necessary to generate solutions for preventing deforestation within a context of small farmers, and improve the means of life for the farmers. The objective for both projects is to acquire learnings that can extend to the supply chains for Grupo Bimbo. The project in the municipality of Marqués de Comillas and Benemérito de las Américas -one of the areas with the greatest deforestation risk in Mesoamerica- is a pilot program for High Carbon Reserves regarding small farmers. Despite the emergency situation caused by COVID-19, the project has continued, approaching

mills in the region and other important stakeholders. The project in the biosphere reserve, La Encrucijada, where the expanding agricultural activities threatens critical habitats for mangroves and wetlands, focuses on protecting native ecosystems and improving the lives of the farmers. During the second half of the year, the Multiactor plan and its three lines of action were monitored:

- **Resilience of small farmers:** Tours of small palm oil farms have continued, -some 42 to date- to conduct Comprehensive Plot Plans that enable them to be more resilient to market fluctuations and local economic and environmental conditions. In addition, profitability analysis for the family farm unit has been conducted, including palm tree crops. Within these lines of work, training was offered to local palm mills on the conservation of ecosystemic services on the Reserve. Another goal achieved was the creation of an agroforestry plot model with palm oil.

- **Conservation and restoration:** Within the central area of the Reserve, some 15 hectares have been replanted with native mangrove species, thus restoring wetland areas damaged by encroaching farmland.
- **Land use:** Three hectares of palm oil cropland has been eliminated from the central area of the Reserve. Likewise, a reconversion strategy has begun with palm oil cropland, as per the Reserve Management program for the Encrucijada Biosphere.

15ha

OF REPLANTED
NATIVE SPECIES

(GRI 304-3)

*improving the
well-being of
our farmers and
their community*



Sustainable Agriculture

(GRI 204-1, 308-1, 414-1, 308-2, 414-2, 408-1, 409-1)

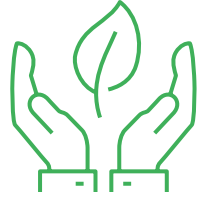
At Grupo Bimbo the pilot program for sustainable agriculture, which has regenerative agriculture as the goal, we have projects to produce raw materials: Bimbo Sustainable Maize and Bimbo Sustainable Wheat. We collaborate with CIMMyT (International Center for the Improvement of Maize and Wheat), where the goal is to strengthen Mexican farmland, consolidating the value chain while seeking to introduce sustainable practices and technologies that generate economic benefits for the farmer, through cost reductions and resource efficiency during production, contributing to improve the farmer's well-being, their families and their communities.

The main activities of the project are focused on farmers training to adopt sustainable practices and technologies; use of agricultural knowledge to assess the level of sustainability according to the adoption of practices and technologies; develop and deploy the strategy in order to guarantee continuous adoption

of sustainability practices; and guaranteeing the direct sale of maize and wheat. The following benefits are obtained by applying these practices:

- Know-how and implementation of sustainable practices and technologies.
- Knowledge transfer centering on the development of technical and analytical capabilities to improve databases, for improved decision-making during processes.
- Increased profitability for farmers by implementing sustainable practices.
- Increased yields per hectare.
- Use of biological control in order to substitute chemical control in pests, diseases and weed.
- Carbon footprint reduction by decreasing fuel consumption (less soil disturbance) and efficient fertilizers management.
- Water footprint reduction per produced ton.





BIMBO SUSTAINABLE WHEAT

The wheat program was developed in the states of Sinaloa and Sonora. The third cycle considered in the agreement is currently underway. Reported results for wheat in 2020:

- During the autumn/winter cycle of 2019-2020, **81 farmers adopted sustainable practices** and 115 participated in 9 demo events and training sessions to promote sustainable innovations.
- Surface area considered for the cycle: **4,843 hectares**.
- Water footprint reduced in **4.49 million m³**.
- Carbon footprint reduction in **257 MT/CO₂e**, by decreasing fuel consumption (less soil disturbance).

BIMBO SUSTAINABLE MAIZE

This program started in 2018, in Jalisco and Hidalgo states. The main outcomes reported for its 2nd cycle in 2020 are:

- 167 farmers adopted sustainable practices and 299 participated in demo events and 20 training sessions to promote sustainable innovations.
- Surface area considered in the cycle: **1,786 hectares**.
- Water footprint reduced in **0.45 million m³**.
- Carbon footprint reduction in **91.37 MT/CO₂e** by decreasing fuel consumption (less soil disturbance).
- Average yield of **12.8 MT** per hectare.
- Average earnings higher than **20%**.
- Purchase of 8,000 MT from farmers in the program.



“WE ACCOMPANY FARMERS TO DEVELOP MORE SUSTAINABLE AND RESPONSIBLE AGRICULTURAL PRACTICES BECAUSE WE ARE CHANGING THE MAIZE FARMING CULTURE WITH NEW ALTERNATIVES ADOPTION IN ORDER TO FIGHT AGAINST CLIMATE CHANGE”

Jaime Ortega Bernal (Technical consultant)



strengthening Mexican farming



0.45 MILLION

M³ LESS WATER USED FOR IRRIGATION

167

FARMERS ADOPTED SUSTAINABLE PRACTICES



4.49 MILLION

M³ LESS WATER USED FOR IRRIGATION

81

FARMERS ADOPTED SUSTAINABLE PRACTICES

sustainability in numbers Mexico pilot

Bimbo Sustainability programs, have a reported direct impact in 36 municipalities throughout the states of Hidalgo, Jalisco, Sinaloa, and Sonora. The principal objective is to guarantee farmers' inclusion in the value chain with direct marketing of their crops, something which has currently generated a purchase of 29,991 MT of maize and 32,500 MT of wheat.



**8.35
MILLIONS**

OF M³ OF WATER SAVED TO DATE



503.82

MT/CO₂ LESS EMISSIONS,
STEMMING FROM FUELS USED
IN SOIL MECHANICAL WORK



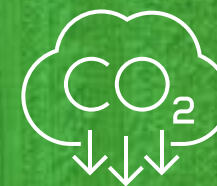
13,142

HECTARES WHERE
SUSTAINABLE PRACTICES
HAVE BEEN APPLIED



3,341

OLYMPIC-SIZED POOLS*
EQUIVALENT OF WATER SAVINGS



8,333

EQUIVALENT TO TREE SEEDLINGS
FOR 10 YEARS, REGARDING
PREVENTION OF SEQUESTERED
CARBON EMISSIONS**

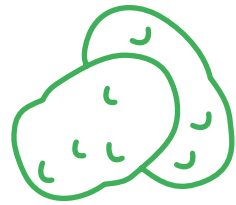


637

FARMERS WITH WHICH
WORK HAS BEEN
DONE SINCE 2018

* An Olympic-sized swimming pool measures 50 meters long, 25 meters wide, and 2 meters deep.

**According to EPA standards, <https://english.epa.gov/energy-and-the-environment/estimate-for-greenhouse-gas-equivalencies>



SUSTAINABLE POTATO

Our potato suppliers in Mexico are currently undergoing Global GAP certification. In 2020, a total of 17% of potato purchased by GB for salty snack production by Barcel had Global GAP certification, with the remaining suppliers completing certification in 2021. Conservation agriculture, as a farming production system, offers diverse useful techniques for soil conservation during potato farming. The purpose is to improve natural biological processes both above and below the ground.

Some of our potato suppliers

Grupo Rivera

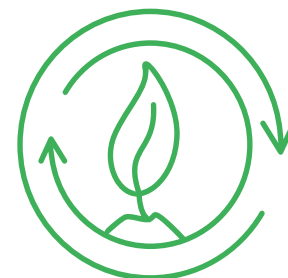
Leading producer in the market, with over 50 years of experience using the latest technology and permanently believing in sustainable production; Global GAP certification currently underway.

Additionally, they have reduced their emissions by opting for the use of solar panels and organic fertilizers to improve soil biology in production plots. They also have smart irrigation systems to improve the efficiency of water use and reservoirs to prevent its shortage.

THE FUTURE OF AGRICULTURE FOR GRUPO BIMBO

In response to our commitment to sustainability, in Mexico, we are pioneers in accounting for the carbon footprint and water footprint of the primary raw materials. For this reason, we are developing the baseline for wheat, maize and potatoes, from which the activities to be implemented in sustainable production will emerge in order to achieve our global commitment.

This commitment will include transitioning sustainable agriculture to one that includes regenerative practices and agroforestry; increasing carbon sequestering in producing the primary agricultural supplies; and all the inherent benefits.



*we have a
commitment
to our land*

“AMONG THE MAJOR BENEFITS OBTAINED AS A PRODUCER, IS THAT OF MINIMIZING RISKS FOR BOTH CROPPING AND DEVELOPMENT; USING IT AS AN OBJECTIVE VERIFICATION TOOL TO ENHANCE FARMING PRACTICES, WHICH PROVIDES ME WITH ONGOING AND SUSTAINABLE GROWTH”

Carlos Murrieta Navarro (Potato producer)



*striving to reduce
our agricultural
impact*

BASELINE FOR POTATO, WHEAT, AND MAIZE

The baseline for potato, wheat, and corn makes Grupo Bimbo a pioneer in Mexico in the agroindustry because of estimates regarding carbon for the principal crops used as raw materials; and because day after day we undergo great efforts when offering healthier and more nutritious products for the world. This is an important step because it is the starting point for actions that lead to meeting global commitments for its 2030–2050 strategy.

Farm production becomes a fundamental tool towards meeting objectives of reducing scope 3 carbon footprint; continuing with scope 1 and 2 work; increasing the use of renewable energy sources worldwide; and always striving to have a better planet.

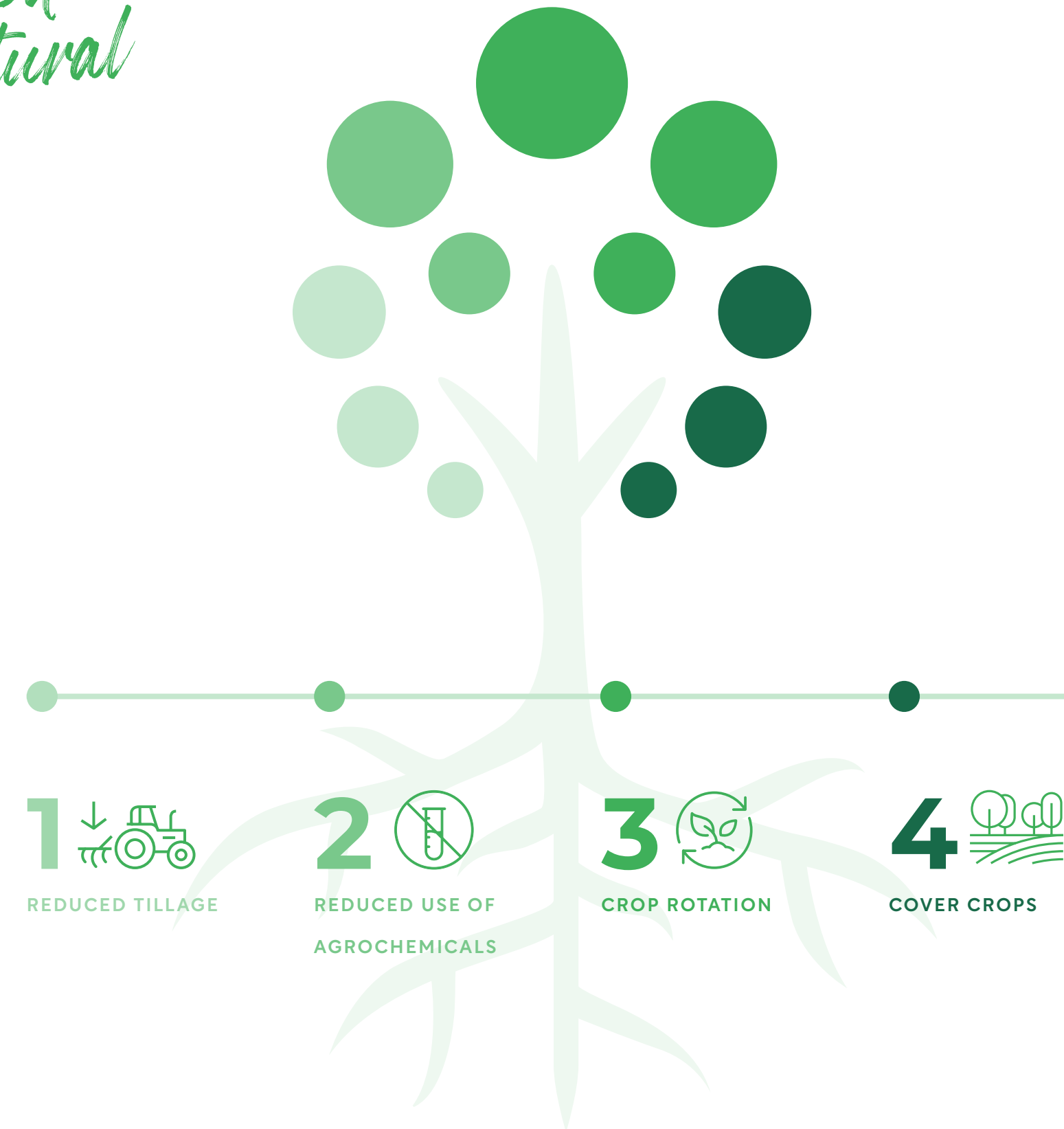
EVALUATING IMPACTS ON AGRICULTURAL CHAINS


Ever aware of the challenges and opportunities brought about by climate change, especially for those companies who greatly depend on farm supplies, Grupo Bimbo has been working since 2018 with different wheat and maize suppliers in Mexico to implement technological innovations that lead to increased sustainability in production activities.

The Bimbo Sustainable Wheat and Maize projects have been developed in conjunction with CIMMYT, the International Center for the Improvement of Maize and Wheat, influencing on farming practices of more than 240 wheat producers in Sonora and Sinaloa, which is equivalent to approximately 8,280 hectares; and more than 380 maize growers throughout Hidalgo and Jalisco, who have a total of 4,860 hectares.

Among the sustainability practices promoted with this project are the reduction of soil tillage, the integrated management of pests, diseases and weed, crop rotation, and the use of cover crops, which are an important part of what is known as Regenerative Agriculture.

The aforementioned practices produce a series of benefits for the farmers themselves, and for the rest of the value chain. Among these benefits are a reduction in soil depletion and erosion, optimization of resource use -water, fuel and field inputs- and, related to organizational efforts to combat climate change, the increase in organic carbon reserves in the soil.



1 
REDUCED TILLAGE

2 
REDUCED USE OF
AGROCHEMICALS

3 
CROP ROTATION

4 
COVER CROPS

combating climate change



TECHNOLOGICAL INNOVATIONS

Maize

0.31

tCO₂e absorbed per ton of maize produced thanks to advanced sustainability practices

Wheat

0.06

tCO₂e absorbed per ton of wheat produced thanks to advanced sustainability practices

After a life-cycle analysis conducted by Grupo Bimbo for maize and wheat crops, to determine GhG emissions during the different growing stages of these two crops, the impact in terms of tons emitted of CO₂e from the previously mentioned practices; one of the most important conclusions is that for those places where the practices promoted by the project are adapted, in the case of both crops and specifically during the growing phase, not only would the impact of climate change be neutralized, but also accomplish the absorption of at least 0.06 tCO₂e per ton produced of wheat, and 0.31 tCO₂e per ton of maize.

The previous results were obtained in reference to the guidelines for the Accounting Standards and Report on Product Lifecycles, and quantification principles under ISO 14067 for the Quantification of Carbon Footprint for Products, as well as public carbon standards for estimating carbon capture in soil and GhG emissions for fertilizers. These results are conservative estimates and shall be updated as new standards arise.





Reforestation 2020

(GRI 304-3)

In light of the global pandemic and social lockdown, company volunteerism activities have been restricted in continued participation and support of reforestation activities we conduct each year to restore our forests and drive contact and interaction with Nature. Nonetheless, during 2020 we explored new ways to continue supporting reforestation within GB activities.

Our annual Global Business Meeting -held digitally- was carbon neutral because we offset CO₂e emissions generated during the meeting. To offset the carbon footprint of the meeting, one hectare was reforested with 800 pine trees from the *Pinus hartwegii* species. Said activities created temporary jobs for 10 people from the community forestry brigade of the San Martín Cuautlalpan communal farming population, located in the region of the Iztaccíhuatl-Popocatepetl National Park. This region is of interest to Grupo Bimbo, where actions to contribute to environmental, economic, and social development was begun in 2020, for communities living in the region's forest area. Projects were undertaken to generate and sell carbon bonds, thus offsetting part of the carbon footprint created by Grupo Bimbo in Mexico.

TEEB Agri-food

In follow-up to the pilot program conducted in 2019 regarding the application of the Natural Capital Protocol, thereby facilitating the incorporation of biodiversity into business decisions, during 2020 we participated in TEEB AgriFood (The Economics of Ecosystems and Biodiversity for Agriculture & Food) global project. It was organized by the UNEP (The United Nations Environment Programme); the Capitals Coalition; AMEBIN (The Mexican Alliance for Biodiversity); and the GIZ (German Development Agency) initiative -Incorporating Biodiversity into Agriculture. The purpose was to have a five-month series of training sessions to apply an evaluation framework/methodology for agri-food evaluation, which is to help companies identify, measure and assess their impact and dependency on natural, social and human capital. The experience helped us expand our outlook and focus, enabling us to make inroads in our mission of nourishing a better world by fostering regenerative agriculture.

*valuing our
natural capital*





OUR processes

growing our recycling

Waste Management

Since our very beginning, we at Grupo Bimbo have worked to grow sustainably, without leaving a footprint, and therefore our waste management strategy encompasses several stages and strategic materials, adopting sustainable consumption measures, and driving actions to manage all our wastes responsibly.

These waste management strategies are applied to all waste we generate during our processes; that is, recyclables (like plastic and cardboard); non-recyclables (such as sanitary waste); special handling waste (as in electronics, pursuant to each country's legislation and classification); and hazardous waste (such as oils, lubricants, solvents, and chemicals), thereby ensuring that correct handling, transportation and final disposal of each type of waste is performed.

Recycling at our work sites

We have achieved 95% recycling in our operations worldwide; 53 of our global plants have accomplished "zero waste to landfill."

We have practices in our operations to reduce and increase recycling of our waste, and also promoting circular economies with our suppliers. Some examples include:

- **Mexico:** Testing stretch film with recycled material, with a 50% reduction in weight.
- **Argentina:** At the Bimbo Argentina plants we bet on the recovery of our post-industrial plastics, migrating to a circular economy by entering into an agreement with a local supplier who recycles plastics from the plant to produce bags made from waste. In other words, the plastics used return to the plant as materials, such as bags for storing waste.

INTEGRATED WASTE MANAGEMENT

(GRI 306-2)

	2016	2017	2018	2019	2020
Recyclables	272,078	271,861	326,906	291,534	332,586
Non-recyclables	15,696	21,414	43,896	18,209	16,552
Special Handling	8,206	9,289	10,618	9,506	7,596
Hazardous waste	896	486	549	356	1,051
TOTAL	296,876	303,050	381,969	319,605	357,785



95%
RECYCLING IN OUR
OPERATIONS

committed to reducing our food waste

2025

COMMITMENT
REDUCING FOOD
WASTE IN OUR
OPERATIONS BY 50%



Food Waste

In our journey to halving food waste in our operations by 2025, and recognizing that a fundamental aspect is the support from our Business Units leaders, in May we held a global webinar with the participation of all Grupo Bimbo Operations responsible across the world, where the Corporate and Organization Vice-Presidents expressed their commitment to achieve the objectives.

During 2020 we continued working on the initiative "War on waste" (WOW) in the manufacturing facilities achieving 89% of implementation.

The Business Units with the higher reduction compared to 2019 are:



ORG	% REDUCTION VS. 2019
CENTRAL AMERICA	32%
MEXICO	16%
CANADA	7%
SOUTH AMERICA	7%
RICOLINO	5%

*Including food waste and recovery.

As for our commercial area, food waste is all those returns that are not recovered at the outlet, or that are not delivered through an authorized donation process.

This process used to be done manually, but at the beginning of 2020 all this information has been compiled through a dynamic dashboard in an internal tool that allows us to automate this process. The tool consolidates all food waste activity in the Sales area of Grupo Bimbo's organizations.

BIMBO EAA SPAIN



Too Good To Go

We have worked together with the "Too good to go" application, which fights against food waste around the world. This application works based on batches of product that the company puts on the platform, product that will not be sold before its expiration date.

Bimbo Iberia began selling batches of its products with this application in mid-November last year, with an excellent response from consumers. This has reduced waste considerably in Spain, **selling almost 100% of all the lots offered for sale in "Too good to go"**.

BIMBO CANADA

We started in all distribution centers in Canada by leveraging the support of our local Food Banks to ensure food waste reduction.

BIMBO BAKERIES USA

An effort was made early last year to train associates at the local level on the product donation process, and all business units showed an increase in donations through the end of the year.

By the end of 2020, Bimbo Bakeries USA moved to a digital process whereby donations are tracked, eliminating the need for paper forms and manual data entry.

Bimbo Bakeries USA donated to 425 different charities by the end of the year. Feeding America reported that Bimbo Bakeries USA donated 20.7 million pounds of food, or approximately 15.9 million units of product through the end of 2020.

425

CHARITY ORGANIZATION
RECEIVED DONATIONS FROM
BIMBO BAKERIES USA

20.7 MILLION

POUNDS OF FOOD
PRODUCTS DONATED BY
BIMBO BAKERIES USA



CARBON footprint

*we continue improving
in benefit of the planet*

We are convinced climate change is not a natural cycle for the planet, nor are the overly warm and cold seasons that occur every so often. Rather they are a serious problem threatening both the planet and all life on it. Moreover, we know it is the work of everyone to prevent it.

Therefore, we at Grupo Bimbo focus on two lines of action, pursuing greater efficiency in our value chain, reducing our energy and fuel use by following best practices and applying new technologies. Likewise, we encourage the use of renewable power sources and alternative fuels that reduce impact.

Energy Efficiency

GLOBAL SUSTAINABILITY PRACTICES

As part of our energy efficiency standards that lead to gradually moving towards reduced environmental impact, we have two lists of mandatory practices to evaluate and implement in all our bakeries, and new projects.

The first one is a list of Mandatory Practices in Asset Management. It has a total of 204 practices, divided according to the environmental impact involved: 71 for electricity; 71 for water; and 62 for gas, prioritizing the impact level and difficulty in creating a path along which any new incorporation can be included.

The second, is a list of Sustainable Standards for new projects. It encompasses the minimum indispensable ones for any new project. This can mean from new production lines, building, extensions, or any project developed by Engineering. Some examples include sustainable development in reducing water use during cleaning activities; efficiency comparisons in resource use; and leverage residual heat to be incorporated as a heat source for processes. Both lists have been improved and supplemented throughout the years.

-9%

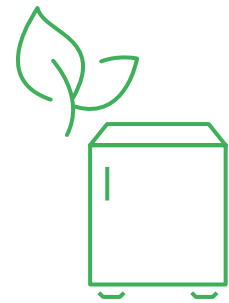
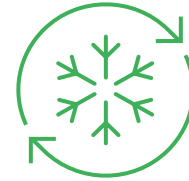
EMISSION REDUCTION, EQUIVALENT TO OVER

146,000 TONS CO₂e 2020, VS. 2019



2025

COMMITMENT
MIGRATE TO
REFRIGERANTS
THAT DO NOT AFFECT
THE OZONE LAYER



OVER A THIRD OF
OUR REFRIGERANTS
ARE NATURAL

REFRIGERANTS

(GRI 305-6)

Throughout 2020 we continued working on our refrigerant strategy to gradually replace high environmental impact refrigerants for natural or with low global warming potential (GWP). As per the challenges derived from COVID19, our phase-out objectives were adjusted, being now, a gradual phase-out that will be completed as refrigeration systems in the manufacturing sites are updated. Also, we defined the baseline so we can continue tracking our progress, and currently, over a third of our refrigerants are natural.

- We launched our first Ammonia/CO₂ hybrid system for a bun line located in Chicago, Illinois. It is the first fresh bread bakery to use only natural refrigerants within Grupo Bimbo.
- We were one of the speakers at ATMOSphere America, one of the most important summits on natural refrigerants, sharing our best practices, our efforts with regards to refrigerants, and our environmental commitments.

GRUPO BIMBO CONNECTED

Internet of Things, Energy Module, a digitization initiative consolidated in 2020, is the path to follow with the incorporation of a monitoring system for efficiency variables in processes, including resource consumption as part of the module, incorporating environmental efficiency indicators in real time, at the site and production line levels. This adds 4 sites in the GB Organization (Bimbo Mexico Azcapotzalco, Bimbo Mexico Santa María, Bimbo Puebla, and Marinela Mexico); 7 sites incorporated in Barcel Mexico (Barcel Coppel, Barcel Mexicali, Barcel Laguna, Barcel Occidente, Barcel Lerma, Barcel Atitalaquia and Barcel Merida); 2 Sites in Central and South America (Bimbo Ideal and Bimbo Quito); and establishing the base plan for implementation within the remaining organizations.

This initiative on digitization allows us to achieve savings and reduce environmental impact through operating improvements and control, using analysis methodologies based on Energy Management Systems to prioritize actions and detect process opportunities.

ENERGY EFFICIENCY

ACHIEVEMENTS:

PRODUCTION

(GRI 302-5)



-7% VS. 2019

ELECTRIC POWER USE

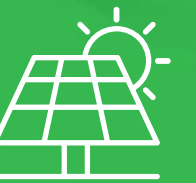
-7% VS. 2019

THERMAL ENERGY USE



2025

COMMITMENT
100% USE OF
RENEWABLE POWER
SOURCES



**INTERNET OF THINGS IN EL GLOBO
BRANCHES AND SALES CENTERS
FOR ENERGY EFFICIENCY**

We implemented energy automation and monitoring systems in 103 El Globo branches, through which we achieved greater efficiency in the use of water, gas, and electricity, with 14% savings on our annual electricity costs.

Monitoring, control and electricity efficiency systems were implemented in our sustainable sales centers, which operate with electric vehicles and solar power.

80%

RENEWABLE ELECTRICITY VS. BASELINE

Renewable Power

ARGENTINA

Wind Farm

Bimbo Argentina became the first food company in that country to operate with 100% renewable electricity in 2020. Three wind farms are in charge of supplying the electricity to the bakeries in the country, allowing us to avoid 14,400 tons of CO₂e annually.

MEXICO

Atitalaquia Plant: Storage System

The first storage system with Lithium Ion batteries in Grupo Bimbo was commissioned in July in Barcel Atitalaquia, as a backup system for the facility, enabling us to continue operating during any power outage.

Sales Centers

As part of our commitments, Grupo Bimbo will migrate 4,000 units of our current vehicle fleet to electric vehicles by 2024. In 2020 we retrofitted the electric facilities of 15 sales centers to receive 500 new electric vehicles powered by electricity from solar panels installed on the roof of those centers.

Metropolitan Distribution Center

The Metropolitan Distribution Center was inaugurated in December, with the largest solar rooftop in Mexico. The 2.2 MW system supplies 100% of electricity consumed on the site, which is equivalent to avoiding 1,300 tons of CO₂e per year.

EMISSIONS

(GRI 305-1, 305-2, 305-3, 305-7)

CO₂e (Ton) Grupo Bimbo

GRUPO BIMBO	2016	2017	2018	2019	2020
Natural gas in plants	462,287	483,804	563,992	516,515	512,448
LP gas in plants	39,097	35,638	39,122	40,990	48,065
Diesel in plants	3,340	1,621	10,540	2,119	2,242
Other fuels in plants (fuel oil)	9,511	8,731	9,629	3,663	3,432
CO₂ Sub-total in Plants*	514,235	529,793	623,283	563,287	566,187
Natural gas in vehicles	4,021	5,812	8,069	9,647	10,756
LP gas in vehicles	1,166	2,926	3,529	3,672	3,752
Diesel in vehicles	317,894	304,654	308,315	306,859	280,952
Gasoline in vehicles	170,275	170,981	178,360	178,579	167,586
Other fuel in vehicles (ethanol)	0	0	205	282	183
CO₂ Sub-total in Vehicles	493,356	484,373	498,478	499,039	463,229
CO₂e total direct emissions (scope 1)	1,007,591	1,014,167	1,121,761	1,062,326	1,029,416
Electricity	292,632	338,112	433,914	294,987	186,278
CO₂e total indirect emissions (scope 2)	292,632	338,112	433,914	294,987	186,278
Natural gas in third party vehicles	6,940	5,714	7,536	4,369	3,958
Diesel in third party vehicles	247,395	211,230	240,014	263,123	258,509
LP gas 3rd party vehicles	16	25	30	81	59
Gasoline 3rd party vehicles	1	3	0	2	6
CO2 total third party vehicles emissions (scope 3)	254,353	216,973	247,581	267,575	262,532
TOTAL CO₂E EMISSIONS	1,554,575	1,569,252	1,803,256	1,624,888	1,478,226
Nox (kg)	129,441	378,746	545,713	645,337	594,462
Sox (kg)	777	3,582	29,143	3,872	3,567
PM10 (kg)	-	41,426	60,801	49,046	32,695
PM2.5 (kg)	-	41,313	43,801	49,046	45,179
COVs (kg)	-	22,313	41,460	35,494	45,179

FUEL

(GRI 302-1)

ENERGY CONSUMPTION GJ	2016	2017	2018	2019	2020
Natural gas in plants	8,483,167	8,862,003	10,381,288	9,452,299	9,372,024
LP gas in plants	619,084	609,854	619,477	649,051	761,084
Diesel in plants	114,698	58,413	179,653	147,159	133,341
Other fuels in plants (fuel oil)	140,971	123,565	135,171	51,837	48,572
GJ Sub-total in Plants	9,357,919	9,653,835	11,315,588	10,300,345	10,315,020
Natural gas in vehicles	73,569	32,084	39,604	5,055	189,937*
LP gas in vehicles	18,021	46,917	56,518	58,944	61,827
Diesel in vehicles	4,405,656	4,222,307	4,185,942	4,253,136	3,790,888
Gasoline in vehicles	2,551,603	2,562,705	2,608,720	2,675,762	2,390,594
Other fuel in vehicles (ethanol)	0	0	2,965	4,075	2,298
GJ Sub-total in Vehicles	7,048,850	6,864,012	6,893,748	6,996,972	6,435,545
Natural gas in 3rd party vehicles	126,351	110	3,917	2,270	69,239
Diesel in 3rd party vehicles	3,426,909	2,926,321	3,324,646	3,644,901	3,486,182
LP gas 3rd party vehicles	241	389	463	1,250	938
Gasoline 3rd party vehicles	16	45	5	36	91
GJ Sub-total in 3P Vehicles	3,553,517	2,926,864	3,329,031	3,648,459	3,556,450
TOTAL DIRECT CONSUMPTION OF ENERGY FROM NON-RENEWABLE PRIMARY SOURCES (PURCHASED)	19,960,286	19,444,712	21,538,368	20,945,775	20,307,015

*In order to estimate energy as of 2020, factors were updated to improve the accuracy of the energy record in GNC.

TOTAL ENERGY WITHIN THE ORG (GJ)

(GRI 302-1)

GRUPO BIMBO IN GJ	2016	2017	2018	2019	2020
Total Fuel Consumption from non-renewable sources	16,406,769	16,517,848	18,209,337	17,297,317	16,750,566
Total Fuel Consumption from renewable sources	-	-	-	-	-
Electricity Consumption	3,737,325	3,907,047	4,363,593	4,540,639	4,564,421
TOTAL ENERGY CONSUMPTION	20,144,094	20,424,895	22,572,930	21,837,955	21,314,987

TOTAL ENERGY OUTSIDE THE ORG (GJ) (OUTSOURCED)

(GRI 302-2)

GRUPO BIMBO IN GJ	2016	2017	2018	2019	2020
Total Fuel Consumption from non-renewable sources	3,553,517	2,926,864	3,329,031	3,648,459	3,556,450
Total Fuel Consumption from renewable sources	-	-	-	-	-
Electricity Consumption	-	-	-	-	-
TOTAL ENERGY CONSUMPTION	3,553,517	2,926,864	3,329,031	3,648,459	3,556,450

TOTAL ELECTRICITY USE (GJ)

(GRI 302-1)

GRUPO BIMBO EN GJ	2016	2017	2018	2019	2020
Total indirect energy use of suppliers	2,910,352	3,310,551	3,565,673	2,621,138	1,694,398
Renewable energy	826,973	596,496	797,920	1,919,500	2,870,023
TOTAL	3,737,325	3,907,047	4,363,593	4,540,639	4,564,421

PLANT INDICATORS

	2014	2015	2016	2017	2018	2019	2020
Water (m3)	4,146,052	4,688,723	4,661,123	4,886,204	5,216,822	5,580,065	5,870,080
Electric Power (kWh)	842,095,506	1,083,163,371	1,038,146,600	1,085,291,670	1,212,110,133	1,261,289,497	1,267,894,764
Thermal Energy (Gcal)	1,916,424	2,147,989	2,236,599	2,307,325	2,704,494	2,461,844	2,465,349
TPE	3,849,006	4,374,103	4,411,966	4,471,826	4,704,379	4,650,758	5,025,741
Water (m3/TPE)	1.077	1.072	1.056	1.093	1.109	1.200	1.168
Electric Power (kWh/TPE)	219	248	235	243	258	271	252
Thermal Energy (Gcal/TPE)	0.498	0.491	0.507	0.516	0.575	0.529	0.491

SCOPE 1 ENERGY INTENSITY INDEX

(GRI 302-3)

	FUEL & ELECTRICITY				
	2016	2017	2018	2019	2020
Total Fuel Consumption GJ*	16,406,769	16,517,848	18,209,337	17,297,317	16,750,566
Total Energy Consumption GJ	23,697,611	23,351,759	25,901,961	25,486,414	24,871,436
TPE (tons)	4,411,966	4,471,826	4,704,379	4,650,758	5,025,741

RATIO*	3.72	3.69	3.87	3.72	3.33
	*Vehicles included	*Donuts included *Vehicles included			

SCOPE 1 EMISSIONS INTENSITY INDEX

(GRI 305-4)

	CO ₂ e				
	2016	2017	2018	2019	2020
Total CO₂e Emissions (tons)	1,007,591	1,014,167	1,121,761	1,062,326	1,029,416
TPE	4,411,966	4,471,826	4,704,379	4,650,758	5,025,741

RATIO*	0.23	0.23	0.24	0.23	0.20
	*Vehicles included	*Donuts included *Vehicles included			



WATER footprint

As part of our commitment to the planet and long-term sustainability throughout our value chain, at Grupo Bimbo we have focused on three lines of key actions to reduce our water footprint:



1
REDUCING
WATER USE



2
TREAT AND
REUSE WATER



3
USING ALTERNATIVE
SOURCES, FOR EXAMPLE,
THE RAINWATER COLLECTION

*striving to
reduce our
water impact*

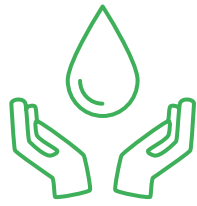
Reduce water use in processes

Our cleaning processes at Grupo Bimbo represent the principal source of water use in our work centers, and therefore we have standardized it to mitigate our environmental impact. Thanks to these standardization processes, **we have currently reduced water use by 3%, as compared to 2019**; we have also applied new technologies.

At the corporate level, cleaning standard procedure have been published so said cleaning takes place in a way that optimizes water use and also ensures effectivity without compromising food safety.

In turn, different business units have tried different technologies that produce less impact regarding water use.





*innovating
to reduce our
consumption*

BIMBO MEXICO ORGANIZATION

- Applying detergent – sanitizer technology with nanoparticles in equipment such as spiral coolers, mixers, or conveyors. This practice has been put into practice in 6 plants, representing **488 m³ in water savings**.
- **Expansion of the capacity of dry steam systems with mobile heads**, Expansion of the capacity of dry steam systems with mobile heads **of 162 m³ of water**.
- **Installation of a Clean-out-of-place (COP) system in the Suandy plant** equipped with a tub that allowed **1,287 m³** in savings during 2020.
- **Bimbo Mexico reports total water savings of 1,937 m³**.

RICOLINO MEXICO ORGANIZATION

- Evaluation has taken place on water savings in deep-cleaning processes, having **the first diagnostic on critical equipment**. Additionally, opportunities have been found in the implementation and replication of technologies such as detergents-sanitizers with low water use. Changes are currently taking place in water savers such as hydro-cleaners, foaming equipment, efficient water inlets, and dry steam machines. By the close of 2020, **a saving of 557.5 m³ was reported**.

Brazil has implemented standard cleaning procedures for mixers in all its plants. On the other hand, the Organization has purchased dry steam equipment for 2 plants reducing water use in coolers.

Lastly, we continue evaluating other technologies that are effective and allow us to reduce water and chemical use.

1,937
TOTAL SAVINGS IN
M³ IN BIMBO MEXICO

557.5
SAVINGS IN M³
IN RICOLINO MEXICO

Water risk analysis and goals based on our context

In 2018, an assessment was carried out to understand the water risk factors for direct operations to which the organization is exposed. As a complement to ongoing projects, this year, we expanded this assessment to our supply chain to assess the water impact of our strategic raw materials globally to focus our efforts on priority activities.

We are aware that it is essential to make sure that all the actions we carry out are aligned with contextual factors to achieve sustainable water use. For this reason, during 2020, the necessary water objectives were analyzed -always keeping in mind our medium and long-term corporate sustainability strategy design- with the help of our ally South Pole, to respond to local water conditions in all geographies where we are present, and which will respond to the local conditions and risk exposure for each location.

Within the Grupo Bimbo context, these water objectives were evaluated as per the conditions and challenges faced at the basin level and the site key to ensuring suitable actions in each situation.

*reusing water
for irrigation,
toilets, and washing
of vehicles*



35

RAINWATER COLLECTION
SYSTEMS IN OUR
SALES CENTERS

82%

REUSE OF
TREATED WATER



Distribution

Consequently, in our sales and distribution centers we undertake measures to reduce our impact in the use of water. We currently have 35 rainwater catchment systems in the Sales Centers located throughout Central America.

Mexico has high-technology equipment that mitigates the water footprint in distribution, with 95 washing arches and 234 recyclers; Barcel replicated the best practice, having now 18 arches -approximately 50% of its sales centers are equipped- and 37 recyclers.

Central America has begun to replicate this best practice by installing a washing arch in one of its largest operations: Colombia. On the other hand, Brazil, the leader in dry washing, continues performing this activity in all its sales centers. This year it has been replicated in South America -Colombia and Ecuador- and in Bimbo Mexico.

Treatment and Reuse

Throughout 2020 we worked on the water impact reduction strategy, consolidating the delivery of 5 new treatment plants, 4 in EAA Bimbo India Operations and one in Bimbo Brazil. Moreover, we began redesign and/or new construction projects for 8 additional water treatment plants -Bimbo Panama, Bimbo Ideal, Bimbo Iberia, Bimbo QSR, Barcel Mexico, Bimbo Colombia Tenjo 1 and 2, and Bimbo China. Mexico's operations has achieved 92% water reuse.

Worldwide we have a total of 96 treatment plants that have no local infrastructure for water treatment; 49 of these plants reuse water from different activities such as irrigation, toilets, and vehicle washing, primarily in Mexico and Central America. These actions contribute 82% to the reuse of treated water.

GLOBAL WATER CONSUMPTION (M³)

(GRI 303-1)

	2016	2017	2018	2019	2020
Surface and Ground water	1,187,965	1,128,159	1,060,239	1,081,953	1,075,748
Rainwater collected	0	1,535	2,120	6,264	6,697
Municipal water supplies or water utilities	3,473,158	3,756,510	4,154,463	4,491,848	4,809,086
TOTAL	4,661,123	4,886,204	5,216,822	5,580,065	5,891,531

*Including CEVES consumption.

GLOBAL TREATED WATER (M³)

(GRI 303-3)

	2016	2017	2018	2019	2020
Total volume of water treated and reused	452,646	537,779	556,804	1,277,881	1,387,374
TREATED AND REUSED FROM THE TOTAL CONSUMED VOLUME*	10%	11%	11%	23%	24%



OUR distribution

We have one of the largest distribution networks in the world and thanks to the vision of our founders, we are pioneers in including sustainability in the Company, establishing the foundations that formalize its implementation throughout the world. In defining how to distribute and make the best use of our vehicles, we have incorporated logistics processes that make their operation more efficient, in addition to innovating with alternative technologies and fuels that help us further reduce our environmental impact.

Through projects such as Supply Chain Master Footprint and Max Cube, we strive to optimize our distribution and better leverage our transportation to its maximum level.

There are digital packets that help us define the best location and distribution of our products -through simulations- which enable comprehensive and sustainable decisions on how to distribute.

Alternative fuels and technologies for our vehicles

Since our beginnings, we have been known for being an innovative company, that listens to its people, which has motivated us to believe and create, and make inroads on our journey to be being a sustainable, highly productive and deeply humane company.

An example of this innovation has been the development of electric vehicles that use alternative fuels, and technologies that allow our vehicles to have a lesser impact regarding atmospheric emissions.

With Grupo Bimbo's alternative fleet, we were able to produce 6,127 MT less of CO₂. These emissions are approximately 0.8% of those generated in 2019.¹

¹ The emissions avoided are estimated as a comparison with gasoline emissions for vehicles using alternative fuel, as well as for electric vehicles.





Mexico

As per our commitment to having 4,000 electric vehicles in our delivery fleet, our operations in Mexico already has **1,000 electric vehicles, thus doubling the amount we had last year.**

With our Vehicle -Technical Research team, and together with the Mexico Vehicles team, we evaluated the possibility of converting the fuel system for gas-powered RAM-Promaster vehicles to CNG. This would produce an important reduction in the carbon footprint, in addition to economic benefits stemming from said change; the units were strategically assigned to Sales Centers located nearby natural gas fuel stations, with the purpose of avoiding trips and downtime to load up on fuel.

In the case of vehicles in Mexico City, this conversion means leveraging regulatory benefits produced by CNG during contingency situations.

The conversion of **90 units**, to date signifies an approximate **CO₂ reduction of 106 MT CO₂.**



increasing our sustainable fleet

Each day we make the effort of including environment-friendly alternatives in our distribution. By late 2020 our alternative fuel inventory was as follows:

3,322
TOTAL
GRUPO BIMBO

545
LP GAS

1,155
ELECTRIC

1,357
COMPRESSED
NATURAL GAS

88
HYBRID

177
ETHANOL

REGION	LPG	CGN	ETANOL	ELECTRIC	HYBRID	TOTAL 2020
Mexico	0	570	0	1008	88	1,666
Central America	9	556	0	41	0	606
Brazil	0	0	177	0	0	177
South America	290	0	0	0	0	290
USA	246	155	0	5	0	406
Europe-Asia-Africa	0	76	0	101	0	177

+23.9%

VEHICLES WITH ALTERNATIVE

FUELS VS. 2019

*optimizing
our distribution*



Other technologies throughout Grupo Bimbo:

Bimbo México has 19% of its delivery fleet (3,630 vehicles) with particle-filtering technology.

Thanks to efforts in fleet optimization, renewal, use of alternative technologies, the distribution carbon footprint for GB this year dropped 5% vs. 2019. As of now, we cannot allow ourselves to go backwards on this path towards a more sustainable distribution.

INTERMODAL TRAVEL

We create synergy with other organizations as additional alternatives to reducing our distribution carbon footprint, thus establishing strategies to optimize the distribution of our products and raw materials. This gives rise to the intermodal transportation projects, where we not only have been able to reduce our carbon footprint by using sea and railroad transportation, but also considerable savings as well.

To date, the business units that are part of this include Mexico, Canada, Central America, and the expectation of including the USA by early 2021.

9,960

TONS OF CO² PREVENTED THROUGH
THE INTERMODAL PROJECT

1,025

VEHICLES WITH EUROPEAN
TECHNOLOGY IN OPERATION
THROUGHOUT LATIN AMERICA

Recognition in distribution

In December 2020, the Chilean Energy Sustainability Agency recognized IDEAL S.A., for having obtained its Green Business certification for its transportation fleet.

Green Business is a voluntary national program that seeks to certify and recognize the efforts of transportation companies in field of energy efficiency and sustainability. Moreover, cargo-generating companies that prefer committed carriers are recognized for improving their energy and environmental performance.

The purpose of Green Business is to achieve greater efficiency, competitiveness and environmental protection in cargo transportation. This is achieved by adopting technologies and strategies to reduce the use of fuel and the ensuing emissions.





SUSTAINABLE buildings

At Grupo Bimbo, we are committed to take the necessary actions to ensure that our establishments have a positive impact on the environment. This mission is established so that all Grupo Bimbo Sales Centers and Distribution Centers worldwide meet with the non-negotiable minimum requirements to be sustainable buildings.

For this, Grupo Bimbo has a continuous monitoring of all its Sales Centers with an evaluation, which is performed on an internal digital platform, which measures their sustainability maturity level according to the company's standards. The evaluation shows the strengths and areas of opportunity of each establishment and allows us to have a specific work plan to improve and increase their level of maturity and make them more sustainable.

The following aspects are considered within the evaluation:

1. Fuels
2. Sustainable Fleet Management
3. Energy
4. Water
5. Waste
6. Ground
7. Refrigerants
8. Legal Compliance Management

Examples of standardized practices:



ENERGY

Replacement of conventional light bulbs with LEDs (high efficiency lighting), and the use of translucent tiles that ensure greater use of natural light, helping to reduce electricity consumption.



WASTE

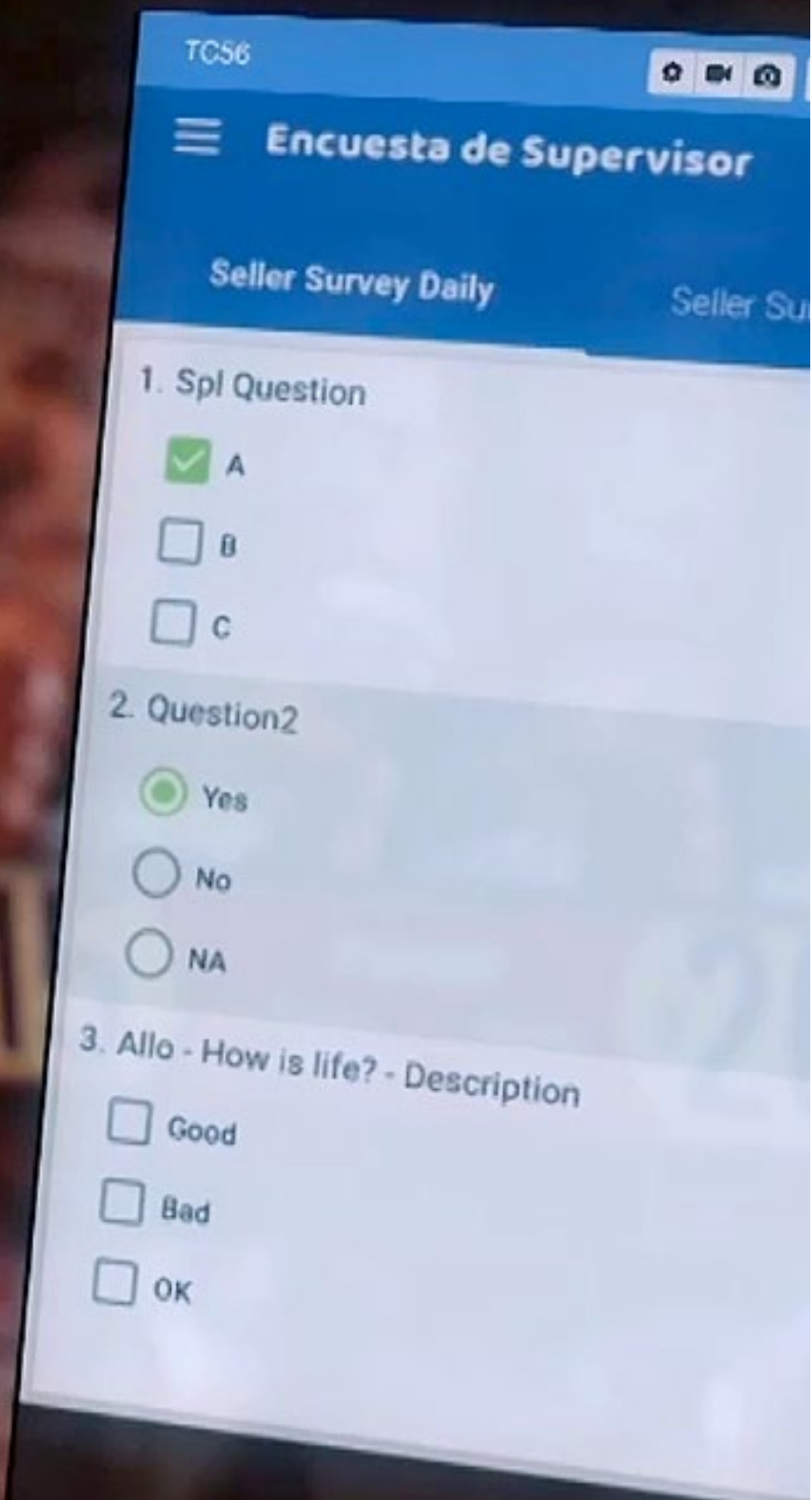
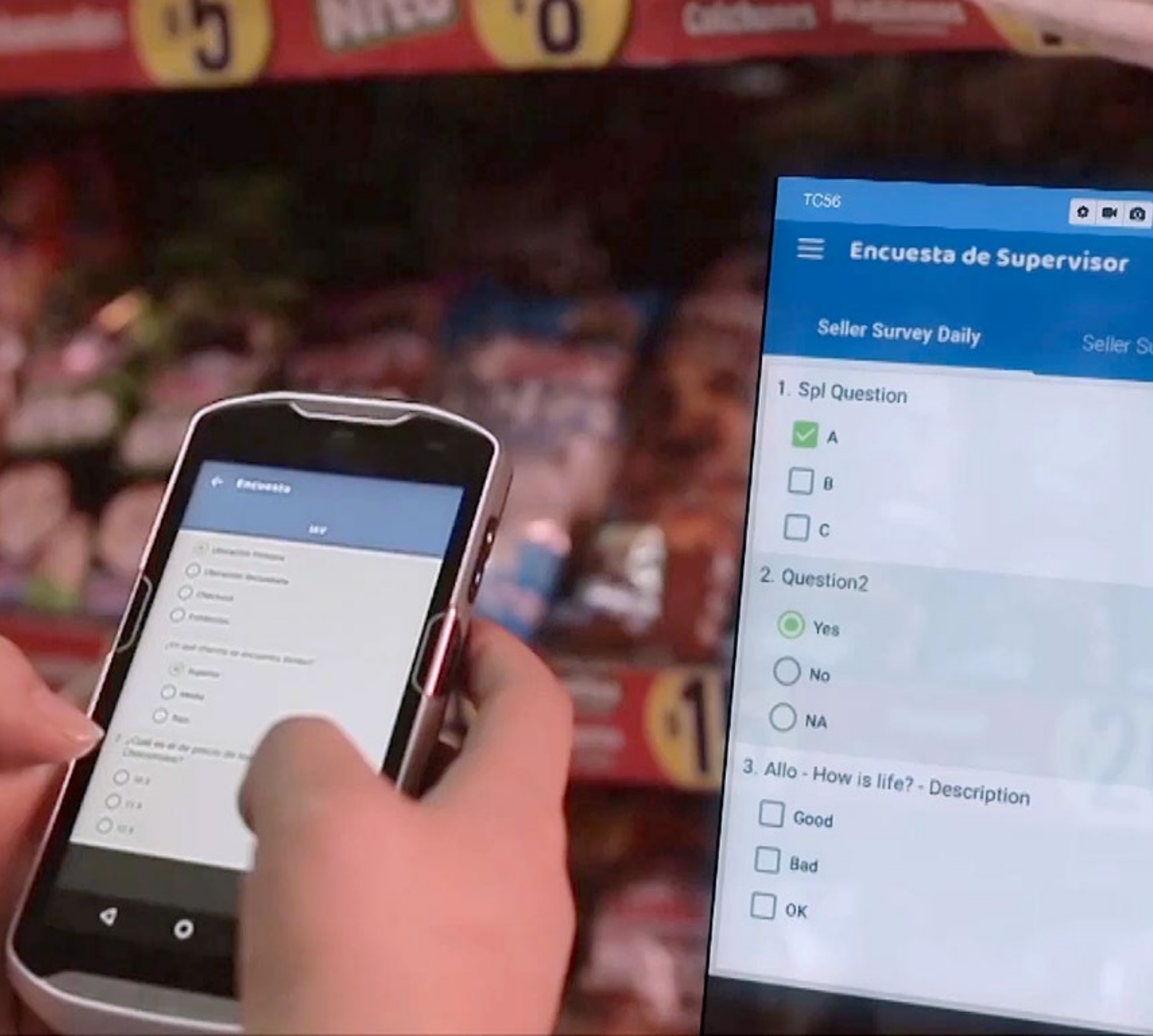
Separation of materials, standardization of paper and cardboard and return of certain materials to ensure their correct disposal for recycling.



WATER

Implementation of dry-cleaning techniques, an example of which was in Chile where water savings were achieved with a reduction in water use of 2,544,576 liters of water per year. Cleaning lasts up to 4 times longer than traditional cleaning. The products used are eco-friendly and are made with biodegradable inputs that do not have a negative impact on the environment.





*Technology
in service
of the planet*



66%

OF ADMINISTRATIVE
TASKS WERE DIGITALIZED

SALES CENTERS TRANSFORMATION

In Mexico, 66% of administrative tasks were digitalized. By making processes more agile, more than 1,800 mobile telephony equipment, around 1,000 desks and their 2,000 personal chairs were no longer used as accessories; around 1,000 computer equipment were no longer used due to the improvement of processes and commercial tasks.

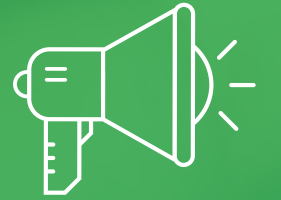
50%

REDUCTION IN THE USE OF
PRINTERS NATIONWIDE
(THIS ALSO STEMS FROM
HOMEOFFICE WORK)

In the Lean Sales Room, there was a reduction of 1,160 desks, 1,160 PCs and 2,320 chairs. With electronic monitoring, there was a 50% reduction in the use of printers nationwide, ink and white sheets for printing up to 1,857,440 white sheets.

ENVIRONMENTAL

communication



Sharing the progress of our sustainable fleet in Mexico

As part of our commitment to reach 4,000 electric vehicles, we announced the incorporation of over 140 ecological units in our delivery fleet in Mexico. We introduced Vekstar, electric delivery vehicle brand, launched to the market by Moldex, a subsidiary of Grupo Bimbo, designed by young, talented Mexican engineers to promote sustainable mobility in Mexico.

Highlighting our excellent environmental performance

Bimbo and Barcel obtained recognition for their excellent environmental performance, the highest score awarded by the clean transportation program of SEMARNAT. With this diffusion we achieve amplify our existing commitment to reducing the use of fuel and producing CO₂ emissions.

Recognition for our environmental communication

We received the AMCO award for the work done in communicating the announcement of biodegradable packaging and the first compostable bread packaging in Mexico. This award is the most important recognition for best practices in corporate communication, granted by the Mexican Association of Organization Communicators.

Sharing our experience in sustainable agriculture

We participated in the virtual forum: Sustainability Challenges 2020, organized by Green Companies. Our participation was in the panel session “Sustainable Agriculture: Food Security During the Era of COVID-19” where Alejandra Vázquez, Global Sustainability Director, shared our sustainability strategy and how it evolved.

Highlighting the new Metropolitan Center on Distribution as a reference for sustainability

We opened the world’s largest and most modern Metropolitan Distribution Center in the baking industry. The new DC is a benchmark in the field of sustainability, highlighting its capacity to generate renewable energy for 100% of the power used.

Highlight our commitment to climate activity

Daniel Servitje, President and Chief Executive Officer for Grupo Bimbo, was recognized as one of the Top 100 Latinos Committed to Climate Action, by Sachamama, an environmental organization known primarily for its work in climate change and communication on the environment in Latino communities.

CIMMYT (International Center on the Improvement of Maize and Wheat)

Grupo Bimbo announces a series of initiatives designed to benefit small maize and wheat farmers in the country, helping to develop sustainable projects that favor their situation as farmers, and their communities, in addition to caring for the environment.

ECOCE

We have worked actively in the ECOCE communication committee to promote a culture of recycling. Throughout 2020, we participated in forums and activities such as *Recyclemania Evolves*, and collection centers, which were announced through informative notes in national media.



Green Companies

We achieved the sixth position in the ranking of the Greenest Companies in Mexico. These results were published at the Green Companies magazine, specialized in sustainability, where an article was also published on Grupo Bimbo's sustainability strategy.

Public Relations activities on key dates

On key dates throughout the year we organize communication endeavors to highlight our sustainability actions, such as Maize Day on which we share information with the media regarding our sustainable agriculture programs that contribute to the development of our value chain.

Communication during the pandemic

The COVID-19 pandemic was the cause of many changes and communication activities in 2020 were conducted differently from before. During challenging times, we prioritized cross-media activities through digital forums, workshops, webinars, collaboration with influencers and opinion leaders to maintain our presence among key audiences.

Interview and forums

During the year we were involved in different forums and interviews regarding sustainability, to position our strategic messages among key audiences and to demonstrate our commitment to continued growth and to caring for the environment. Some of these activities included:

- No Planet B
- Sustainability forum
- Annual Congress hosted by the Anáhuac and Iberoamericana universities
- Scania online forum Sustainable Talks, Brazil
- University forums, Latam Future Energy Summit,
- Innovation Day 2020 Engie,
- ASB Banking,
- UNIVA International Congress on Engineering,
- Virtual 6th Mexico Infrastructure Projects Forum
- Sustainability in Movement

Bimbo Argentina

In 2020, Bimbo became one of the first food companies in Argentina to use 100% electricity from sustainable sources in all its operations. To communicate this milestone, we launched a communications plan with the purpose of highlighting the company's commitment to mitigating the environmental footprint.

Bimbo BBU

Bimbo Bakeries USA was recognized for the third consecutive year as Energy Star Partner Of The Year, by the US Environmental Protection Agency. Denver Bakery received the Bronze medal of the Environmental Achievement Award granted by the Colorado Department of the Environment.

We announced our alliance with the international leader in recycling, TerraCycle, so all our bread, buns, bagels, and English muffin packaging can be recycled, nationwide.

We announced through a press release the renewal of our alliance with Motiv Power Systems to increase our fleet of electric trucks, thus contributing to our goal of being a 100% sustainable Company.

Bimbo Canadá

In our Sustainability Report, we were able to share the most important achievements of our Planet pillar (the environment) which focused on reducing our environmental impact, through a culture and processes based on the six Rs: Reduce, Reutilize, Repair, Recycle, Rethink, and Reject.