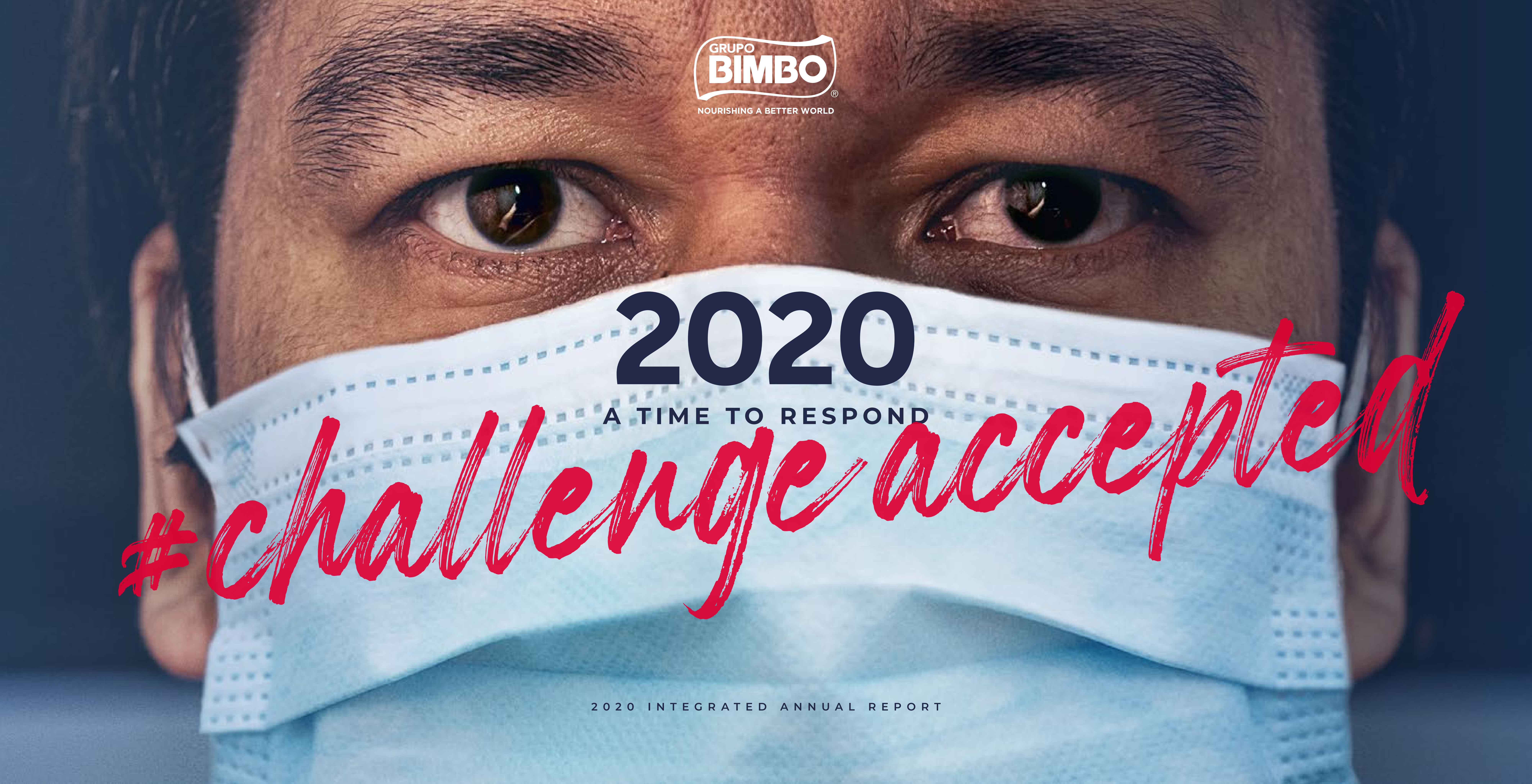


GRUPO BIMBO

NOURISHING A BETTER WORLD

2020

A TIME TO RESPOND

#challengeaccepted

2020 INTEGRATED ANNUAL REPORT

#challengeaccepted

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

#challengeaccepted

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

#challengeaccepted

to care for our people...

and protect the health of our associates

+6,000

ASSOCIATES WITH HEALTH RISKS WERE SENT HOME

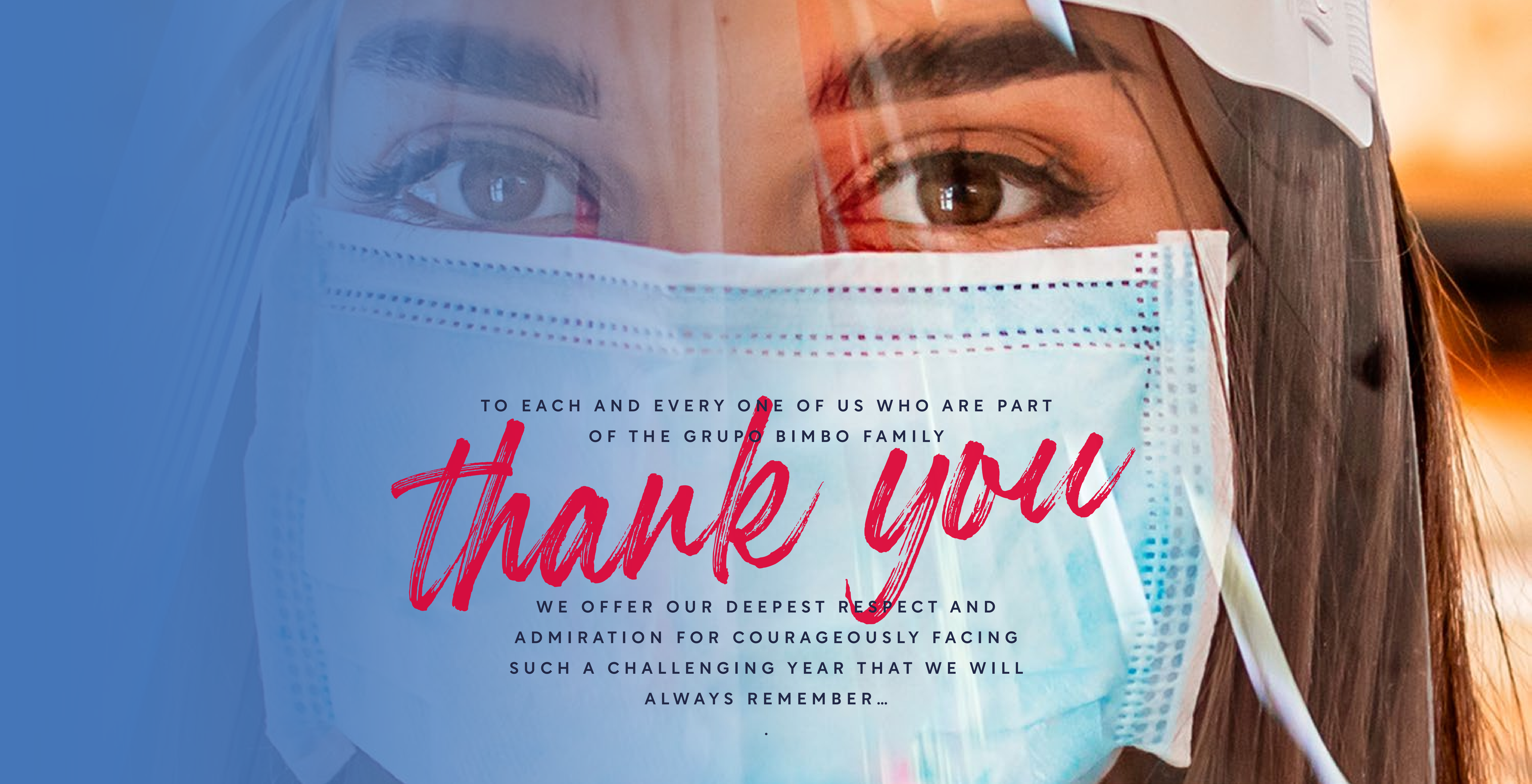

#challengeaccepted
to embrace change...
and continue working closer than ever before
~5K
ASSOCIATES WORK REMOTELY FROM HOME IN COMPLETE COORDINATION

#challengeaccepted

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 COREA
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%**

'19	$291,926
'20	$331,051

ADJUSTED EBITDA **+19.3%**

'19	$37,874
'20	$45,193

NET MAJORITY INCOME **+44.2%**

'19	$6,319
'20	$9,111

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 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.

2020 WAS A HISTORIC YEAR:

- 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 worldwide 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

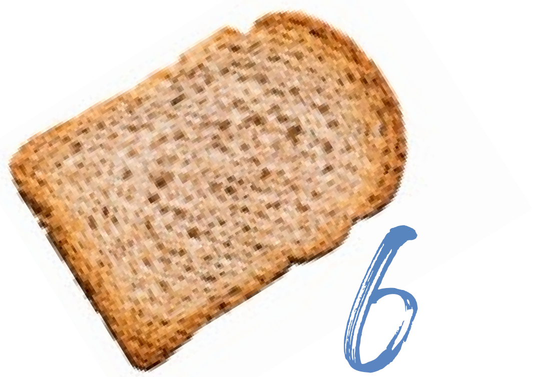

1 SLICED BREAD


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

+US$1Bn

- Bimbo
- Marinela
- Barcel
- Sara Lee
- Oroweat
- Thomas'
- Entenmann's

+US$500M

- Takis

+US$250M

- Ricolino
- Bimbo Pan Artesano
- Tía Rosa
- Ball Park Buns & Rolls
- Dempster's Bakery

+US$100M

- Mrs Baird's
- POM 1890
- Ideal
- Vachon
- 曼可顿 Manhattan
- Wonder
- Villaggio
- Pullman
- Donuts

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.

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

Supply Chain

(GRI 102-9)

WE PURSUE CONSTANT INNOVATION BY INCLUDING NEW TECHNOLOGIES

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)

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

#challengeaccepted

to contribute to reinforce the health and wellness *of our consumers and associates*

AT GRUPO BIMBO, THE HEALTH AND WELLNESS STRATEGY IS BASED ON THREE FUNDAMENTAL PILLARS:

1.BETTER RECIPES

2.HEALTHY PRODUCT PORTFOLIO

3. GLOBAL ACTIONS IN HEALTH AND WELLNESS

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

17 PARTNERSHIPS FOR THE GOALS

nourishing a better world

1. BETTER
recipes

Nutritional Guidelines

With the commitment of offering superior nutritional quality products that meet the needs and lifestyles of our consumers, we implemented our fundamental nutritional guidelines with the following principles:

A PRODUCT CATEGORIES

B CONSUMER PATTERNS

C TARGET CONSUMER

D DIETARY RECOMMENDATIONS

WE ENSURE GLOBAL COMPLIANCE AND EXECUTION OF OUR NUTRITIONAL GUIDELINES*

Our product portfolio is classified in daily and occasional consumer products that take into account consumer patterns, focusing on the needs of our target consumers and their dietary recommendations.

CONSUMPTION	CATEGORIES
DAILY As part of the principal meals	BREAD, BUNS, FLATBREAD
OCCASIONAL Between meals or special occasions (approximately 3 times per week)	SALTY SNACKS, BREADSTICKS, CONFECTIONERY, SWEET BAKED GOODS

*For further information on our internal nutritional guidelines, please visit: https//www.nutriciongrupobimbo.com/mexico/es/alimentamos_un_mundo_mejor

nutritional quality is our commitment

NUTRITIONAL PROFILE

(GRI FP4, FP6, FP7)

At Grupo Bimbo we have focused our actions on enhancing the nutritional profile of our product portfolio, especially for those products that are, due to eating habits, part of the daily diet. The purpose is to offer products that are part of the correct, affordable and better diet for everyone

Different studies have confirmed deficiencies in the consumption of whole grains, fiber, plant-based food, legumes, seeds, vitamins and minerals in the diets of both children and adults. Such deficiencies can have an impact on the correct physical development. Therefore, we have implemented various technological solutions through the work of multidisciplinary teams, as well as action plans to increase the content of the valuable nutrients in our products.

IN 2020 WE REACHED A GLOBAL COMPLIANCE OF

93%

AS PER OUR COMMITMENT OF REACHING 100% BY 2023, REGARDING THE MA XIMUM RECOMMENDED LIMITS OF CRITICAL NUTRIENTS (ADDED SUGARS, SATURATED FATS, TRANS FATS, AND SODIUM) IN OUR DAILY-CONSUMPTION PRODUCTS*

We promote enhanced nutritional profiles by adding new plant-based ingredients and reinforcing the consumption of whole grains, fiber, vitamins, minerals and seeds, among others.

PERCENTAGE OF OUR DAILY-CONSUMPTION PORTFOLIO THAT MEETS THE ESTABLISHED CRITERIA:

100% PROTEIN

98% FIBER

GLOBAL PERCENTAGE COMPLIANCE WITH LIMITS ESTABLISHED FOR CRITICAL NUTRIMENTS IN OUR PRODUCTS:

99% ADDED SUGARS

99% TRANS FATS

99% SATURATED FATS

97% SODIUM

more nutrients and less ingredients

CLEAN LABELING

(GRI 417-1)

Our consumer currently seeks products that honor the promise of being simple, transparent and with a story to tell; products aligned to values that adapt to enhanced lifestyles.

It is with this purpose in mind that **we have established commitments and goals to enhance the quality of our recipes**, with fewer ingredients that our consumers can understand and we have eliminated those that are questioned by stakeholder groups.

AS A RESULT OF THESE EFFORTS, WE HAVE ELIMINATED HIGH-FRUCTOSE CORN SYRUP, PARTIALLY HYDROGENATED OIL S AND FATS, AMONG OTHERS, AT A GLOBAL LEVEL.

99%

OF OUR GLOBALPORTFOLIO OF DAILY-CONSUMPTION PRODUCTS AND

91%

OF OCCASIONAL-CONSUMPTION PRODUCTS, HAVE ELIMINATED SUCH INGREDIENTS FROM THEIR RECIPES.

The challenges ahead are important and we are committed to working together with our technical teams and our suppliers to overcome them.

AT BIMBO MEXICO WE ENFORCED THE NEW LABELING REGULATIONS AS PER THE NOM -051 -SCFI/SSA1 -2010 STANDARD, APPLICABLE TO PREPACKAGED FOOD AND NON -ALCOHOLIC BEVERAGES – COMMERCIAL AND HEALTH INFORMATION.

fully complying with all global and local policies

Global Labeling Policy

(GRI 417-1)

At Grupo Bimbo we are committed to the transparency of our products and their content. Through additional and better information, we seek to empower our consumers so they may incorporate healthier diets by making better choices.

With this in mind, we have implemented a policy on nutritional labeling at a global basis, that will support our promise to offer transparent information about the nutritional quality of our product portfolio.

Our nutritional labeling policy considers the following points:

Full compliance with local legislation on nutritional labeling. In the countries where labeling regulations do not exist and where Grupo Bimbo is present, international regulations (eg. Codex Alimentarius) and/or best practices enforced by the countries where Grupo Bimbo operates, must be followed.

In addition to the mandatory nutritional information, the following information must be included in all our products: data per serving of energy content, carbohydrates, total sugars, proteins, total fats, saturated fats, trans fatty acids, dietary fiber, sodium and any nutrients on which is made any claim. In case the above is not possible due to limited space in the packaging, it should be ensured that this information reaches our consumers through other channels.

In addition to basic nutritional information on all our products, a simple and comprehensible nutritional front label must be used as per the following: Regulations must be strictly followed in countries where an official regulatory framework is available.

In case of lack of official regulations, a scheme based on Guideline Daily Amount (GDA) per serving size must be followed.

In both cases, when regulations allow, the usefulness of the recommended serving size should be underscored as important tool for guidance on balanced diets of consumers.

Having sound scientific foundations for all claims on healthy properties.

Full compliance with local regulations on recommended serving sizes. In countries with lack of a clearly defined regulatory framework, guidelines will be established internally for the appropriate consumption of serving sizes.

helping our consumers make informed decisions

Clear and transparent nutrition information

(GRI 417-1)

Nutritional information is an important tool to communicate the role and impact that nourishment plays in our daily diet.

One of the advantages of prepackaged food is that such information is on the package. That helps consumers make the best choice out of the options available.

In all the countries where we operate, we seek compliance with the minimum nutritional information on the packages when space permits.

99%

OF OUR PRODUCTS COMPLY GLOBALLY WITH OUR LABELING COMMITMENTS AT THE BACK OF THE PACKAGE

We incorporated simplified nutrition labeling on the front of our packages. **It is our priority to comply with all official norms in the countries where we operate.** In countries where there are no regulations, we implemented Daily Nourishment Guidelines showing information about the nutritional content of products in the setting of a daily diet and its reference values.

95%

OF OUR PRODUCTS GLOBALLY COMPLY WITH OUR LABELING COMMITMENTS ON THE FRONT OF THE PACKAGE[2]

[2] Operations in Morocco and in India are not include and Canada is included for the first time.

living by quality as a commitment

Promoting a culture of quality

(GRI 416-1, FP5)

We provide safe products and services that guarantee customer and consumer satisfaction, and even exceed their expectations.

We have a Global Quality Policy that sets out the responsibilities of the Company and its leaders, as well as the quality strategy applicable to all administrative and productive processes throughout the entire value chain[1].

With our quality strategy in place, we aim at having all our operations certified under a system recognized by GFSI (Global Food Safety Initiative).

WE HAVE

171

CERTIFIED PLANTS, MEANING THAT:

95%

OF OUR PRODUCTS ARE MADE IN CERTIFIED FACILITES[2]

[1] Percentage not reported for significant product categories.
[2] *Morocco, Switzerland and Kazakhstan not included because Grupo Bimbo is a minority shareholder.

driving initiatives on health and wellness

2. HEALTHY PRODUCT portfolio

(GRI FP7)

In order to meet our purpose of continued innovation in Health and Wellness products, we consider the needs of our consumers as top priority and we offer them a portfolio of healthy options of daily and occasional consumption products.

In keeping with our objective of significantly increasing our activities in Health and Wellness, this year we were able to accomplish a sixfold increase in our initiatives, as compared to 2019, therefore:

77

HEALTH AND WELLNESS INITIATIVES WERE LAUNCHED IN 2020

OROWEAT ORGANICS FOR KIDS, THE FIRST ORGANIC BREAD HAVING CHILDREN AS THE TARGET AUDIENCE

Daily consumption product portfolio

Oroweat, as our flagship brand for health and wellness, achieved consolidation in the Organics segment by obtaining 10% market share in the American market.

Oroweat Organics for Kids, branded as Arnold in the east coast, **stands out as one of the most important innovations of the year. It is an important source of vitamins A, D, and E, in addition to being a plant-based product.**

Moreover, Oroweat Organics had a significant expansion into the Canadian market. Its September launch **exceeded the sales plan by 60%**.

the best recipes within the reach of all

NATURAL BREAD HAS REACHED

+600K

HOMES THROUGHOUT MEXICO

Another important milestone in the bread category was the launch of **Natural bread in Mexico; with only 7 ingredients,** it is a concept developed in Spain, that today is part of the portfolio of other Grupo Bimbo operations.

The goal of this product for 2021 is to leverage the consumption trend of labels promoting **more nutrients and less ingredients.**

Likewise, in 2020, the crust-less 100% natural bread consolidated in Spain, thus **increasing our new buyer base by 53%.**

SILUETA BREAD, A PRODUCT THAT FOCUSES ON DIGESTIVE HEALTH, CONTAINING 30% MORE FIBER

promoting better diets

Sugar and fat free whole wheat bread was successfully launched in China, packaged in individual slices.

On the other hand, Vital, another flagship in the Health and Wellness product portfolio, had had considerable impact in Latin America.

IN COLOMBIA AND COSTA RICA

THE 100 % NATUR AL LINE GREW

+21%

IN SALES VS. 2019.

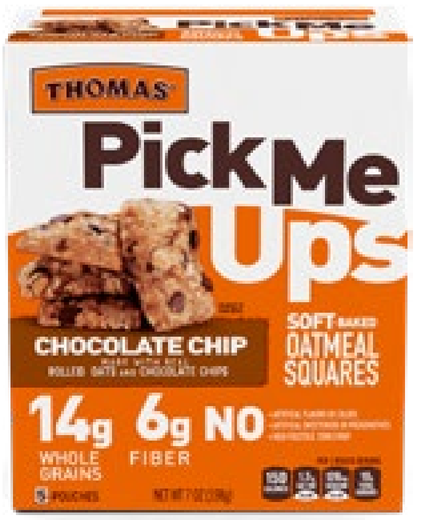
IN URUGUAY, ITS MARKET

SHARE GREW TO

58%

Occasional consumption product portfolio

The launch of Pick Me Ups in Bimbo Bakeries USA accounted for a Brand stretching of Thomas, a brand with an important legacy in the region; with its inclusion in the granola bar category it **increased its buyer base by 47%, with a repeat buy rate of 23%.**



PICK ME UPS, 14 GRAMS OF WHOLE GRAINS AND 6 GRAMS OF FIBER, FREE FROM ARTIFICIAL COLORS OR FLAVORS

SANISSIMO, ANOTHER ICONIC BRAND IN HEALTH AND WELLNESS, WHICH ACHIEVED

+33%

OF GROWTH VS. 2019, GLOBALLY, AND IS NOW IN PARAGUAY, ARGENTINA AND THE UNITED KINGDOM

In Peru we launched new varieties, such as Salmas 5 Grains and we entered new categories like Rice Cookies. These initiatives generated:

+145%

GROWTH AS COMPARED TO 2019

In Colombia, we launched **Rosquitas Sanissimo, a baked snack with yucca flour, having less than 100 calories per serving size, which is free of gluten, artificial preservatives and flavors.**

In Mexico, we relaunched baked **Totopos, gluten-free and low-fat content, and without artificial preservatives;** growth achieved was 520% vs. 2019.

Finally, in the confectionary category, **Kicao underwent considerable expansion in the Mexican market with 350% growth vs. 2029**, broadening its scope in eCommerce in the US.

3.GLOBAL ACTIONS IN
health & wellness

(GRI FP4)

promoting physical activity

Healthy lifestyles

GLOBAL ENERGY RACE

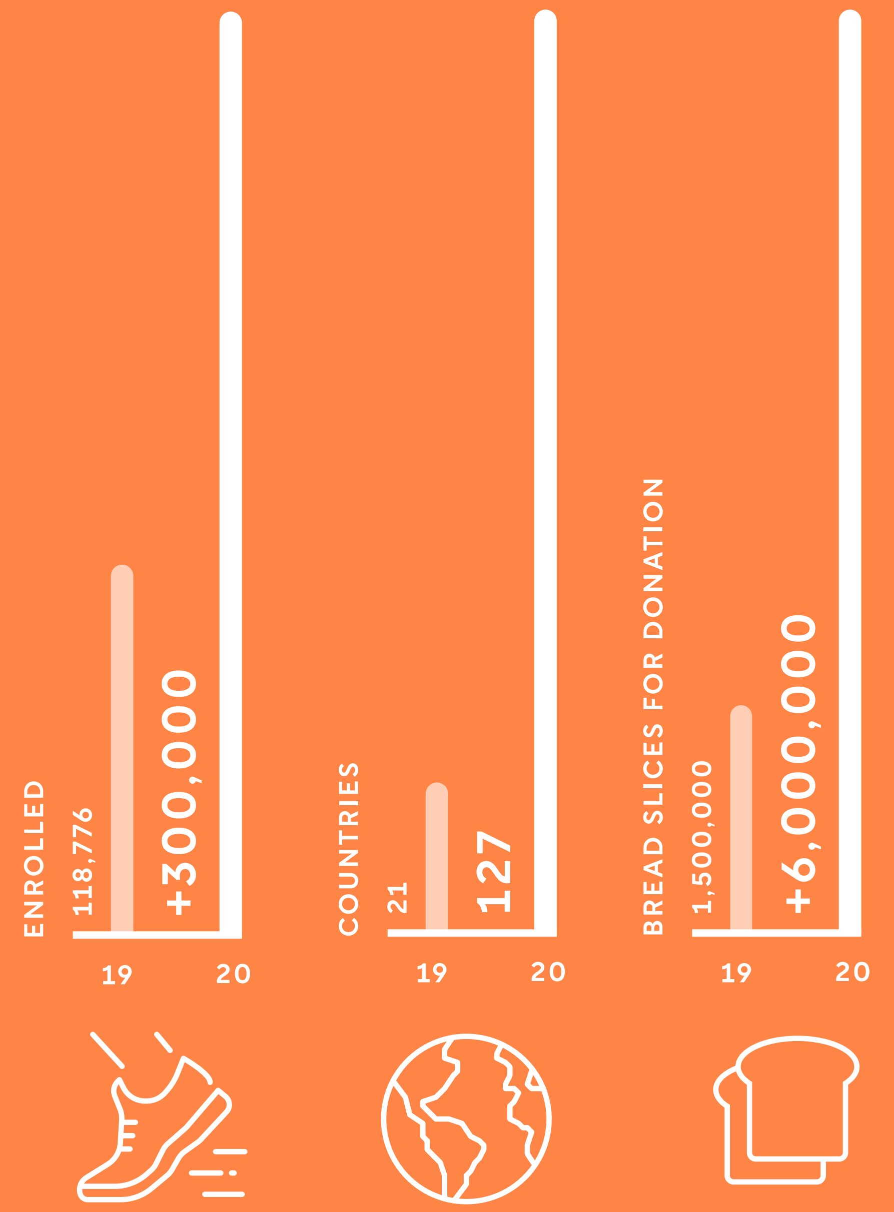
The 2020 edition of the race, in response to the health contingency caused by a worldwide pandemic, consisted of a virtual race in **127 countries and with 300,000 runners**. A donation of 20 slices of bread to local food banks was made for each runner enrolled. It accounts for **largest bread donation in the history of the world**, amounting to over 6 million bread slices donated.

Thanks to the donation made by Grupo Bimbo in Mexico City, we received the **world record of the largest bread donation in history (24,480 kg)**, validated and quantified by experts in the field, giving us this certification.

Virtual Global Energy Race BIMBO 2020

23

BENEFITED ASSOCIATIONS



FUTBOLITO BIMBO 2020

Stemming from the COVID-19 health contingency beginning in March, and in keeping with safety recommendations, Grupo Bimbo **decided to hold its Futbolito Bimbo tournament virtually**, using two platforms known by the public who participated in the tournament:

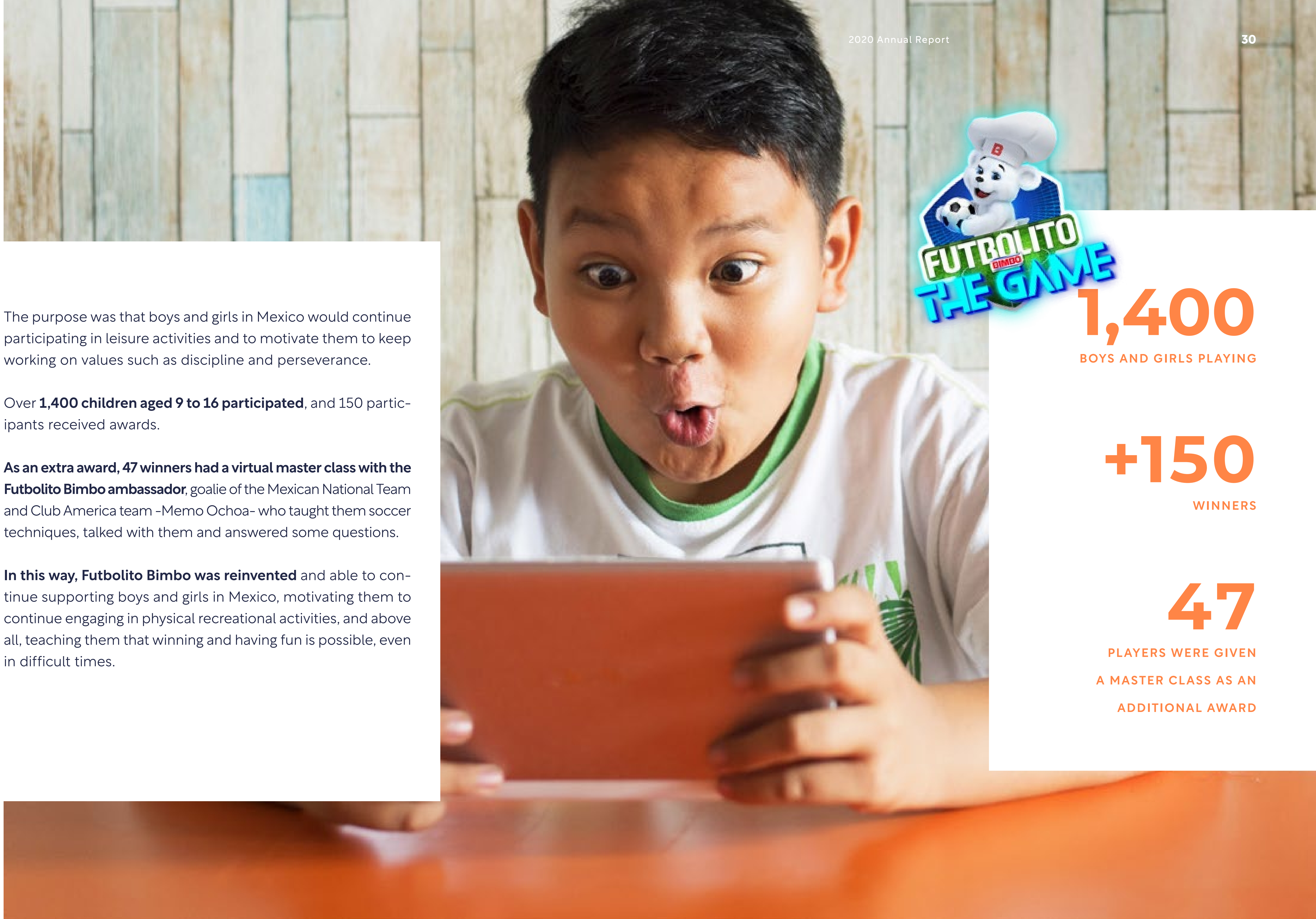
- A VIDEO GAME TOURNAMENT ON THE PRO EVOLUTION SOCCER® APP
- A TOURNAMENT FULL OF SPORT CHALLENGES ON THE OFFICIAL FUTBOLITO BIMBO FACEBOOK FAN PAGE

The purpose was that boys and girls in Mexico would continue participating in leisure activities and to motivate them to keep working on values such as discipline and perseverance.

Over **1,400 children aged 9 to 16 participated**, and 150 participants received awards.

As an extra award, 47 winners had a virtual master class with the Futbolito Bimbo ambassador, goalie of the Mexican National Team and Club America team -Memo Ochoa- who taught them soccer techniques, talked with them and answered some questions.

In this way, Futbolito Bimbo was reinvented and able to continue supporting boys and girls in Mexico, motivating them to continue engaging in physical recreational activities, and above all, teaching them that winning and having fun is possible, even in difficult times.



1,400
BOYS AND GIRLS PLAYING

+150
WINNERS

47
PLAYERS WERE GIVEN A MASTER CLASS AS AN ADDITIONAL AWARD

communicating with honesty

Responsible marketing

(GRI FP8)
Building a sustainable, highly productive, and deeply humane company also means establishing constant, honest, and responsible communication with our consumers.

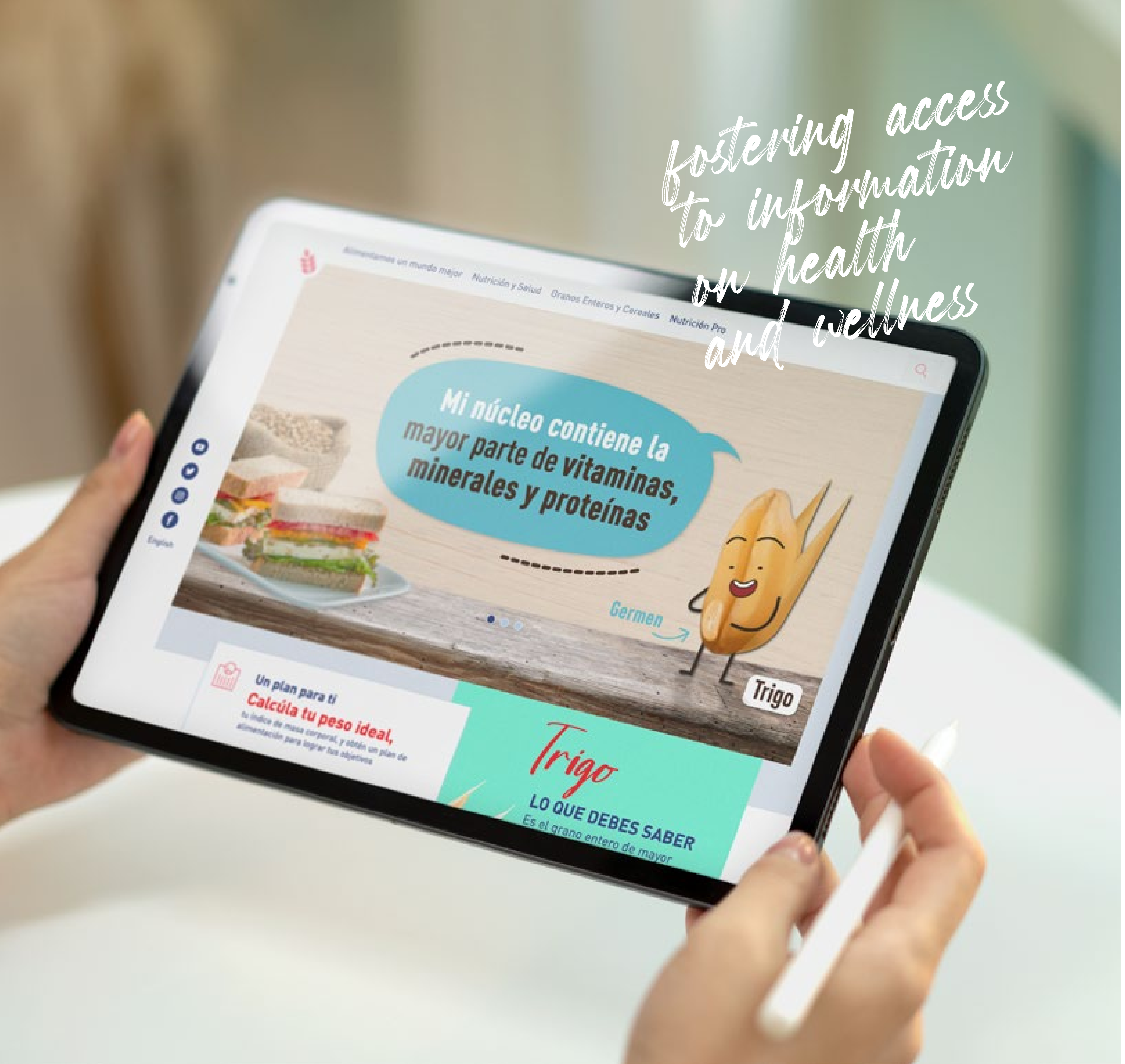
Therefore, we continue working hand-in-hand with the WFA (World Federation of Advertisers) to launch IFBA M2K and **honor the agreements on advertisement for children under the age of 13.**

Our internal pledge and the IFBA (International Food and Beverage Alliance) continue guiding us to **keep encouraging healthy lifestyles through our marketing activities.**

We are **developing an internal policy to regulate responsible sponsorships of influencers in contact with our consumers**. We will develop certain brand communication guidelines that will drive a diversity and inclusion-based approach in line with the current context of our society.

These initiatives will help us develop better advertising actions aligned to our Global Policy on Communication and Advertising for children, and to the document entitled "This is How we do marketing", which is updated every year.

For further information, go to:
https://grupobimbo-com-custom01-assets.s3.amazonaws.com/s3fs-public/Grupo-Bimbo-PGB-MK-02-This-is-how-we-do-Marketing_0.pdf



Education for consumers in health and nutrition

(GRI FP8)

Promoting the adoption of a healthy lifestyle through digital platforms such as our website "nutriciongrupobimbo.com" and social media like Facebook and Instagram so consumers and health professionals can have access to general information about the importance of whole grains, diet plans, recipes, and general topics related to health and wellness.

WE HAVE ACHIEVED

+580K

INTERACTIONS IN FACEBOOK SHARING SIMPLE AND APPEALING EDUCATIONAL MATERIAL FOR OUR CONSUMERS

Medical consultation with health professionals

(GRI FP4)

In the last 3 years we have delivered nutrition talks on nutrition and healthy lifestyle at medical centers and hospitals in Mexico, including our associates and with an outreach of more than 3,000 participants.

WE CONDUCTED

+55K

MEDICAL CONSULTATIONS WITH HEALTH PROFESSIONALS, PHYSICIANS AS WELL AS NUTRITIONISTS

Alliances

(GRI FP4, 102-13)

We continued supporting the 2nd edition of the initiative "México Ponte Bien" (Mexico Get in Shape) driven by the efforts of the Collaboration for Healthier Lives coalition of The Consumer Goods Forum; a collaborative project that groups production and retail companies, **whose purpose is to contribute, in a simple and direct manner, to a healthier lifestyle**. The initiative consists of three theme topics: nutrition education, physical activity, and hygiene habits.

With the purpose of reaching more people at home, in 2020 **adjustments were made to the initiative to deploy it digitally via social media** and a website was developed with images and content related to the following topics:

Nutrition Education

Recommendations for a balanced and healthy diet, as well as tips for preparing simple, healthy, and affordable meals.

Physical Activity

Messages about the importance of remaining active, with sample exercises adapted the new normality, and other suggestions for protecting the physical and mental health through exercise.

Hygienic Habits

By following official recommendations, we disseminated messages on personal and household hygiene.

Consequently, via social media and the website: www.mexicopontebien.com

+500K

PEOPLE IMPACTED

+200

MESSAGES ON NUTRITION, EXERCISE, AND HYGIENE

IN COLLABORATION WITH TECHNICAL AND SCIENTIFIC EXPERTS, RESEARCH INSTITUTES, AND DIFFERENT NGOS, WE MAINTAIN ALLIANCES TO DEVELOP COMPREHENSIVE ACTIONS THAT IMPROVE THE OPTIONS AVAILABLE TO OUR CONSUMERS.

CIMMYT (INTERNATIONAL CENTER FOR WHEAT AND MAIZE IMPROVEMENT)

Our alliance has enabled the creation of technical documents focused on the nutritional benefits of wheat and corn, and on environmental-friendly technology. The articles developed by CIMMYT scientists have allowed us to prepare educational material for our consumers.

ALAIAB (LATIN AMERICAN ALLIANCE OF ASSOCIATES FROM THE FOOD AND BEVERAGE INDUSTRY)

The alliance with ALAIAB has facilitated coordination with the food sector in Latin America, by exchanging knowledge of scientific and technical topics among the industry, government, and organizations for the benefit of consumers.

ATNI (ACCESS TO NUTRITION INDEX)

The methodology implemented by ATNI, has led to establishing new guidelines, commitments and practices in benefit of our consumers, helping them to adopt better lifestyles.

CIATEJ (CENTER FOR TECHNOLOGICAL AND ASSISTENCE AND DESIGN FOR THE STATE OF JALISCO)

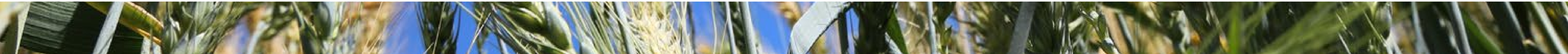
We established alliances with CIATEJ to conduct joint actions in research, development, and technology transfer.

ITESM (TECHNOLOGICAL INSTITUTE OF MONTERREY OF HIGHER LEARNING)

We implemented research for in-depth knowledge in new ingredients and technologies.

IFBA (INTERNATIONAL FOOD & BEVERAGE ALLIANCE)

In participating with IFBA, the goal is to motivate consumers worldwide to have balanced diets and healthy lifestyles, with special emphasis on reducing sodium, product innovations, access to nutrition-related information, responsible marketing practices, and promoting healthy lifestyles.




#challengeaccepted
to impact the life
of all those around us
+6,000
ASSOCIATES IN HEALTH RISK CONDITIONS WERE SENT TO THEIR HOMES
-22%
INJURIES VS. 2019, WHICH TRANSLATES TO A REDUCTION OF 599 CASES
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

OUR
associates

(GRI 102-7, 102-8)

We value the talent of our associates and we are convinced they are our most important asset. Therefore, at Grupo Bimbo we are committed to guaranteeing a safe workplace, one where there is an atmosphere of complete respect, trust, and inclusion; where everyone can develop their personal and professional potential in total harmony.

Therefore, in keeping with our philosophy of "Building a sustainable, highly productive, and deeply humane company" we focus on training leaders and associates committed to the values expressed in our objective of "Leading with superior safety and organizational health that aligns with continuous improvement."

As stated in our policies, it is the responsibility of each and every one of our work centers to hire their associates based on the required profile and consistent with the needs of their particular processes.

This is how we strive to offer all personnel fulfilling and productive work that can meet their expectations and abilities to contribute with that work to full development.

To achieve this, each year we analyze available labor data to understand how our Company performs in terms of personnel hiring, turnover and permanence, and thereby have reliable information on requirements for vacant positions and when to announce them.

Our sense of humaneness inspires us to recognize the dignity of people, value their talent, and accept their opinions and individuality as per the values in our Golden Rule: Respect, Fairness, Trust, and Care.

133,692
ASSOCIATES ON THE PAYROLL

<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD
27,058	84,890	21,744

MEN	107,451
WOMEN	26,241
FULL TIME	130,558
PART TIME	3,134

	MEXICO	NORTH AMERICA	LATIN AMERICA	EAA
	73,893	26,115	21,347	12,337
	55%	20%	16%	9%
MEN	60,767	20,771	16,688	9,225
WOMEN	13,126	5,344	4,659	3,112
FULL TIME	73,739	23,492	21,320	12,007
PART TIME	154	2,623	27	330

133,692 ASSOCIATES ON THE PAYROLL + **15,054** INDEPENDENT DISTRIBUTORS = **148,746** PEOPLE WORKING FOR GRUPO BIMBO

The data under "work shift" refers to the organization total, whereas for "Gender" it refers only to internal personnel.
*Further details are found under appendix 102-8.

SAFETY AND wellness

(403-1, 403-2, GRI FP4)

As part of Grupo Bimbo's commitment to safety and wellness, we strive to guarantee a risk-free workplace so as to ensure physical integrity and drive an improve quality of life for our associates.

To accomplish this, our work centers have Committees, Subcommittees and Commissions with associates from all levels and areas, and whose primary duties include:

- Implementing Safety and Wellness strategies and following up on all results.
- Risk analysis for timely detection and prevention.
- Monitoring general conduct to identify and correct unsafe behaviors.
- Determining causes and both corrective and preventive measures to be applied in the case of accidents, incidents, and fires.
- Providing information on prevention and health care, promoting the involvement of all associates as well as providing recognition for positive results.

This is all aligned with our policies, our safety and wellness model, and always in full compliance with the regulatory framework of each location.

We have implemented strategies focused on preventing accidents, physical and psycho-social risks, and promoting healthy habits among associates so as to enhance their well-being and quality of life. Thanks to this there has been a 22% reduction in the number of injuries and 8% less days lost due to disabling work injuries vs. that recorded for 2019; fortunately, there were no fatalities in 2020. Nevertheless, we continue working to achieve a culture of safety and to meet our goal of zero incidents.

the basics for having safety and wellness at work

1 ALL INJURIES CAN BE AVOIDED

2 WE HAVE THE OBLIGATION OF WORKING SAFELY

3 EVERYBODY IS RESPONSIBLE FOR THE SAFETY AND WELLNESS OF EVERYONE ELSE

4 TO BE A WORLDCLASS COMPANY, WE MUST HAVE EXEMPLARY PERFORMANCE IN SAFETY AND CONTINUOUS IMPROVEMENT IN OUR WELLNESS

5 WE ARE CAPABLE OF HAVING A WELL-BALANCED LIFE

100%

OF OUR WORK CENTERS OPERATE UNDER A SYSTEM OF SAFETY COMMITTEES AND SUB-COMMITTEES

(GRI 403-1)

To estimate incident rates, we only consider associates (those on the GB payroll) and not outsourced or third-party personnel because we have no control over their headcount, their turnover is constant, and the incident rate would be inaccurate. However, any incident classified as severe injury or fatality occurring to anyone outsourced or a contractor is investigated.

In the case of incidents occurring when the associate is either traveling to work from home, or directly home from work, they are neither counted in the GB records, nor are they reported to the Central Committee on Safety. This is because we have no control over risk conditions outside the work centers or over the behavior of our associates during their off time.

our safety and wellness model

1 LEADERSHIP

2 PEOPLE

3 PROCESSES

4 STRUCTURE

OBJECTIVES

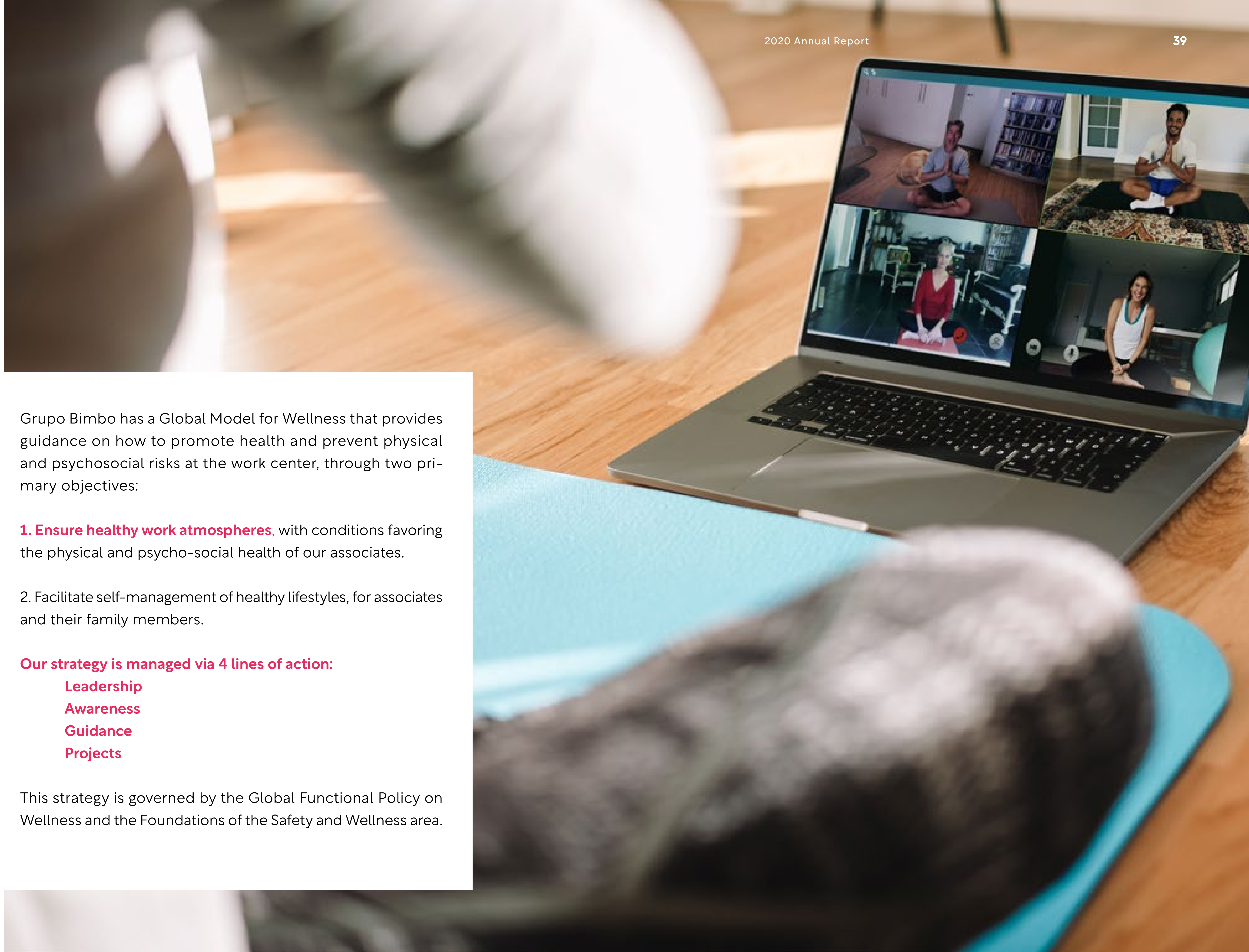
CONSOLIDATE A SAFETY & WELLNESS CULTURE

REVERSE THE INCIDENT TREND

SELF-MANAGE HEALTHY LIFESTYLES

WELLNESS MODEL AND PROMOTING HEALTHY lifestyles

(GRI FP4)



Grupo Bimbo has a Global Model for Wellness that provides guidance on how to promote health and prevent physical and psychosocial risks at the work center, through two primary objectives:

1. Ensure healthy work atmospheres, with conditions favoring the physical and psycho-social health of our associates.

2. Facilitate self-management of healthy lifestyles, for associates and their family members.

Our strategy is managed via 4 lines of action:

- **Leadership**
- **Awareness**
- **Guidance**
- **Projects**

This strategy is governed by the Global Functional Policy on Wellness and the Foundations of the Safety and Wellness area.

Achievements 2020

22%

LESS INJURIES THAN IN 2019, WHICH TRANSLATES TO A 599-REDUCTION IN INCIDENTS

-8%

DAYS LOST DUE TO DISABLING INJURIES

fostering health

PROMOTING BETTER DIETS AND PHYSICAL ACTIVITY, AND THE PREVENTION OF CHRONIC-DEGENERATIVE ILLNESSES

mental health

EMOTIONAL HEALTH HOTLINES FOR USE BY ASSOCIATES AND THEIR IMMEDIATE FAMILY MEMBERS

covid-19

GLOBAL STRATEGY FOR PREVENTION AND CONTROL IN ALL OUR WORK CENTERS

GBSafety

COMPUTER SYSTEM FOR SAFETY AND WELLNESS MANAGEMENT IN OPERATION IN 13 COUNTRIES

safety and wellness

IMPLEMENTATION OF THE MODEL IN NEW GB OPERATIONS THROUGHOUT EUROPE, ASIA, AND AFRICA our talent is key to drive development

TALENT
development

HAVING THE RIGHT PERSON, AT THE RIGHT MOMENT, IN THE RIGHT POSITION IS ONE OF THE KEY ELEMENTS TO GUARANTEE BUSINESS SUSTAINABILITY.

Talent management is crucial in a competitive and globalized market. Grupo Bimbo strives to turn it into a distinguishing element and a competitive advantage for the Company. Talent management is a powerful tool we foster so team leaders may use it, because of its key role in associates' motivation and talent retention.

The Talent Management process is the cornerstone for driving the development of our associates, which reflects our philosophy through our commitment to compensate their performance and develop their potential.

The three pillars that support talent management within Grupo Bimbo are:

1. **Performance**
2. **Leadership potential**
3. **Development**

At Grupo Bimbo we consider our associates as both the center and the axis of our philosophy and culture, which is why we have a Global Model to manage talent and through which we seek our associates' continuous development.

By getting to know and identifying high-performing associates who have the potential required for more challenging future leadership roles, will enable us to proactively, and properly manage talent in a timely manner. We encourage all leaders to participate in assuring business sustainability by managing talent correctly within their teams.

year after year we conduct performance evaluations

Evaluation

(GRI 404-3)
In order to monitor and measure professional development results and drive good labor relations, year after year we conduct a performance evaluation, which is based on preestablished criteria and prior knowledge of both the associate who evaluates as well as the associate being evaluated. Such evaluation is performed by the direct manager and, on occasion, can also involve the participation of other associates. Once the evaluation is completed, the direct manager calibrates the results along with the direct manger's peers and the indirect manager (the direct manager's own direct manger).

With the same purpose in mind, we have included in our global evaluation model, a feedback mechanism which we apply three times a year, and which fosters constant participation from our leaders towards talent management.

94,869
EVALUATED ASSOCIATES
71%

MEN	WOMEN
72%	70%
77,070	**17,799**

TALENT
development

(GRI 202-2)

THE PACTICE OF INCLUDING LOCAL EXECUTIVES IN THE DIFFERENT REGIONS HAS ENABLED US TO BETTER UNDERSTAND THE UNIQUE AND SPECIFIC NEEDS OF EACH LOCATION AND BE ABLE TO BETTER SERVE THEM

Driving local talent

As part of a talent development policy based on global mobility strategies, we undertook the task of identifying leaders with greater development potential to promote their careers expansion by assigning new professional challenges in different markets, thereby driving greater expertise, experience, and professional growth.

Likewise, we have policies aimed at promoting international movement, either temporary or permanent. In this way we seek to offer our associates opportunities by taking their talent to those operations that need them.

With an individual development plan we focus efforts on identifying outstanding talent and implementing development measures. These include succession planning for directors promoted by the Global VP for Talent and Development, together with the Global VPs involved.

209
91%
TOP MANAGEMENT IN GRUPO BIMBO THAT COME FROM THE LOCAL COMMUNITY

MEXICO	NORTH AMERICA
86	80
93%	99%
LATIN AMERICA	EAA
26	17
62%	88%

we seek to have the right talent in the right place

Definitions:

Top Management: Associates at VP level or higher
Local: Those executives born or with the legal right to permanently reside (naturalized citizens or holders of permanent visas) in the geographic market of the Organization for whom they work.
Locations with significant operations: Are those which have VP levels in their structure.

Turnover

(GRI 401-1)

Observing the flow of people is crucial to understanding the needs of our associates and the areas of improvement for Grupo Bimbo.

By using Turnover we help to identify if talent is being properly managed, thereby measuring the effectiveness of personnel retention; reducing recruitment costs; and having the right talent in the right place. This way we can ensure our competitiveness within the industry.

	TERMINATIONS	HIRES
MEXICO	10,347	13,075
NORTH AMERICA	4,542	6,002
LATIN AMERICA	3,665	5,706
EUROPE, ASIA AND AFRICA	3,354	10,520

TURNOVER INDEX FOR 2020

	AGE RANGE	GENDER		OVERALL TOTAL
		MALE	FEMALE	
Mexico	1 Under 30	19%	19%	19%
	2 Between 30 and 50	9%	11%	9%
	3 Over 50	9%	10%	9%
Total Mexico		**11%**	**14%**	**11%**
North America	1 Under 30	28%	30%	29%
	2 Between 30 and 50	15%	17%	15%
	3 Over 50	7%	10%	7%
Total North America		**14%**	**16%**	**14%**
Latin America	1 Under 30	18%	14%	17%
	2 Between 30 and 50	14%	13%	13%
	3 Over 50	8%	7%	8%
	4 Not specified	100%	0%	100%
Total Latin America		**14%**	**13%**	**14%**
Europe, Asia and Africa	1 Under 30	31%	8%	28%
	2 Between 30 and 50	12%	8%	11%
	3 Over 50	4%	5%	4%
	4 Not specified	0%	0%	0%
Total Europe, Asia and Africa		**18%**	**7%**	**15%**
OVERALL TOTAL		13%	13%	13%

SUPPLEMENTARY INFORMATION

Training

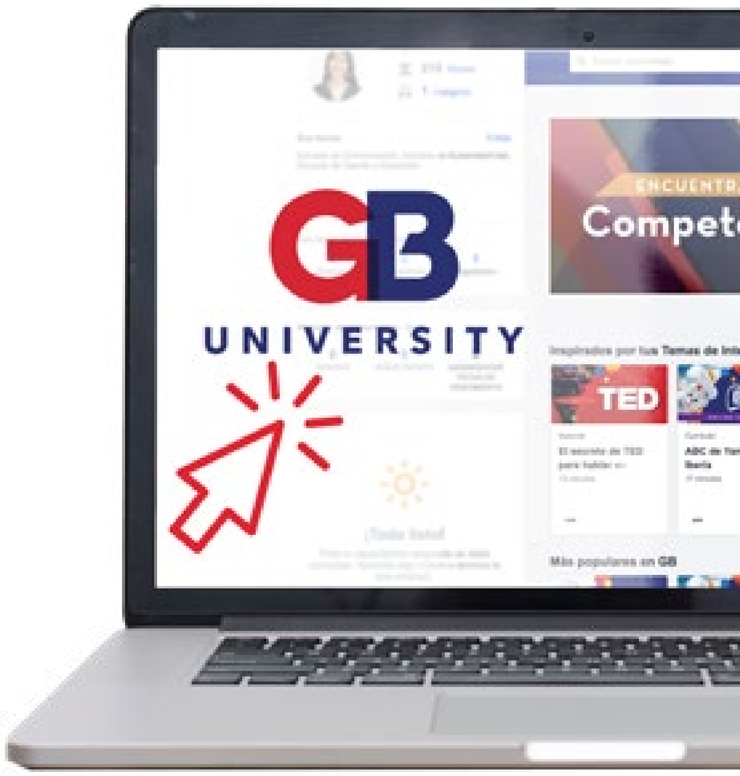
(GRI 404-1, 404-2)

At Grupo Bimbo we have ongoing training programs that focus on institutional subjects and content as per the profile and level of responsibility of all our associates, who from the first year continuously receive technical courses and training.

To achieve this, our internal teaching platform -GB University- is promoted by supervisors and those in charge of Development in each organization, aware that training is one of our fundamental pillars.

Along these same lines and with the purpose of reiterating our commitment to drive associate development, we disseminate and follow through on the global courses, in-class training, and the annual development plan through Development managers and our GB University Committee.

In light of the new reality, GB has adapted programs and technological platforms to serve and remain at the forefront of education and training subjects.



ALL OUR ASSOCIATES CONTINUOUSLY RECEIVE TRAINING COURSES AS OF THEIR FIRST YEAR

1,692,064

HOURS OF TRAINING

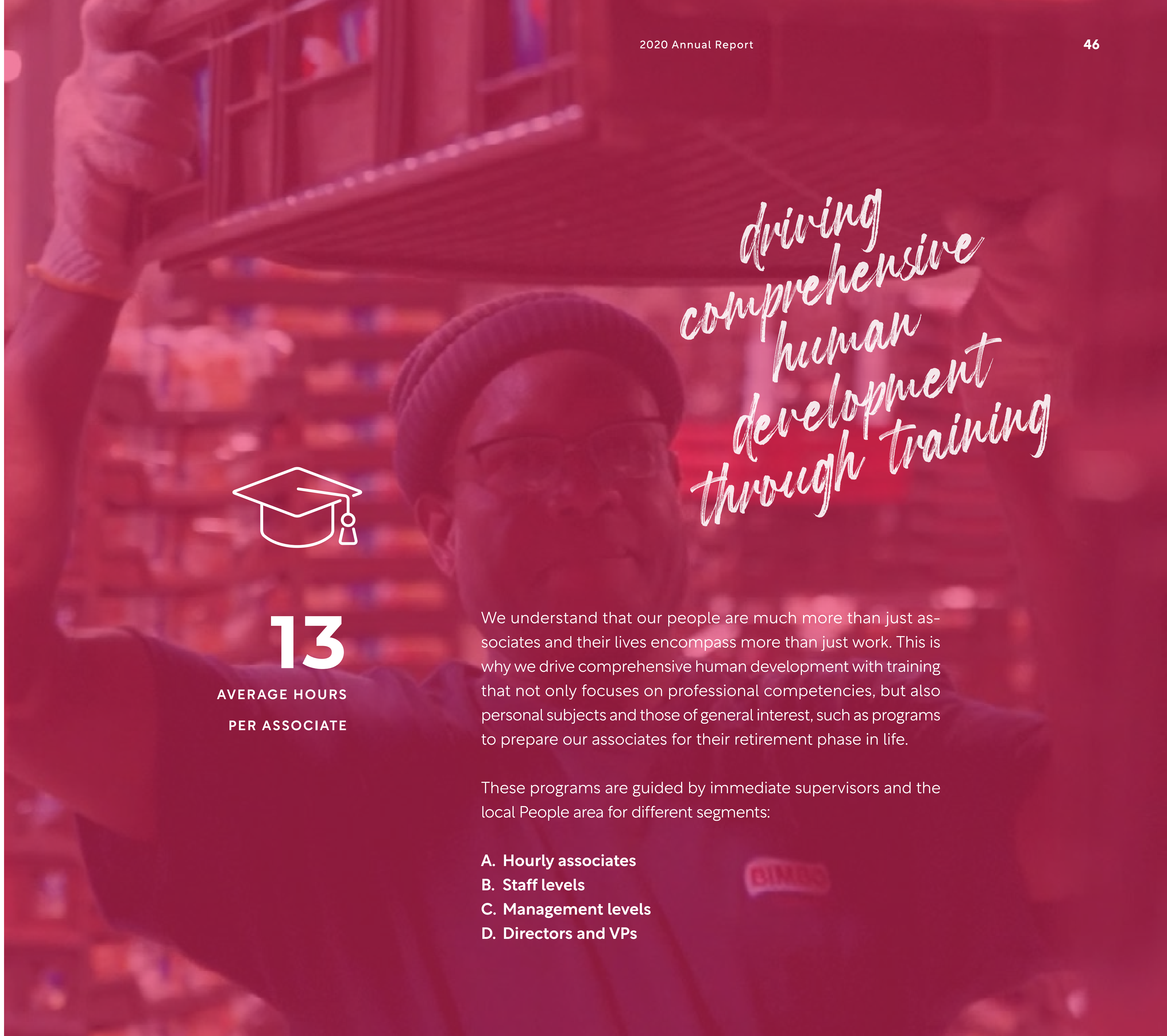
MEN
1,269,422

WOMEN
422,642

TOTAL HOURS (HR)

HOURLY AND SALARIED STAFF	SUPERVISORS	DIRECTORS AND VPS
994,954	561,873	135,237
733,684 ♂	441,741 ♂	93,997 ♂
261,269 ♀	120,132 ♀	41,240 ♀

* Hrs of training for active associates, at the close of 2020.
Further information is found in appendix 404-1.



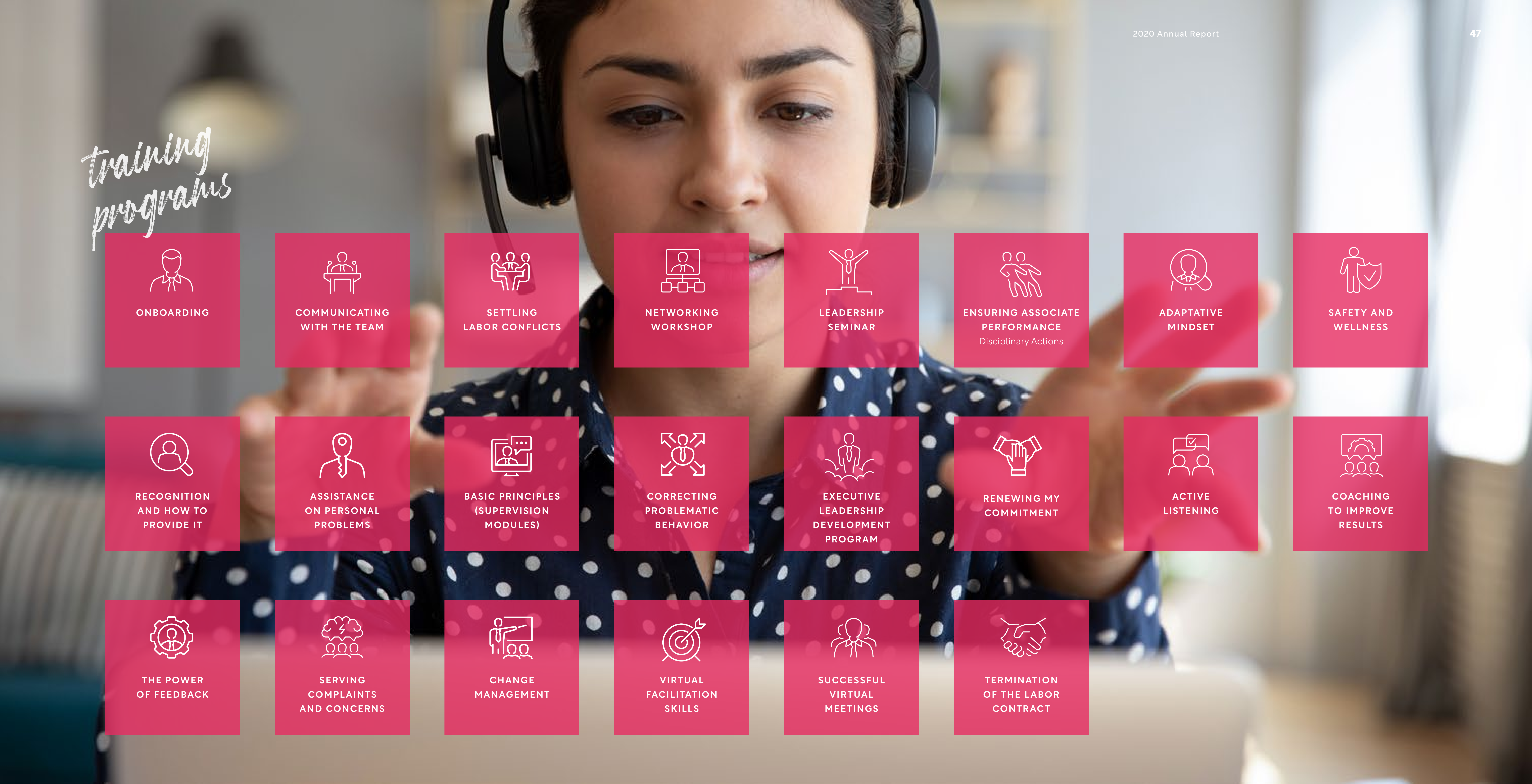
driving comprehensive human development through training

13
AVERAGE HOURS PER ASSOCIATE

We understand that our people are much more than just associates and their lives encompass more than just work. This is why we drive comprehensive human development with training that not only focuses on professional competencies, but also personal subjects and those of general interest, such as programs to prepare our associates for their retirement phase in life.

These programs are guided by immediate supervisors and the local People area for different segments:

A. **Hourly associates**
B. **Staff levels**
C. **Management levels**
D. **Directors and VPs**



training programs

- ONBOARDING
- COMMUNICATING WITH THE TEAM
- SETTLING LABOR CONFLICTS
- NETWORKING WORKSHOP
- LEADERSHIP SEMINAR
- ENSURING ASSOCIATE PERFORMANCE
  Disciplinary Actions
- ADAPTATIVE MINDSET
- SAFETY AND WELLNESS
- RECOGNITION AND HOW TO PROVIDE IT
- ASSISTANCE ON PERSONAL PROBLEMS
- BASIC PRINCIPLES (SUPERVISION MODULES)
- CORRECTING PROBLEMATIC BEHAVIOR
- EXECUTIVE LEADERSHIP DEVELOPMENT PROGRAM
- RENEWING MY COMMITMENT
- ACTIVE LISTENING
- COACHING TO IMPROVE RESULTS
- THE POWER OF FEEDBACK
- SERVING COMPLAINTS AND CONCERNS
- CHANGE MANAGEMENT
- VIRTUAL FACILITATION SKILLS
- SUCCESSFUL VIRTUAL MEETINGS
- TERMINATION OF THE LABOR CONTRACT

COMMITMENT TO
our people

Grupo Bimbo, in coordination with the Mercer consultancy firm, designed a survey to measure associate perception regarding different aspects of organizational health.

Despite the pandemic, global participation was extraordinary, achieving responses from slightly more than 89,000 associates. The results state that the majority of our people have a better perception than that recorded after the previous survey. Moreover, Company culture is reported as being positive, with descriptions such as “a well-managed company” or “more than just a place where I work, a place I care about.”

The purpose of measurements such as these is to have first-hand knowledge on what our people perceive regarding engagement level, motivation, and leadership, among others, thereby enabling the Company to create strategies that lead to ongoing improvement in processes and associate commitment, thus being able to meet organizational objectives.

89,242

ASSOCIATES SURVEYED

“more than just a place where I work, a place I care about”

model for total compensation

1 REMUNERATION

2 BENEFITS

3 CAREER

4 WORK-LIFE BALANCE

Compensation

(GRI 102-37, 102-39, 202-1, 404-2)

An important part of work, in addition to the professional satisfactions and development opportunities it can offer, is fair and competitive remuneration. With this in mind and our commitment to offer a better quality of life to our associates, we are aligned with the Compensation Policy, which is based on a model of total rewards.

In 2020 we continued with the Compensation Course for Leaders, which focuses on Spanish and English-speaking executives. It seeks to provide tools and know-how to help them in managing compensation for their teams.

WE ARE COMMITTED TO OFFERING A BETTER QUALITY OF LIFE FOR OUR ASSOCIATES

RATIO BETWEEN STARTING SALARY AND LOCAL MINIMUM WAGE

(GRI 2019-2020/ 202-1, 102-39)

	EXPRESSED IN USD			LOCAL CURRENCY		
	Country's minimum wage	GB minimum wage	% of variation	Exchange rate FEB 1, 2021	Country's minimum wage*	GB minimum wage**
Mexico						
Bimbo	206.72	407.56	197%	20.56	4,251.00	8,381.07
Barcel	206.72	341.59	165%	20.56	4,251.00	7,024.41
Ricolino	206.72	318.58	154%	20.56	4,251.00	6,551.40
El Globo	206.72	256.12	124%	20.56	4,251.00	5,266.80
Corporate	206.72	619.28	300%	20.56	4,251.00	12,735.00
Moldex	206.72	302.13	146%	20.56	4,251.00	6,213.03
United States	1,256.67	2,349.83	187%	1.00	1,256.67	2,349.83
Canada Bread	1,783.03	2,206.21	124%	0.78	2,278.66	2,819.48
United Kingdom	1,941.43	2,003.77	103%	1.37	1,417.22	1,462.73
Bimbo QSR	918.41	1,213.31	132%	-	-	-
Latin Centro	352.48	369.67	105%	-	-	-
Latin Sur	337.19	565.52	168%	-	-	-
Brazil	201.41	282.78	140%	5.46	1,100.00	1,544.40
Iberia	1,076.00	1,215.81	113%	1.21	886.67	1,001.88
Morocco	315.20	315.20	100%	0.11	2,828.71	2,828.71
China	342.21	430.87	126%	0.16	2,200.00	2,770.00
TOTAL AVERAGE	**610.27**	**824.89**	**135%**			

Numbers are expressed as monthly base salary in USD, with the exchange rate at Feb. 1, 2020. Source of exchange rate: https://www.oanda.com/lang/es/currency/converter/

Kazakhstan is not considered under Bimbo QSR or India, as its operations are currently undergoing the integration process with Grupo Bimbo.

* Salary ratio for initial category is the same for either gender. There is no distinction due to gender.

** Considers the domestic monthly average wage (country) for the lowest operating position in GB operations.

At Grupo Bimbo wages are equal to or above the minimum wage for each country, always in strict compliance with guidelines set forth by the corresponding legislation in each market where we operate.

Increases in annual total compensation throughout an entire year, from January to December

Total annual compensation takes into account what is earned annually in: base wages, guaranteed compensation, incentives, commissions, and short and long-term bonuses. For quantification in Mexico and Colombia, compensation factors as per each position level will be applied.

Country	Organization	Ratio of percentage increase in total annual compensation*
Colombia	Latin Centro	1.0
Chile	Latin Sur	1.4
Canada	Bimbo Canada	1.0
Mexico	Bimbo Mexico	0.9
Spain	Iberia	0.7
Brazil	Bimbo Brazil	0.7
United States	Bimbo Bakeries USA	1.2

*Ratio of increase percentage in total annual compensation for associates with the highest income in each operating country with significant operations vs. the mean percentage increase in in total annual compensation for the remainder of the associates (not including the associate with the highest income).

The number of times that the associate with the highest income had an increase in percentage of total annual compensation vs. the mean percentage of total annual compensation for the remainder of the associates.

Criteria used: The effective date for base salary is December 2020.

Information presented is regarding the 7 countries with the most significant operation in terms of sales amount for 2020 and the number of non-operations associates.

Considered in the calculation: Full-time non-operations associates, excluding part time, specific project and international assignee associates; associates filling regional positions in the countries considered; and those associates excluded from annual increases due to having been promoted, or because they are newly hired.

Compensation policy

In keeping with our policy, we have designed a compensation plan for our associates, which remains currently effective and competitive. Likewise, we supervise employment and hiring conditions of our suppliers, as well as fringe benefits offered, ensuring they are similar to those of our Company.

BENEFITS FOR FULL TIME ASSOCIATES, WHICH ARE NOT GIVEN TO PART TIME OR TEMPORARY ASSOCIATES

(GRI 401-2)

	FULL TIME	PART TIME	TEMPORARY
STOCK OPTIONS **LEVELS: DIRECTORS AND VPS** Brazil, Canada, China, Iberia, LAC, LAS, Mexico, UK, and USA.	●		
ASSIGNED AUTOMOBILE **LEVELS: MANAGERS AND/OR DIRECTORS AND/OR VPS** Canada, Colombia, Guatemala, Honduras, Iberia, LAS, Mexico, Nicaragua, Panama, UK, USA, Venezuela, Brazil, El Salvador, Costa Rica, and Morocco.	●		
MATERNITY OR PATERNITY LEAVE Mexico, Canada, Iberia, LAS, LAC, UK, USA, Brazil, China, Morocco, BQ, and EMEA. Offered to part time associates only in Iberia, UK, USA, Canada, Russia, France, Italy, Ukraine, and Turkey. Offered to temporary associates only in Iberia, UK, France, Italy, Russia, Ukraine, and Turkey.	●	●	●
ANNUAL PERFORMANCE BONUS Brazil, Canada, China (staff level) Iberia, LAC, (except staff level in Ecuador), Mexico, UK, USA, LAS (except Paraguay), Morocco, BQ EMEA, and BQ ASIA. Offered to part time associates only in France, Italy, and Ukraine. Offered to temporary associates only in Ukraine.	●	●	●
MEDICAL CHECK UP, AT LEAST TO VP LEVELS Mexico, UK, LAC, Brazil, and BQ EMEA LAS (only Argentina and Chile) Offered to part time and temporary associates only in Ukraine.	●	●	●
SICK LEAVE OR DISABILITY COVERAGE Brazil, Canada, Iberia, Mexico, UK, USA, LAS, LAC, Morocco, France. South Africa, Turkey, and BQ Asia. Offered to temporary associates only in Iberia, UK and France.	●	●	●
LIFE INSURANCE Argentina, Brazil, Canada, Chile, China, Iberia, LAC, Mexico, Peru, UK, Uruguay, USA, Morocco, France, South Africa, Turkey, and BQ Asia. Offered to part time associates only in Turkey and France. Offered to temporary associates only in El Salvador, Honduras, Brazil, Canada, and Turkey.	●	●	●
MAJOR MEDICAL EXPENSES Offered at all levels: Argentina (except operating level) Brazil, Chile, Ecuador, Honduras, Morocco, and BQ EMEA (except South Africa). Offered at Director level and higher: Canada, China, Colombia, Costa Rica, El Salvador, Guatemala, Iberia, Mexico, Nicaragua, Peru, Uruguay, UK, and USA. Offered at Supervisory level and above: Panama. Offered to part time associates only in UK, France, Italy, Turkey and Ukraine. Offered to temporary associates only in UK, Turkey, and Ukraine.	●	●	●

- The only benefits shown are those offered in more than 40% s of the countries where Grupo Bimbo operates, and for at least one Hierarchical Level (the "retirement provisions" benefit is not offered in more than 40% of the countries where Grupo Bimbo operates).
- LAC encompasses Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Venezuela.
- LAS: encompasses Argentina, Chile, Per Uruguay, Paraguay.
- Iberia: encompasses Spain and Portugal.
- BQ EMEA: Russia, France, Italy, Ukraine, South Africa, and Turkey.
- BQ ASIA: China and South Korea.

DIVERSITY AND inclusion

(GRI 102-38, 405-2)

MEN 107,451

WOMEN 26,241

At Grupo Bimbo we value equality for all, and we respect the differences in each individual. We are therefore convinced that diversity enriches us, and inclusion strengthens us as a community.

We have Diversity and Inclusion Committees in all locations to oversee compliance with values concerning respect for the individual, in addition to a specialist assigned to define, implement, and follow through on related action plans and report to the Central Committee on Diversity and Inclusion.

In keeping with this culture, we seek to promote diversity among our associates via the deliberated inclusion of at least 25% representation of minority groups among candidates for each vacant position. This policy has follow-up in a bimonthly report that is prepared together with the Talent Attraction area.

During October of each year we commemorate Diversity and Inclusion Month in all areas. We organize activities aimed at fostering respect and awareness of the value of individuality.

RATIO OF TOTAL ANNUAL COMPENSATION OF WOMEN VS. MEN

(GRI 102-38, 405-2)

Ratio of total annual compensation for each country with significant operation of women vs. men, per position level.

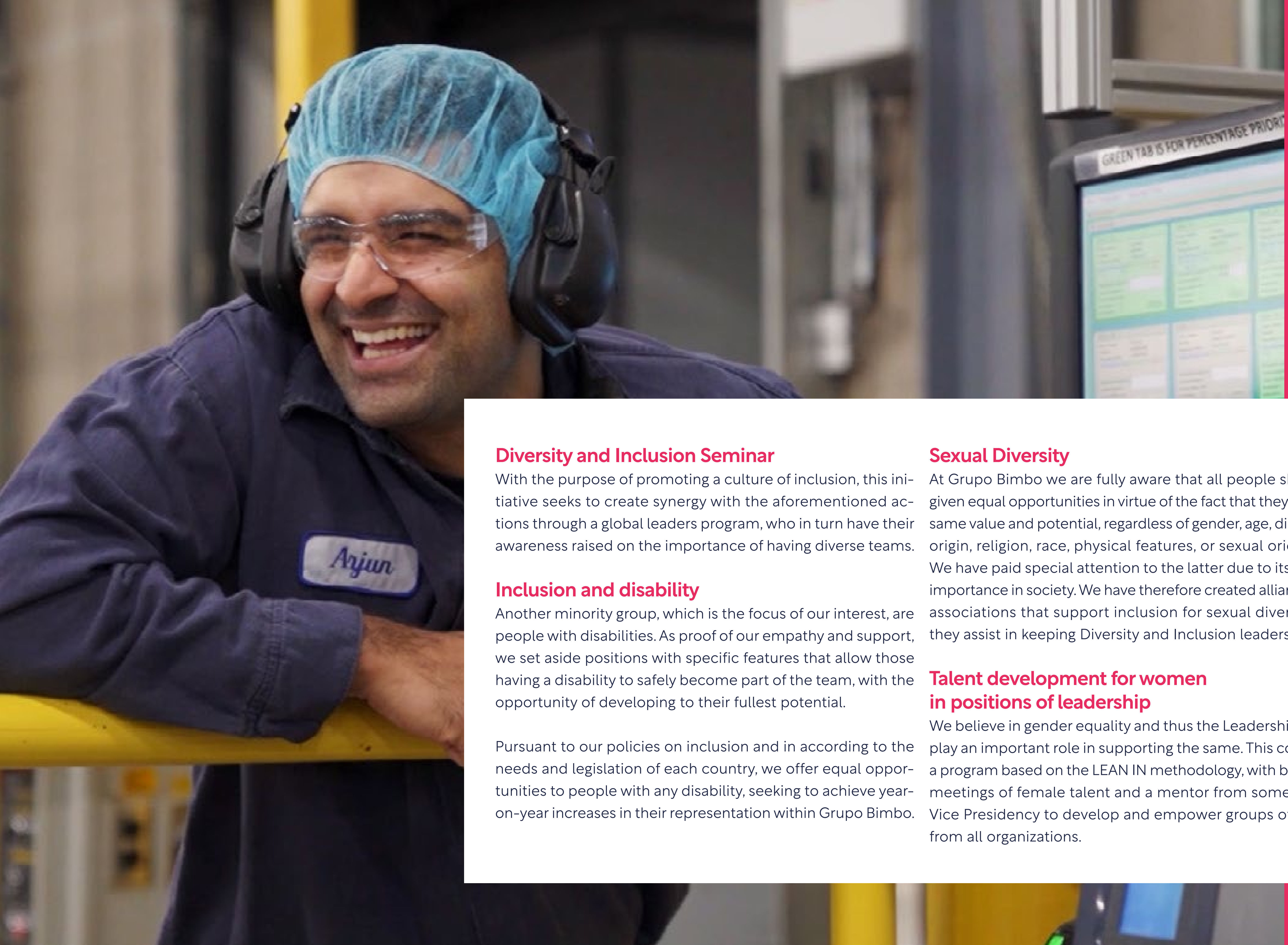
Total annual compensation takes into account annual earnings in: base salary, guaranteed compensation, incentives, commissions, and short and long term bonuses. For quantification in Mexico and Colombia, compensation factors as per each position level will be applied.

TOTAL ANNUAL COMPENSATION RATIO OF WOMEN VS. MEN*

COUNTRY	ORGANIZATION	STAFF	SUPERVISORS	DIRECTORS AND VPS
Chile	Latin Sur	0.9	1.0	1.0
Brazil	Bimbo Brazil	1.0	1.2	1.1
Canada	Bimbo Canada	0.9	0.9	1.0
United States	BBU	1.0	1.0	1.1
Spain	Iberia	0.9	1.0	0.9
Mexico	Bimbo Mexico	0.8	1.0	0.7
Colombia	Latin Centro	1.1	1.0	0.9

* Average number of times women earn vs. total annual compensation of men per position level. The effective date for base salaries is December 2020.

Information presented is regarding the 7 countries with the most significant operation in terms of sales amount for 2020 and the number of non-operations associates.
Considered in the calculation: Full-time non-operations associates, excluding part time, specific project and international assignee associates; associates filling regional positions in the countries considered.



Diversity and Inclusion Seminar

With the purpose of promoting a culture of inclusion, this initiative seeks to create synergy with the aforementioned actions through a global leaders program, who in turn have their awareness raised on the importance of having diverse teams.

Inclusion and disability

Another minority group, which is the focus of our interest, are people with disabilities. As proof of our empathy and support, we set aside positions with specific features that allow those having a disability to safely become part of the team, with the opportunity of developing to their fullest potential.

Pursuant to our policies on inclusion and in according to the needs and legislation of each country, we offer equal opportunities to people with any disability, seeking to achieve year-on-year increases in their representation within Grupo Bimbo.

Sexual Diversity

At Grupo Bimbo we are fully aware that all people should be given equal opportunities in virtue of the fact that they have the same value and potential, regardless of gender, age, disabilities, origin, religion, race, physical features, or sexual orientation. We have paid special attention to the latter due to its growing importance in society. We have therefore created alliances with associations that support inclusion for sexual diversity, and they assist in keeping Diversity and Inclusion leaders trained.

Talent development for women in positions of leadership

We believe in gender equality and thus the Leadership Circles play an important role in supporting the same. This consists of a program based on the LEAN IN methodology, with bimonthly meetings of female talent and a mentor from some internal Vice Presidency to develop and empower groups of women from all organizations.

policies on diversity and inclusion

1. GLOBAL POLICY ON DIVERSITY AND INCLUSION
2. GLOBAL POLICY ON THE PREVENTION OF HARASSMENT AND DISCRIMINATION*
3. POLICY ON MATERNITY AND PATERNITY**
4. POLICY ON WORK FLEXIBILITY**

Our Code of Ethics has enabled us to transcend and focus our behavior towards building the Company we are today. It constitutes the regulatory framework that guides our behavior standards, our position on the different related subjects, and the criteria to be followed in cases of non-compliance.

* Global **Local

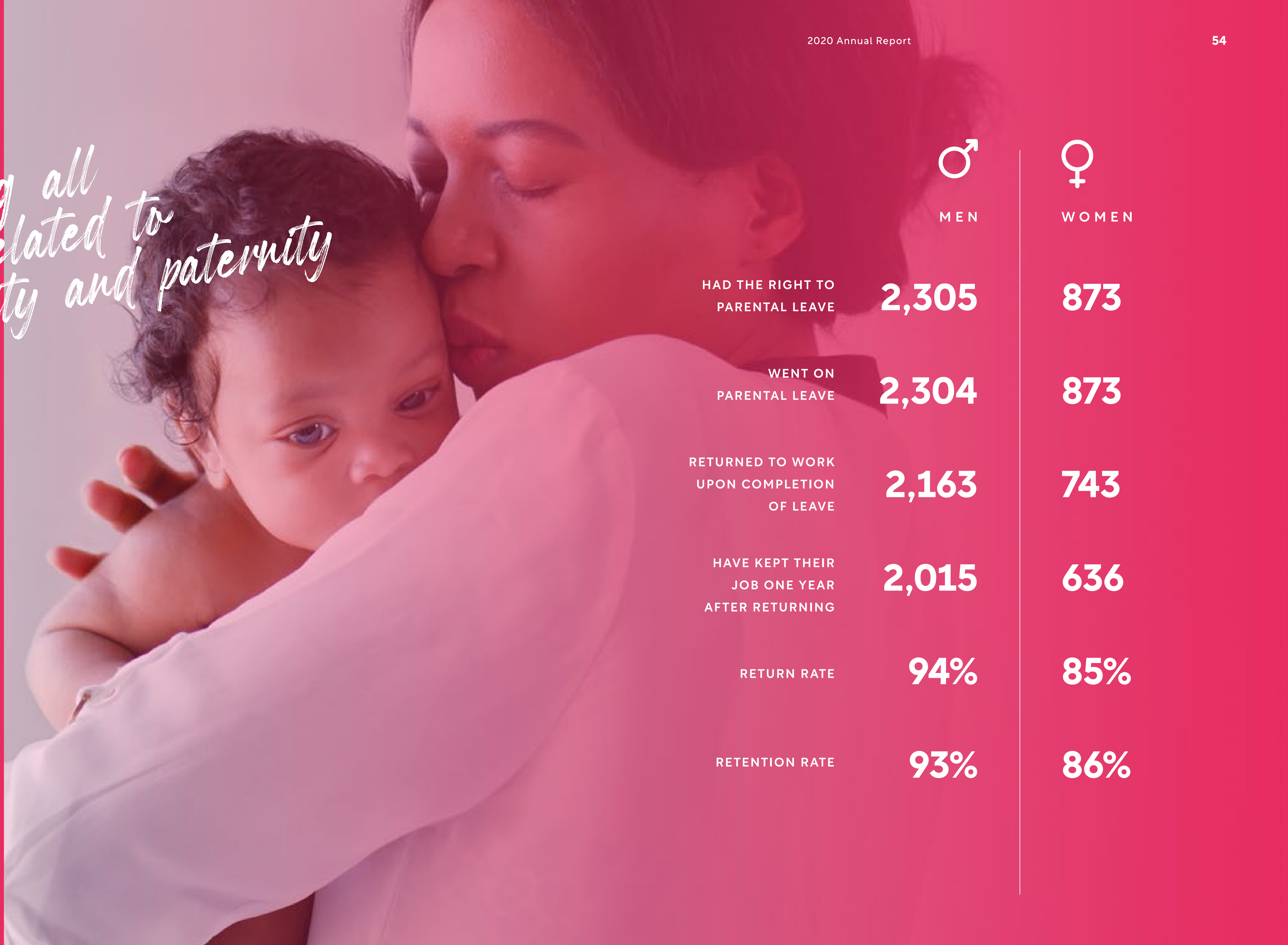
respecting all rights related to maternity and paternity

Parental leave

(GRI 401-3)

In support of the family, we respect all rights related to maternity and paternity encompassed in the labor legislation of each geography, in addition to other considerations such as leave for child care, with the right to resume work activities after a year and without losing seniority.

Another benefit offered mothers and fathers of minors is the opportunity to work from home, which as of the health contingency of 2020 is done full time in compliance with health and safety measures established by the authorities in each country. This benefit includes vulnerable groups and associates whose presence is not indispensable at the work center.



	♂ MEN	♀ WOMEN
HAD THE RIGHT TO PARENTAL LEAVE	2,305	873
WENT ON PARENTAL LEAVE	2,304	873
RETURNED TO WORK UPON COMPLETION OF LEAVE	2,163	743
HAVE KEPT THEIR JOB ONE YEAR AFTER RETURNING	2,015	636
RETURN RATE	94%	85%
RETENTION RATE	93%	86%

UNDER NO CIRCUMSTANCES DO WE HIRE MINORS OR YOUNG PEOPLE BELOW THE AGE AUTHORIZED FOR EMPLOYMENT

CHILD labor

(GRI 408-1)

Worthy of note is the fact that Grupo Bimbo has defined policies that forbid the hiring of child labor in any of its operations, as pursuant to the Policy on Staff Relations, in addition to that set forth in our Code of Ethics.

Top guarantee compliance with this precept, the corresponding official documentation is requested during the recruitment process, ensuring proof of age for the candidates. In some countries, said information is in fact validated by government agencies or public health institutions. In the case of youth having the legal age for employment, we comply with all criteria set forth by the legislation in force in each country.

Another review mechanism includes periodic inspections in which a corporate functional body or a regional office conducts sporadic visits to verify that processes are followed as per local legislation and internal policies of the Company.

To date, no cases of non-compliance, or which constitute a considerable risk have been reported.

FORCED labor

(GRI 409-1)

Pursuant to that expressed in our Code of Ethics, at Grupo Bimbo we categorically reject any manner of forced labor. In order to put this provision into effect, we have the Speak-Up hotline to report any corresponding case or anomaly.

At the time of preparing this report, there were no claims or significant risk reported regarding these practices. To prevent them, the use of voluntarily signing individual work agreements is reported. On the other hand, the USA and Canada reported having criteria within their Collective Bargaining Agreements regarding overtime.

In some business units, the practice of overtime is common; however, these are acceptable on a voluntary basis and in joint agreement between the Company and the associate, with pay pursuant to local legislation in force.

For our QSR operations, our primary customers conduct SWA (Supplier Workplace Accountability) audits to verify there is no forced or child labor taking place anywhere in our production chain, among other issues.

#challengeaccepted

to inspire positive changes

in our communities

1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
6 CLEAN WATER AND SANITATION
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

1,101

GOOD NEIGHBOR PROJECTS DELIVERED FROM 2012 TO 2020

$360.2

MILLION MXP GRANTED IN DONATIONS

promoting development for the communities where we operate

OUR **programs**

At Grupo Bimbo we strive to improve the quality of life of the communities where we operate, recognizing the value as individuals, their talent, experience and willingness of all its members.

We promote sustainable development by contributing with resources, educational activities, projects that focus on personal development for those in conditions of vulnerability and their surroundings, assisting in natural disasters and caring for the environment.

Our management begins by identifying community needs through rapport and interaction with representative groups. We provide support through alliances with NGOs, educational institutions, people neighboring our work centers, and other stakeholders.

COUNTRIES WE REACHED IN 2020 THROUGH THESE PROGRAMS:

GOOD NEIGHBOR

This program creates community ties with those closest to our operations, thus enabling us to have cordial, close, and mutually beneficial relations. With this in mind we maintain dialog with the community to identify projects that provide benefits in terms of Wellness, Education, Physical Activity, Safety, and the Environment.

18

VOLUNTEERING

There are four levels of participation in this program: in-kind and/or monetary donations, where the associate contributes money to a cause and Grupo Bimbo matches it with an additional amount; support through personal time devoted to a cause at live or virtual events; professional services; and training and leadership in social projects.

5

SOCIAL INVESTMENT

The purpose of this program is to reinforce sustainable projects that focus on community development and to guide efforts by being an agent for change in favor of the more vulnerable groups, through economic and in-kind donations.

27

Good Neighbor

PROGRAM

(GRI 203)

The Good Neighbor program is one of our best efforts in creating community ties with those neighboring our work centers, with projects favoring wellness, education, the environment and physical activity.

It consists of generating benefits through time and remaining active in our communities in a self-sustainable manner.

Short term: Supporting at least 1 project in the Company, except for those organizations who have local decided not to do so.

Medium term: The goal is to execute from 90-100% of the assigned annual budget in strategic projects that connect with the social needs and development of our participating associates.

Long term: Striving to maintain all projects developed in synergy with the benefitted community in good operation, establishing approach mechanisms that enable measuring the impact of the projects executed.

The Good Neighbor program drives social impact projects that not only benefit communities through assigned recourses, but also offer:

1. **VALUE PROPOSTION**
   AMONG THE COMPANY, ITS ASSOCIATES, AND THE COMMUNITY.
2. **SUBSIDIARITY**
   INVOLVES THE COMMUNITY SO IN THE FUTURE IT MAY BE SELF-SUSTAINABLE.
3. **COMMON WELL-BEING**
   ACTING TODAY IN FAVOR OF A BETTER TOMORROW FOR ALL PARTIES INVOLVED.
4. **REPLICABLE ACTIONS**
   IN ADDITION TO BENEFITTING NEIGHBORING COMMUNITIES, IT MAY REACH OTHER LOCATIONS.

148

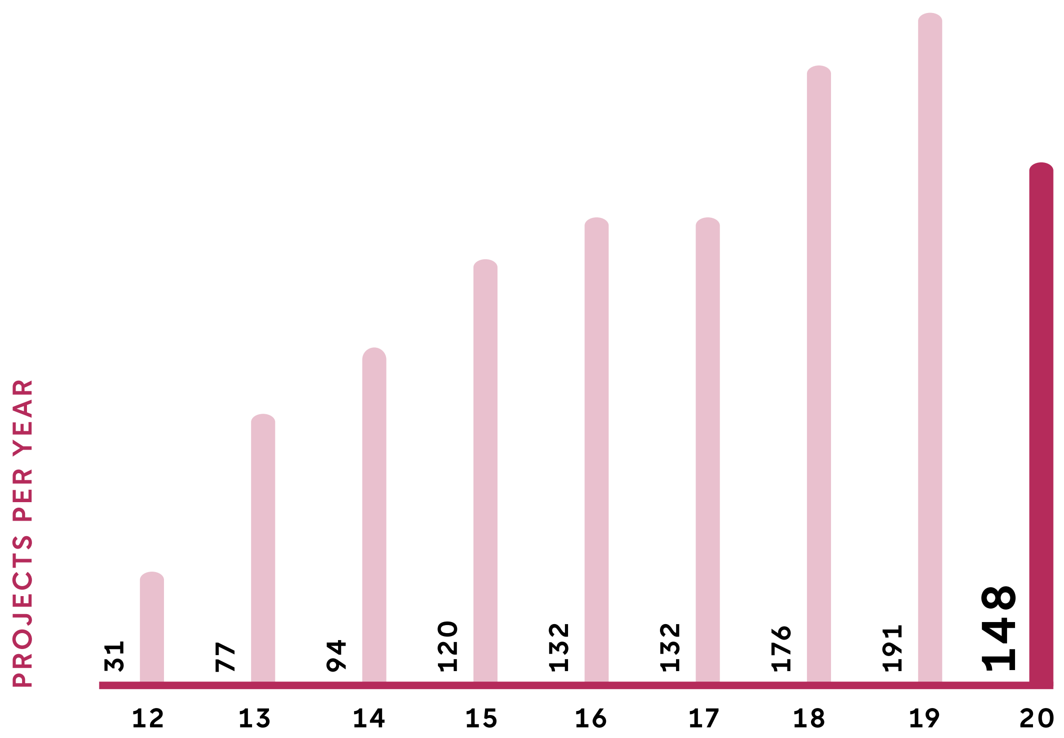
GOOD NEIGHBOR PROJECTS IN 2020

To implement its management, a budget is designated for each work center and each team in charge. Through dialog with the communities, needs are defined and the project to be conducted in keeping with the authorized budget. Together, the operations team and the neighbors collaborate to make it a reality and reap the benefits generated.

This program represents a very positive transformation process for all parties involved:

- The community enjoys an enhanced quality of life for those persons to whom we have directed our efforts,
- Our associates provide a social opportunity that allows them to become sustainable agents, thanks to their voluntary participation and their contributions,
- Associate representatives foster the practice of human values, teamwork, and empathy with other vulnerable contexts,
- Partners and shareholders obtain positive positioning of company shares, aligning strategic goals with the share headings defined by the GB Social Investment Committee, and
- Outside stakeholders reinforce ties of trust and cooperation.

DESPITE THE CONTINGENCY OF 2020, WE EXECUTED 148 GOOD NEIGHBOR PROJECTS



we are with you, being a Good Neighbor

Achievements 2020

(GRI 203)

During this year it was necessary to accelerate our transformation and implement our program through virtual and in-person activities. We created synergies with NGOs and institutions, adopting all safety measures required due to COVID-19.

We conducted 148 projects and 3 more will soon be concluded and delivered in 2021.

We concentrate our actions on projects aimed at those headings established by our Social Investment Committee: wellness, safety, education, environment, and physical activity. These projects directly impact the UN Sustainable Development Goals, which consist of the tasks pending completion worldwide to put an end to poverty, reduce inequalities, and face climate change.

HEADING	EAA**	LATIN AMERICA**	MEXICO	NORTH AMERICA	TOTAL
Education	5	19	38	6	68
Environment			27	4	31
Physical activity		2	12		14
Safety		1	4	1	6
Wellness	1	2	6	20	29
Total	**6**	**24**	**87**	**31**	**148**

(*) 1 project in Colombia and 2 in Mexico
(**) Except UK, China, Portugal, and Morocco
(***) Except Nicaragua and Argentina

68
PROJECTS SUPPORTING EDUCATION

31
PROJECTS FOR ENVIRONMENTAL PROTECTION

14
PROJECTS FOSTERING PHYSICAL ACTIVITY

6
PROJECTS ON SAFETY

29
PROJECTS PROMOTING WELLNESS

32 projects executed with customers and family members (22%)

***Hornea tu proyecto* Program**
***Reemprende tu tienda* Program**

Online training and consultancy to drive human development, innovation, and entrepreneurial learning with the purpose of reducing the risk of stores closing due to the pandemic, and fostering the reactivation of the economy.

MEXICO, LATIN AMERICA

36 projects executed with educational institutions (24%)

***Bimbo Contigo* Program**
***Escuelas de lluvia* Program**
Everyone's Education
Traditional Good Neighbor

Establishing protection and hygiene measures to prevent the spreading of the coronavirus. Water catchment system and washing of hands.

Proper renovation of classrooms and sanitary facilities.

LATIN AMERICA, NORTH AMERICA, MEXICO AND EAA

80 projects executed with NGOs and society (54%)

Traditional Good Neighbor

Initiatives that improve the quality of life for the communities where we operate, thanks to teamwork with organizations and society.

LATIN AMERICA, NORTH AMERICA, MEXICO, AND EAA

IMPACT OF OUR PROJECTS DURING 2020, IN LINE WITH THE GLOBAL AGENDA FOR 2030:

46% aligned their actions in an effort to foster the continuation of education, encompassing access to ongoing learning despite Covid-19, underscoring the renovation of educational facilities to offer safe surroundings and the professional training of people in a tenuous economic situation, so they could have access to employment, a job teaching, and entrepreneurial activities.

24% focused their actions on providing universal access to green areas and safe, inclusive, and affordable public areas in light of the new reality, thus allowing us to contribute with our grain of flour in achieving the world agenda for 2030.

17% promoted wellness at all ages, as well as the adoption of a healthy lifestyle for sustainable development, encompassing actions in benefit of mental health, and reinforcing preventive measures regarding health risks.

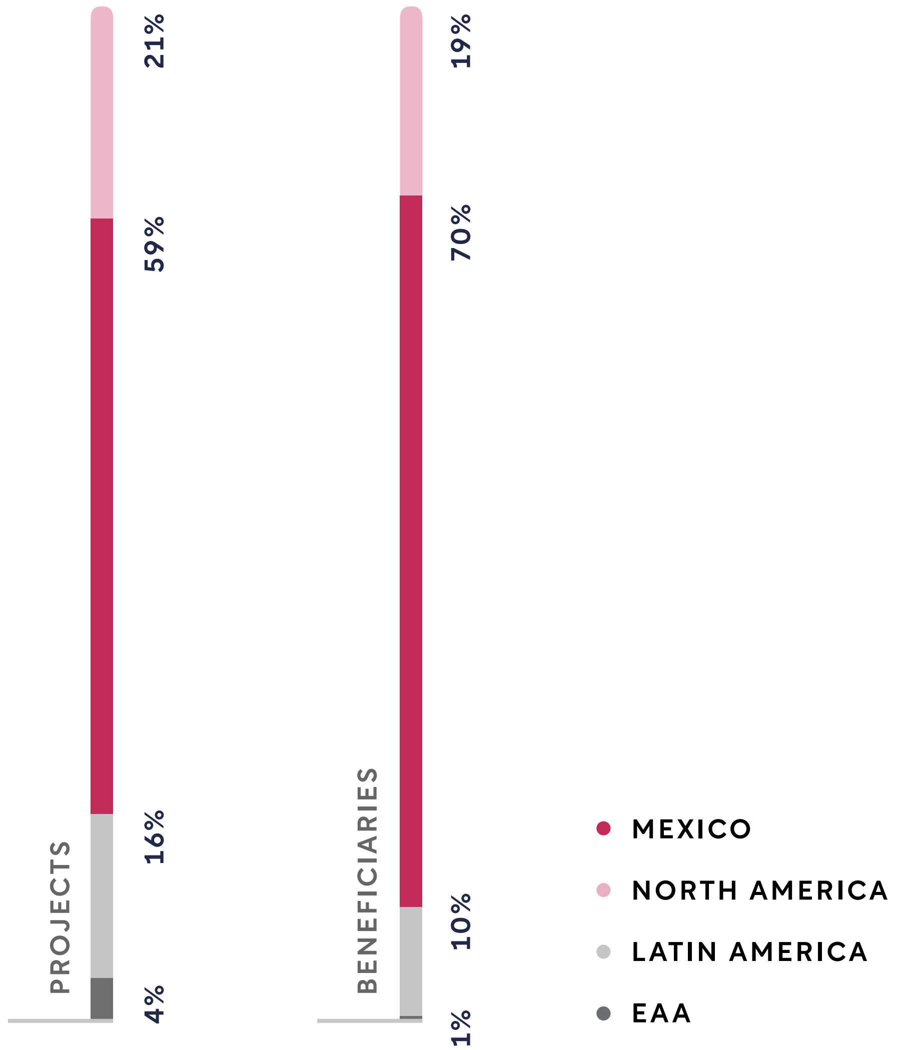
13% diversified their actions to focus on different causes, such as:

- fostering resilience of people living under adverse economic and social situations.
- promoting access to healthy, nutritional and sufficient food.
- reinforcing local community involvement in water management and sanitation.
- promoting an atmosphere of diversity and inclusion.
- supporting programs on quality of lives free of violence.
- promoting waste reduction through prevention, reduction, recycling and reutilization activities.
- reforesting common grounds and adopting significant measures to reduce the degradation of natural habitats, and
- protecting species in danger of extinction.

PROJECTS CONDUCTED PER EACH ACTION

	WELLNESS	SAFETY	PHYSICAL ACTIVITY	ENVIRONMENT	EDUCATION
	29	6	14	31	68
NGOs	19	1	1	4	7
SCHOOLS	4			3	27
BENEFICIARY FACILITIES	6			2	
STREETS		4		6	
PARKS		1	8	11	
COMMON GROUNDS			5	5	2
ONLINE					32

BENEFICIARIES AND PROJECTS DURING 2020



+170K

PEOPLE BENEFITED BY OUR GOOD NEIGHBOR PROJECTS IN 2020

EAA

+500

LATIN AMERICA

+18,300

MEXICO

+119,700

NORTH AMERICA

+31,800

WE RECOGNIZE OUR 131 PROJECT LEADERS FOR THEIR EFFORTS AND DEDICATION IN MANAGING INICIATIVES ON INFRASTRUCTURE, MATERIALS AND TOOLS SUPPLIES, LABOR, SERVICES, TRAINING, CREATING CONTENT, COACHING, AND PROVIDING ADVICE. TO EACH AND EVERY ONE OF THEM, WE OFFER OUR DEEPEST GRATITUDE.

Hornea tu Proyecto Program

MEXICO

A 100% online initiative that created value for the El Globo guests, associates and family in Mexico -primarily women. It was created with the purpose of reinforcing economic development through an online training and consultancy program that drives human development, innovation and learning to reduce the closing of businesses and/or to resume working and be able to face the crisis created by COVID-19.

The first stage of training, focused on human development, achieved 49% more participation than expected, thus allowing us to benefit 208 people in 16 states throughout Mexico. Some 71% of the beneficiaries were women and 29% were men. In both cases, the average age was 34.

Each participant chose either the Self-Employment Workshop or the Entrepreneurial Workshop. The latter will enable continuity of the project throughout 2021 as it will open its doors to the top 45 ventures that will then go through the consultancy phase, whereby coaching will be offered by experts on how to transform and grow their businesses.

208

PEOPLE BENEFITED

71% WOMEN

29% MEN

16

STATES

Bimbo Contigo Program

LATIN AMERICA AND MEXICO

With the purpose of contributing to community development through the Bimbo Is With You campaign, standardized support was offered in seven countries throughout Latin America -Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Venezuela, and Panama- for +10,000 students and teachers from 16 public schools located near our work centers. Signage was installed to reinforce prevention measures, using acrylic, posters and key messages to renovate educational facilities and offer greater safety when the new normality comes into effect. Similar actions were performed in two additional schools in Mexico, benefiting +300 students and teachers.

10,000

STUDENTS BENEFITED

conserving the environment

Environments suitable for pollinators

CANADA

Pollinators such as butterflies, birds, bats, and bees play a vital role in maintaining a healthy environment and a sustainable food chain.

During the last three years, Bimbo Canada and its dedicated people have supported these efforts by funding the naturalization and seeding of over 800 bakeries and plants suitable for pollinators in Ernie L. Stroud Park. These butterflies are tagged and released close to pollinator gardens so that, in time, they may begin their migratory flight to Mexico.

plant awareness, harvest rain

Escuelas de Lluvia Program

MEXICO

Water shortage is a problem affecting all inhabitants of the Greater Mexico City area. The impact of said scarcity are even greater in vulnerable and remote communities.

Therefore, in light of the health crisis, we implemented a comprehensive program on the safe return to school in synergy with two civic associations -Agua Capital and Isla Urbana- in two grade schools of the county of Azcapotzalco -Salvador Varela Reséndiz and Héroes del Sur- where we installed handwashing modules that manage safe and sustainable water facilities by employing a rainwater catchment system.

As a comprehensive part for the program, Rainfall Committees will be created with teachers, parents, and students, who in turn will receive training on water conservation and maintenance for the water sanitary systems.

TOTAL ANNUAL WATER CATCHMENT PER SYSTEM IS 988 m³ OF RAINWATER

Volunteering

PROGRAM

(GRI 413-1)

Having a purpose in life, inspiring good actions and transforming the lives of others makes us happy. Our volunteering program and model is an opportunity for developing agents of change who are committed to the sustainable development of communities and the planet. Our squadron of volunteers nourishes a better world by providing the seeds of value in the community, which in a cyclical and sustainable way, like planting and nourishment, transcends and leaves its mark on the lives of many.

From the first level, it entails campaigns for financial and in-kind donations and the program evolves towards a more committed participation with time and coordination skills, to the point of incorporating more robust projects.

The program is in line with corporate guidelines for this activity. However, pursuant to local legislation, each country decides if the scope will be monetary or in-kind.

5
COUNTRIES

96
ACTIVITIES

+13,800
VOLUNTEERS

+4,300
HOURS OF VOLUNTEERING

+56,900
BENEFICIARIES

VOLUNTEERING MODEL LEVELS

our purpose is to transform lives




27 campaign and donation-based projects (27%)	**37 event-based projects (37%)**	**31 skill-based projects (31%)**	**1 leadership-based project (1%)**
Generosity Seed	**Good Action Seed**	**Wisdom Seed**	**Entrepreneurship Seed**
Driving monetary and in-kind donation campaigns.	Conducting community ties and service events in person and remotely.	Developing deliverables, facilitating content, and providing professional accompaniment and for communities, NGOs and society in general.	Coordinating the execution of social projects that combine actions from the other seeds to make social impact more robust.
12,849 volunteers	**617 volunteers**	**302 volunteers**	**79 volunteers**

Global volunteering actions

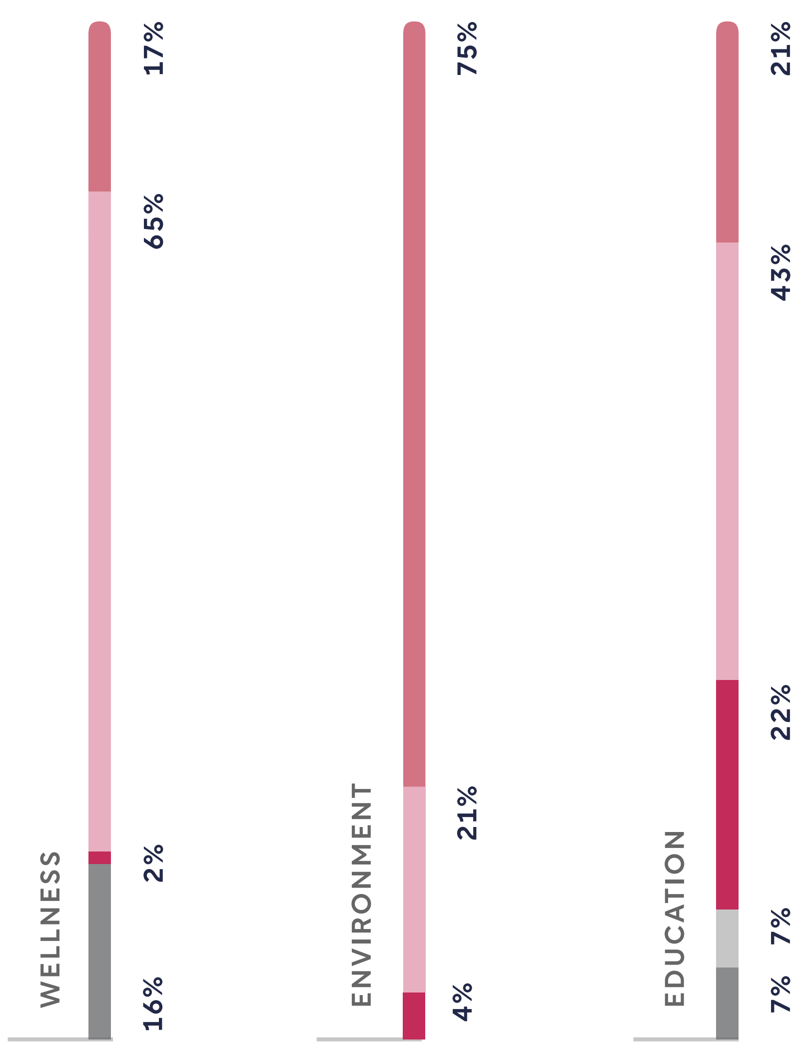
In light of the challenge to continue supporting our communities despite lock-downs, and to guarantee a safe environment for everyone, the work of our volunteers was done remotely, with initiatives in favor of education, the environment and wellness.

Fund-raising campaigns and community ties events, especially via digital media, enabled the continued presence of generosity and good actions.

Our Volunteering program is linked to being a Good Neighbor, with the involvement of project volunteers, which according to the model levels, allowed us to broaden the program scope to benefited communities.

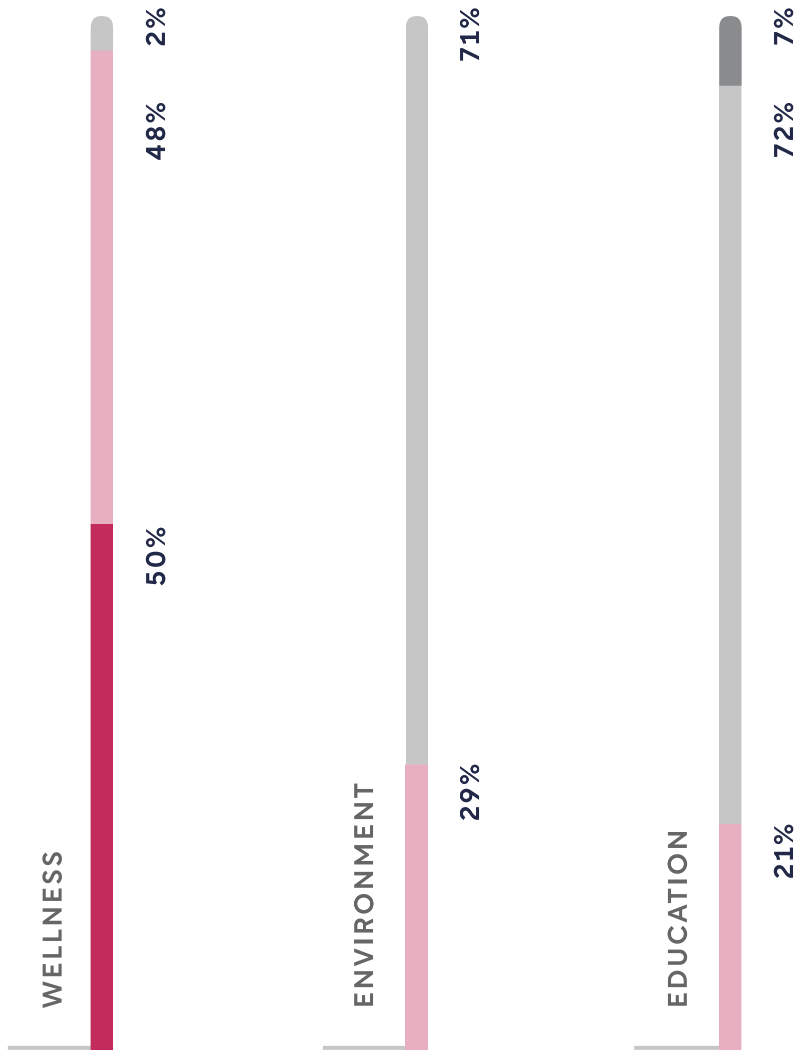
In 2020, some 36% of Volunteering actions were for Good Neighbor projects, whereas 64% focused on local calls to action.

INITIATIVES DURING 2020, ACTION HEADINGS AND BENEFITED STAKEHOLDERS



- ASSOCIATES
- CUSTOMERS
- EDUCATIONAL ACTIVITIES
- SOCIETY
- NGOS

IMPACT IN 2020, ACTION HEADING AND VOLUNTEERING MODEL



- GENEROSITY SEED
- GOOD ACTION SEED
- WISDOM SEED
- ENTREPRENEURSHIP SEED

IMPACT OF ACTIVITIES IN VOLUNTEER PARTICIPATION

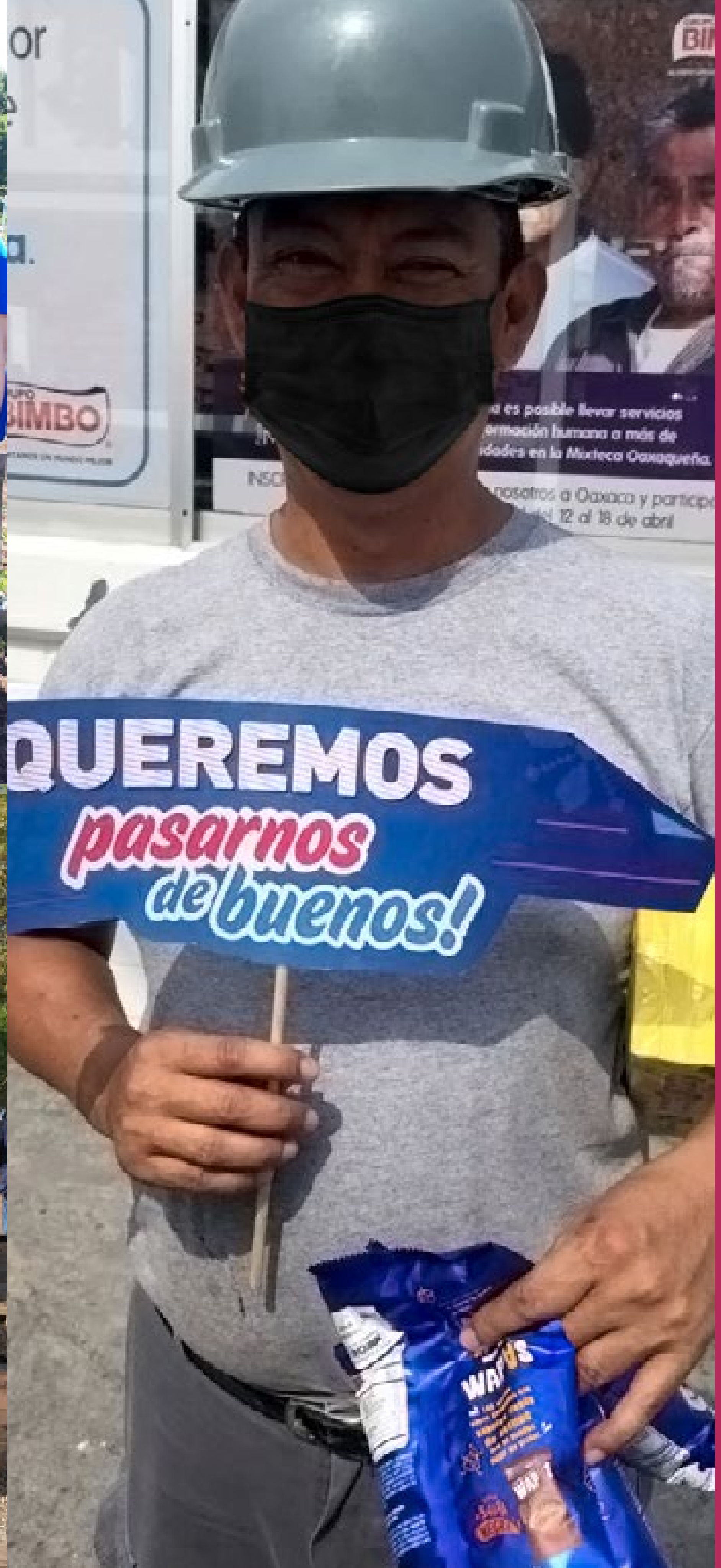
the greatest achievements are human projects

Generosity Seed

MEXICO, NORTH AMERICA
This year, the generosity of our people allowed us to provide food and medical care to vulnerable families affected by the pandemic, through donations amounting to more than 5.8 million pesos via four fund-raising campaigns: Despensatron, Sumamos por México, Queremos Pasarnos de Buenos, and One for All-All for One.

Good Action Seed

MEXICO, LATIN AMERICA, NORTH AMERICA
Our volunteers joined efforts to provide support in events for ties with civic and educational institutions by putting together assistance packages, distributing donations, coordinating activities, planting trees, conducting improvement projects in facilities, being promotors of social causes by driving involvement in fund-raising campaigns and for adopting sustainable life styles at home.



Wisdom Seed

MEXICO, LATIN AMERICA
In light of the pandemic and the lock-down we are experiencing, we leveraged digital media to remain close to our communities, providing content through webinars and talks that complemented the actions of certain Good Neighbor projects, and which benefited educational institutions and society in general.

Entrepreneurship Seed

MEXICO
We offered the opportunity to our associates and to our leaders who managed the Good Neighbor projects, to materialize and foster their ideas in favor of the communities where we operate, aligning their objectives in social, economic and environmental matters to propose project actions, leveraging the resources assigned.

SUCCESS STORY:
***Despensatrón*, the cause that touched hearts**

The *Familias sin Hambre* Program is operated by Cáritas Mexicana, a not-for-profit institution that has over 60 working in Mexico. Thanks to more than 100,000 volunteers and collaborators, it reaches the most remote areas where thousands of families are going hungry due to lack of income.

From June 22nd to 25th, we experienced a digital rally with a cause that proved #GBUnido in Mexico has passion, devotion, fraternity, and professionalism. All participants, volunteers, and donors had a single goal in mind: donating the largest number of bags with pantry items to alleviate the hunger of thousands of households that have lost their sources of income due to the pandemic.

This digital rally consisted of two national teams of associates from different areas, levels and organizations and prove which one would be the fastest in increasing the donations of its members. Each team was headed by its squadron of volunteers, who joined in the achievement of this noble cause.

The teamwork and the focus on keeping two concepts present: #GBUnido and #FamiliasSinHambre, were key to achieving that all actions undertaken enabled the joining of efforts of the cause, talents, ideas, and tactics.

WE ESPECIALLY RECOGNIZE OUR VOLUNTEERS WHO ACTIVELY WORKED ON THE FIRST VIRTUAL CAMPAIGN FOR DONATIONS *DESPENSATRÓN* 2020

3
DAYS

+13K
PANTRY BAGS

+55K
BENEFICIARIES

IMPACT OF OUR PROJECTS IN 2020 FOR THE WORLD AGENDA OF 2030:

24%

Aligned their actions in providing access healthy and nutritional food to people, by providing pantry-item packages and reinforcing community kitchens as a response to the health crisis.

21%

Focused their actions on education and raising awareness regarding mitigating climate change, adapting to it, and early alert; offering training opportunities and promoting the dissemination of information among the community.

20%

Promoted and strengthened social, economic and political inclusion for all regardless of age, gender, disability, race, ethnic origin, religion, or economic situation; offering opportunities for community ties and training, which contributed to driving a culture of diversity and inclusion.

17%

Supported positive social ties in the communities, strengthening community areas and access to green areas for a safer and more inclusive coexistence, building sustainable cities and communities.

16%

Reinforced local capabilities in the fields of early alerts, reduction, and risk management for health, providing materials to face the COVID-19 health contingency, and for training and dissemination of sanitary measures.

3%

Diversified their actions, participating in community service activities, together with educational and civic institutions to:

- reduce waste generation and drive recycling and reuse,
- adopt measures that contribute to protecting the environment and species in danger of extinction, and
- ensure access to services and materials that facilitate attending early education.

positive social impact through alliances

Social Investment
PROGRAM

Grupo Bimbo has always had the commitment and responsibility of promoting sustainable development in communities and generating a positive social impact through alliances with stakeholders; therefore, the social investment program is of vital importance because we support development and well-being in the communities where we are present and contribute to accomplishing the Sustainable Development Goals by working together with NGOs.

Through our social investment program we foster sustainable development and production projects of the NGOs with which we collaborate; together with them we identify and understand the needs faced by the communities with which they work, and commit to generating a tangible change in the members of the communities supported.

With the social investment program, we strive to build a sustainable path, actively participating to close gaps, meeting economic, social, cultural diversity, and healthy environment needs of vulnerable groups, thereby consolidating sustainable communities.

At Grupo Bimbo we recognize we are closely tied to our communities, and therefore every social action we undertake serves as motivation to work with greater concentration on the well-being and benefits of present and future generations.

442
IN-KIND AND MONETARY DONATIONS

MONETARY DONATIONS

344
NGOs SUPPORTED IN 27 COUNTRIES

+$127.7
MILLION PESOS IN DONATIONS*

$232.5
MILLION PESOS IN EXTRAORDINARY DONATIONS FOR COVID-19

$360.2
MILLION PESOS IN TOTAL DONATIONS**

IN-KIND DONATION TO FOOD BANKS

$244
MILLION PESOS IN DONATIONS TO FOOD BANKS

143
FOOD BANKS SUPPORTED

6
MILLION SLICES OF BREAD DONATED BY THE VIRTUAL GLOBAL ENERGY RACE

* Equivalent to 2% of our Majority Net Income
** Equivalent to 6% of our Majority Net Income

Covid-19
ACTIONS

AT GRUPO BIMBO, WITH THE SUPPORT OF OUR SHAREHOLDERS AND ASSOCIATES, WE HAVE ADDED OUR GRAIN OF FLOUR WITH CONTRIBUTIONS ADDING TO MORE THAN 230 MILLION PESOS* IN MONETARY AND IN-KIND DONATIONS WORLDWIDE, BENEFITING CLOSE TO 8 MILLION PEOPLE FROM THE MOST VULNERABLE SECTORS AND NEIGHBORS FROM COMMUNITIES CLOSE TO OUR 158 WORK CENTERS.

Figures given in millions of MxPesos

Appreciating those who care for us...

Supporting health personnel from public health institutions worldwide

+100 MILLION PESOS
Donated by the Company, shareholders, and associates in favor of the **COVID-19 Temporary Hospital Unit set up at Citibanamex Center, Mexico City #SumamosPorMéxico**

+2.5 MILLION PESOS
In contributions to Funsalud, a health sector institution in Mexico, to help combat the pandemic.

79 MILLION PESOS
In-kind donations made to the health sector, benefiting doctors, nurses, and those working on the front line against Covid-19.

55 MILLION PESOS
For **2.5 million lunch boxes** for public hospitals located throughout 18 states in Mexico.

7.8 MILLION PESOS
In products and equipment to face the contingency in Colombia, Guatemala and Mexico.

4.6 MILLION PESOS
For the **#1MillónDeGracias1MillónDeDonuts campaign in Spain** benefiting over 450 public and private hospitals and institutions.

Figures given in millions of MxPesos

Caring
for families at home...

We continue working to end hunger and achieve food security

+54,000 PANTRY KITS AND MEDICINES
To support vulnerable families in Mexico, Colombia and Panama.

+43,000 PANTRY KITS
Donadas a la campaña #FamiliasSinHambreEnMéxico.

+30,000 PANTRY KITS
Donated in-kind, with a total of over 500,000 products.

+13,000 PANTRY KITS
Donated by Grupo Bimbo associates

6.6 MILLION PESOS
Donated by the Company and its associates in support for NGOs to face the contingency.

19.8 MILLION PESOS
Donated in Argentina, Brazil, Canada, Chile, China, Colombia, Costa Rica, Ecuador, El Salvador, Spain, United States, France, Guatemala, Honduras, India, Morocco, Mexico, Panama, Paraguay, Uruguay, Peru, Portugal, UK, South Africa, Turkey, Ukraine and Venezuela.

+6 MILLION SLICES OF BREAD
As a donation as a result of the Virtual Global Energy Race.

Figures given in millions of MxPesos

Assist those who always open their doors to us...

We support small local businesses during the worst stage of the crisis

9.3 MILLION PESOS
In social projects operated through our Good Neighbor program in over 15 countries, to face the contingency caused by Covid-19.

Development programs and online training to drive shop owners, businesses, and the unemployed.

Infrastructure improvement for grade schools to reinforce sanitary measures.

Synergistic actions with NGOs to implement projects focused on facing the pandemic.

Figures given in millions of MxPesos

+64 MILLION PESOS
In sales incentives programs.

+1,000 SHOP OWNERS
Will be benefited through the ***Reemprende tu Tienda* Program**.

Grupo Bimbo in alliance with the Pro Empleo Fundation provided remote training so 225 shop owners could keep their stores open.

Small businesses received protection materials and signage like face masks, shields, acrylic dividers and graphic information to better work with preventive measures, thereby caring for their own health and those of their customers.

Patrimonio Indígena Foundation

Through the *Patrimonio Indígena* Foundation, which fosters cultural richness to indigenous communities through innovative projects that preserve, strengthen, and disseminate the Mexican indigenous heritage.

In light of the adversities worsened by Covid-19, it is a privilege to see these communities with projects, full water tanks, children happily running around, this is a guarantee of having achieved food safety, security, economic sufficiency, income, and access to water and basic infrastructure.

In this way, their vegetable garden and chicken coops enable them to continue consuming healthy food and continue conducting sales directly in their communities, thereby generating quality of live, harmony, peace, tranquility, and happiness. It is an achievement to be able to see the impact that Patrimonio Indígena has had in the communities.

Líderes del mañana Program

SOCIAL TRANSFORMATION PROGRAM IN MEXICO

We are committed to education and we know that this is a powerful tool for personal and social growth, which will help these young people become agents for the social transformation that the country needs.

With the Leaders of Tomorrow recognition, we support leadership and the academic talent of outstanding young people / associate family members. This recognition is a social transformation program that awards **full scholarships** for higher learning at the Tecnológico de Monterrey to outstanding students interested in developing their communities.

Natural Disasters

In line with our Policy on Natural Disasters, requests for donations from all Organizations are submitted to the CEO and the Social Investment Committee of Grupo Bimbo, who will determine the beneficiaries and the type of assistance to be granted, as well as the amounts in the case of economic contributions.

Natural disasters of different magnitudes were reported in 2020, with different impacts reported. In Mexico, rain intensities caused severe flooding in the north and southeast of the country, creating damages to housing for 325 associates, who in turn received total support amounting to $5,385,860 million MxP.

Likewise, in-kind donations of a total of 131,000 pieces of our products were given out, equivalent $535,000 pesos, for tropical storms Amanda and Cristóbal; and hurricanes Hanna, Delta and Eta in Mexico. In Honduras, 21 of our associates were affected by the passing of hurricanes Eta and Iota, who then received total support amounting to $21,091.94 USD, pursuant to the regulations under our Global Policy on Disasters.

Plant Tours Program

As a way of sharing the passion for what we do with the community, years ago we opened our doors to the public to offer our traditional guided tours that take place in 47 of our plants, in the countries where we operate.

This encouraged innovation in ways of sharing with our stakeholders, who we are and how we make our products, through the development of a digital experience beginning in 2021. We also seek to drive healthy lifestyles by giving nutrition tips and by inviting our guests to participate in different programs we conduct, aimed at protecting the environment.

With this new model of plant visits, in addition to having the possibility of opening the doors of other Organizations, we have established a new way of relating with our visitors, and of measuring customer and consumer satisfaction.

#challengeaccepted

to protect and regenerate

our environment

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

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

WE BUILD RESILIENT ECOSYSTEMS THROUGH REGENERATIVE AGRICULTURE PRACTICES

OUR ENVIRONMENTAL management

we continue improving in favor of the planet

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.

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

2025

COMMITMENT 100% RECYCLABLE, BIODEGRADABLE OR COMPOSTABLE PACKAGING

- 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.

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

3.6 MILLION

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% or 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

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.

PALM OIL

Grupo Bimbo has continued updating traceability data for the supply chain. This year, our focus was on **14 suppliers wo 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 INCLUEDED IN THE FORESTRY CONSERVATION ACTIVITIES OF THEIR COMPANY OR OF THIRD PARTIES

EVALUACIÓN OF LABOR ISSUES IN THE PALM OIL SUPPLY CHAIN

In 2019 a materiality study on agricultural supply chains was conducted, including palm oil. The labor issues for palm oil, specifically in Latin America, was one of the most important matters, together with that of deforestation. In response, Grupo Bimbo has conducted a labor risk analysis of its palm oil supply chain in Latin America to better understand the challenges faced by the suppliers in this region. The next step was to analyze future collaboration on these challenges, together with the supply chain.

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, contibuting 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 continous 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, deseases 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 trainning sessions to promote sustainable innovations.
- Surface area considered for the cycle: **4,843 hectares**.
- Water footprint reduced in **4.49 million m^3**.
- Carbon footprint reduction in **257 MT/CO_2e**, 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 m^3**.
- Carbon footprint reduction in **91.37 MT/CO_2e** 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 MILLON
M3 LESS WATER USED FOR IRRIGATION

4.49 MILLON
M3 LESS WATER USED FOR IRRIGATION

167
FARMERS ADOPTED SUSTAINABLE PRACTICES

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 MILLONS

OF M^3 OF WATER SAVED TO DATE

503.82

MT/CO_2 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.

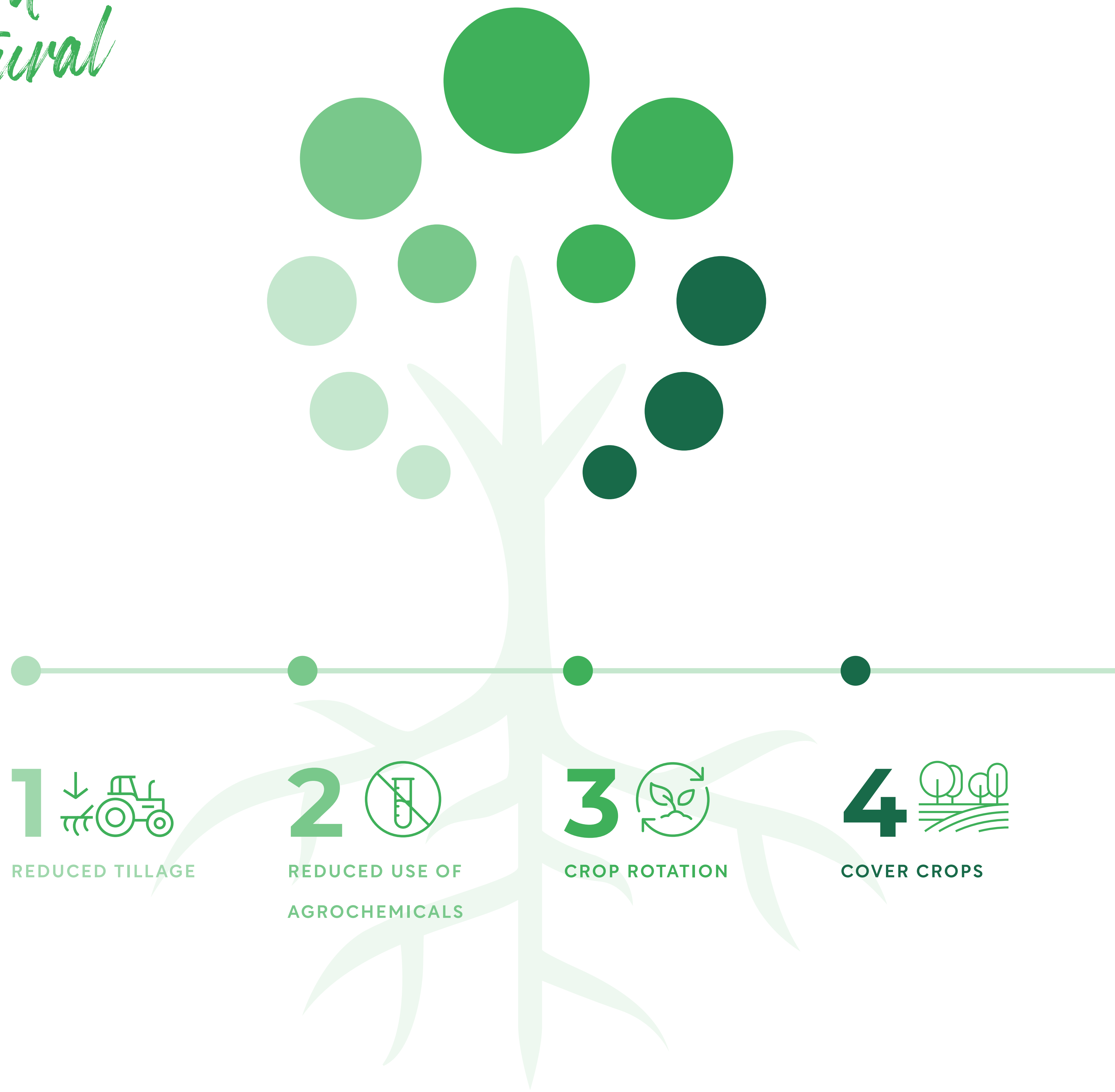
EVALUATING IMPACTS ON AGRICULTURAL CHAINS

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, deseases 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.



combating climate change

TECHNOLOGICAL INNOVATIONS

Maize

0.31

tCO_2e absorbed per ton of maize produced thanks to advanced sustainability practices

Wheat

0.06

tCO_2e 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 CO_2e 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 tCO_2e per ton produced of wheat, and 0.31 tCO_2e por 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 CO_2e 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-Popocatépetl 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.

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

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 MILLON

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 CO_2e 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/CO_2 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 CO_2e anually.

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 CO_2e per year.

EMISSIONS

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

CO_2e (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
CO_2 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
CO_2 Sub-total in Vehicles	493,356	484,373	498,478	499,039	463,229
CO_2e 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
CO_2e 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 CO_2E 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_2E				
	2016	2017	2018	2019	2020
Total CO_2e 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

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.

striving to reduce our water impact

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**.

- **Instalation 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 CO_2. 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 **CO_2 reduction of 106 MT CO_2**.

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 CO^2 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:

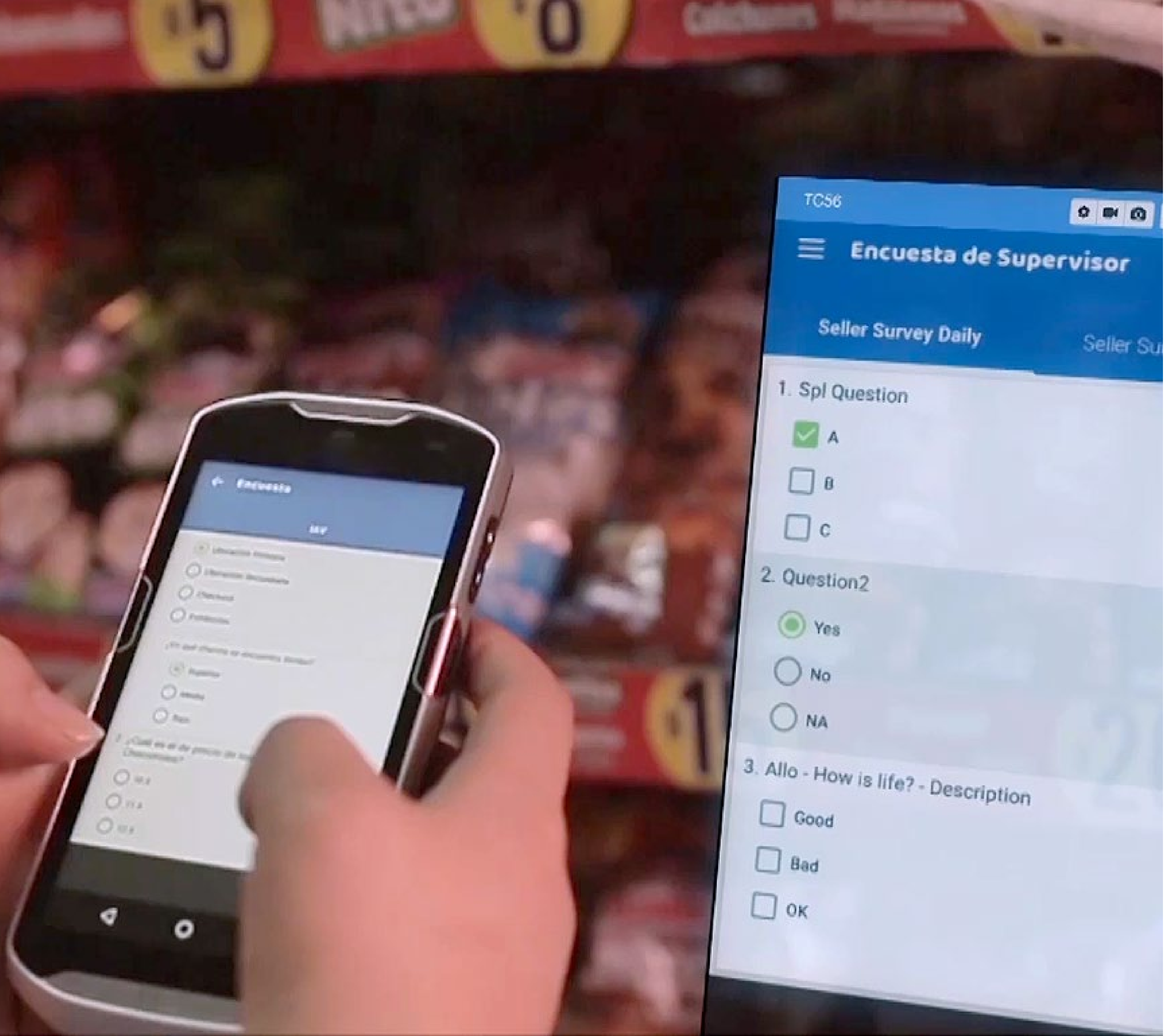
1. **Fuels**
2. **Sustainable Fleet Management**
3. **Energy**
4. **Water**
5. **Waste**
6. **Ground**
7. **Refrigerants**
8. **Legal Compliance Management**

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

50%

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

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.

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.

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.

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.

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.

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 CO_2 emissions.

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.

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.

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 *Recylemania 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 tsustainability, 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.

#challengeaccepted

our ambition

2030

We close 2020 with a successful strategy that inspired us for the last 5 years. It is time to look further and broaden our aspirations towards new goals.

At Grupo Bimbo, we exist to nourish a better world.
That means nourishing the wellness of people and nature,
Because we can only truly achieve better if we do both.
This is a bold ambition, and it won't be a simple journey,
But we have a plan to get there.

nourishing
a better world

It's a plan to bring better nutrition to millions

By providing more diverse nutrients in simpler recipes

To fight the degradation of nature

By becoming a zero-carbon champion of regenerative agriculture.

To help our communities thrive

By empowering those that help us sow, source and sell.

We're nourishing people and nature

so that we can all be stronger together.

our strategy

Nourishing a Better World is centered on three priority areas where Grupo Bimbo has a significant level of impact or capacity to drive positive change socially, economic and environmentally.

Baked for you is about developing products in such a way that the health and lifestyle of our consumers, improves.

Baked for life focuses on our efforts towards the community and our associates that make us who we are.

Baked for nature is our ambition that our products give back to the planet more than what we take from it, we want to feed in a restorative and regenerative way.

We seek to strengthen Grupo Bimbo's sustainability position and its performance for the year 2030: The decade of action, as indicated by the United Nations.

nourishing a better world

baked for you

Is our commitment to enabling a planetary diet with nutritional diversity for all. To achieve this, we are focusing on three topics that we believe are crucial; better nutritional profiles, healthier plant-based diets, and transparent sustainable brands.

BEST NUTRITIONAL PROFILES FOR ALL

We plan to bring better nutrition to millions, by providing more diverse nutrients in simpler recipes. We will continue to improve the nutritional value of our products. We'll add a more diverse range of nutritious ingredients including whole grains, seeds, nuts and fiber.

ENABLING HEALTHIER PLANT BASED DIETS

We believe access to good food should be a universal right. It is important for all our consumers to have access to plant-based options at an affordable price. We aim to do this by increasing the presence of wholegrain and other plant-based ingredients in our products at every price point.

TRANSPARENT SUSTAINABLE BRANDS

We want to help our consumers make better choices and achieve a healthier diet. We aim to do this by continuing to improve our honesty and transparency about the nutritional credentials of our products to enable our consumers to make healthy choices.

MAIN GOALS BY 2030

100% of our baking & snacks offering to consist of simple and natural recipes for all with nutrition in every bite.

100% of our baking and snack offering contributes to a healthy plant-based diet through the inclusion of whole grains, fiber, seeds, nuts, fruits and vegetables.

Ensure that 100% of our products offer nutritional transparency on-pack and promote healthier diets through clear educational campaigns.

nourishing a better world

baked for life

Is our commitment to improving the lives of everyone we reach. We want to help our communities thrive, by empowering those that help us sow, source and sell. And create healthy and resilient communities, improving lives and supporting our partners.

STRENGTHENING COMMUNITIES

To us, what really matters is people. That's why we are developing more initiatives to enrich the communities where we live and work, supporting our business partners and making a positive impact on our society.

CARING FOR OUR PEOPLE

Create diverse and inclusive places to work, adhere to safety and wellness best practices and to be a company where all people have access to development opportunities.

MAIN GOALS BY 2030

Each year we will implement at least 200 Good Neighbor and Hunger Relief projects globally to improve 1 million lives in the communities we serve and help the majority of our small partners, especially small suppliers and clients to grow their business.

100% of Grupo Bimbo workplaces demonstrably promote safety & wellness, respectful relationships, talent development, workplace equity and a culture of belonging.

nourishing a better world

baked for nature

Is our commitment to fight the degradation of nature, by becoming a zero-carbon champion of regenerative agriculture. To achieve this aim we are focusing on three topics; net zero carbon emissions, zero waste and regenerative agriculture.

NET ZERO CARBON EMISSIONS

We want to nourish the planet that serves us by protecting our natural systems across all our operations and value chain. We aim to do this by maximizing carbon reductions across our operations, renewable energy use and carbon sequestration models.

TOWARDS ZERO WASTE

We support a transition to a circular economy, reducing waste where possible and enabling our consumers to play their part. We will be promoting circularity and reducing waste along our value chain through sustainable packaging, efficient operations and food waste reduction.

CONVERT INTO REGENERATIVE AGRICULTURE

To contribute to the sustainability of the food system, we have to ensure to give back more than we take form our planet. This means changing our agricultural system for the better to ensure the soils that we rely upon remain resilient, healthy and productive.

MAIN GOALS 2030 TO 2050

Achieve Net Zero Carbon emission by 2050.

Ensure that 100% of our packaging supports a circular economy through being reusable, recyclable, biodegradable or compostable by 2030.

To obtain 100% of our key ingredients from land being farmed using regenerative agriculture practices by 2050.

OUR
foundations

The foundational topics of the Nourishing a Better World strategy support our eight key topics, ensuring we are tackling all material issues to our business. They are crucial to running a responsible business and protecting our global and local license to operate.

our foundational topics to operate a sustainable company

Our foundational topics are:

ENVIRONMENTAL STANDARDS

We want to make sure we are not just working to our standards but to lead environmental standards across all our operations with higher targets to improve entire industry into a better future.

PRODUCT QUALITY AND SAFETY

We are dedicated to making sure that our products are created in a way that puts our consumers' safety first. That's why we are always working to ensure our products are of the highest quality and meet all relevant safety standards.

HUMAN RIGHTS AND LABOR STANDARDS

We adhere to human rights and labor standards to ensure compliance in all interactions of our associates and stakeholders across every step of our value chain.

SUSTAINABLE RAW MATERIAL SOURCING

We want to make sure that the raw materials we use come from sources that respect nature, which has always taken care of us. By baking our products with the planet in mind, we help our consumers to live more sustainably.

We are committed to nourishing people and nature so that we can all be stronger together. This is the beginning of a new journey towards our vision for 2030 and beyond. We are calling on everyone to join us.

nourishing a better world is our plan to make this happen...

financial results

(GRI 201-1)

75 years of creation and progress

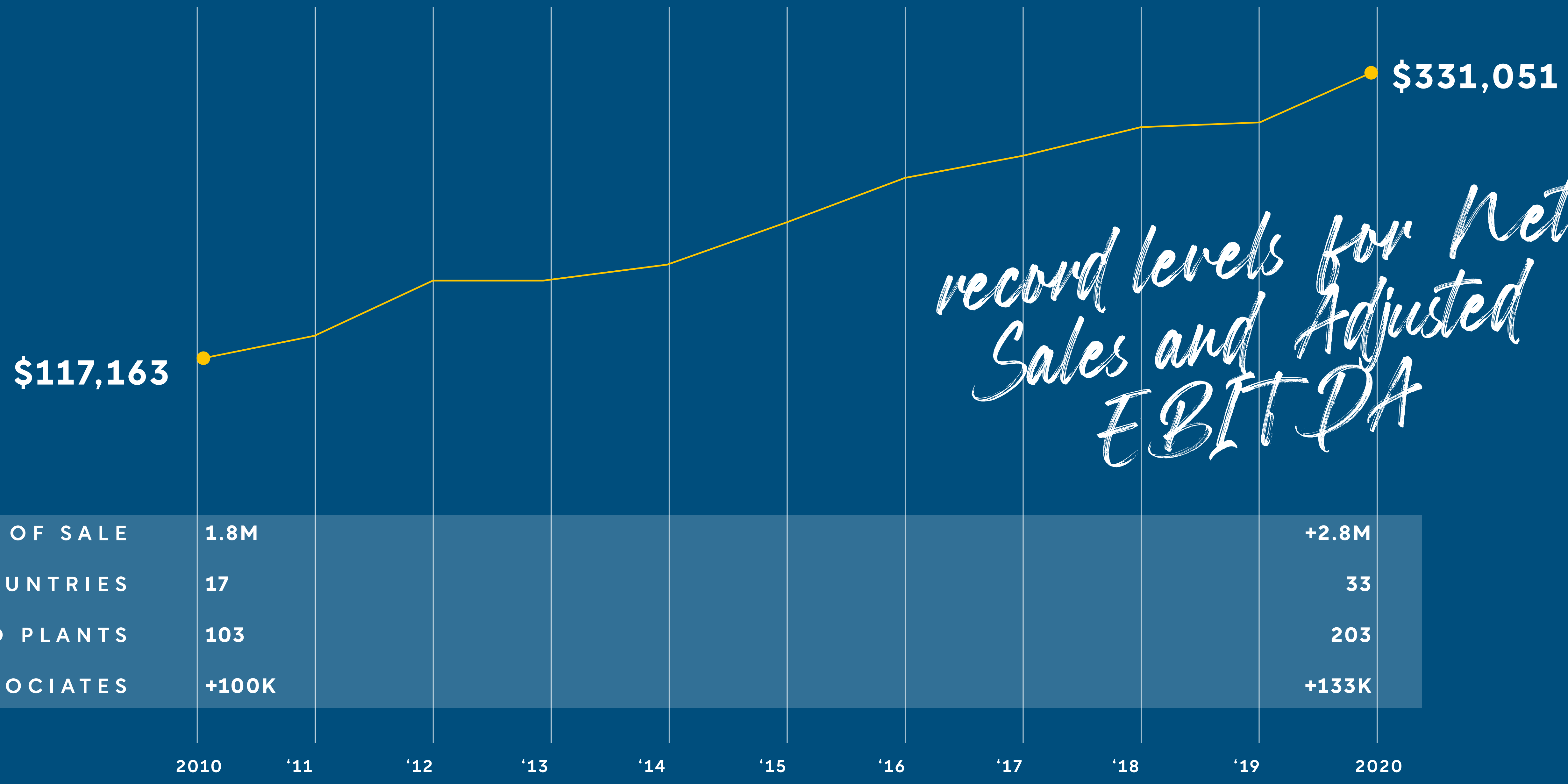
"2020 was a remarkable year for Grupo Bimbo, evidenced by record financial results and market share gains, despite a challenging environment. Today, I can see the results of 75 years of creation and progress, because thanks to our global leadership in an essential industry, the hard work of our associates, 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."

Daniel Servitje

Chairman and CEO

NET sales

CAGR 2010 - 2020 10.9%



record levels for Net Sales and Adjusted EBITDA

RELEVANT figures

	2010	2020
POINTS OF SALE	1.8M	+2.8M
COUNTRIES	17	33
BAKERIES AND PLANTS	103	203
ASSOCIATES	+100K	+133K

> In 2020 we reached record levels for Net Sales and Adjusted EBITDA, we doubled our Gross Cash Flow and reached the lowest leverage ofthe past 10 years. We start 2021 stronger than ever and despite the tough comparable, we are ready to continue strengthening our financial position.

Diego Gaxiola
CFO

FINANCIAL performance

(millions of mexican pesos)

NET SALES

Net Sales for 2020 rose 13.4% primarily due to favorable price mix, strong volume performance across all regions and FX rate benefit.

North America[1]

Net sales increased 22.5% primarily driven by continued branded growth across all key categories, as well as throughout the retail channel and FX rate benefit, which more than offset the weak results in the foodservice and convenience channels due to the pandemic.

Mexico[2]

Net Sales in Mexico grew 12.94% mainly due to an improved price mix; the traditional and retail channels outperformed, as did the snack cakes and cookies categories. Volumes were pressured by the pandemic, especially across the wholesale, convenience and foodservice channels.

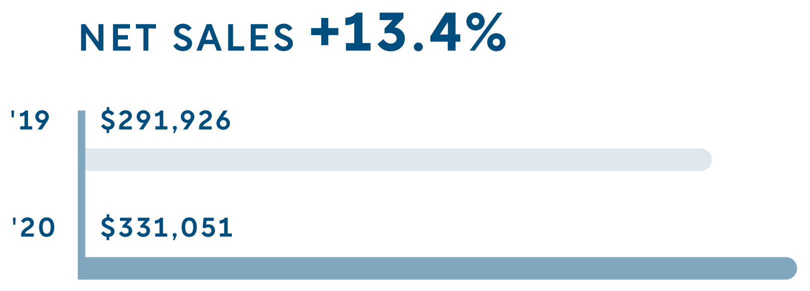
Latin America[3]

Net Sales grew 7.1%, every region posted sales growth in local currencies, especially Brazil, the *Latin Centro* division and the retail channel, despite the soft performance in Argentina.

EAA[4]

Net Sales rose 12.7%, mainly driven by strong results in Iberia and in the U.K., as well as by FX rate; this was countered by the challenging results in the QSR business due to the COVID-19 pandemic.

[1] North America region includes operations in the United States and Canada.
[2] Inter-company transactions have been removed from Mexico.
[3] Latin America region includes operations in Central and South America.
[4] EAA region includes operations in Europe, Asia and Africa.



GROSS PROFIT

Consolidated Gross Profit increased 16.1% with a margin expansion of 120 basis points, mainly attributable to the strong sales performance and lower raw material costs.

OPERATING INCOME

For the full year, Operating Income grew 24.4% and the margin expanded 70 basis points, reflecting the strong sales performance, lower cost of sales and lower general, restructuring and integration expenses. This was partially offset by a non-cash charge related to the adjustment of the MEPPs liability applied during the year.

ADJUSTED EBITDA[5]

2020 Adjusted EBITDA, which includes the effect of the implementation of IFRS16 for both periods, increased 19.3% and the margin expanded 70 basis points on the back of the strong operating performance primarily in North America, EAA and Latin America.

North America
The 160 basis points margin expansion was mainly due to strong sales performance coupled with favorable commodity costs and productivity savings; this was partially offset by COVID-19 related expenses.

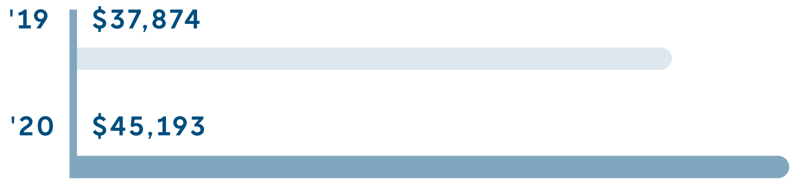
Mexico
In Mexico, the 100 basis points margin contraction reflected the above-mentioned sales mix performance and one-time expenses related to the coronavirus pandemic.

Latin America
The Adjusted EBITDA margin expansion of 270 basis points was mainly due to strong sales performance and productivity savings captured throughout the region.

EAA
EAA posted a 130 basis points expansion in the margin during 2020, mostly because of strong operating performance in Iberia, Bimbo QSR and U.K.

[5] Earnings before interests, taxes, depreciation, amortization and Multiemployer Pension Plans ("MEPPs").

ADJUSTED EBITDA +19.3%



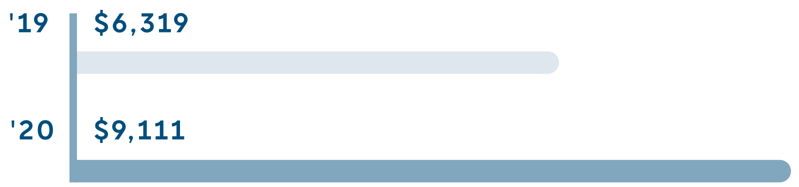
COMPREHENSIVE FINANCIAL RESULT

Comprehensive Financial Result totaled Ps. $8,859 million, compared to 8,560 in 2019, the increase mainly reflected higher interest expenses due to an unfavorable FX rate.

NET MAJORITY INCOME

For 2020 rose 44.2% and the margin expanded 60 basis points attributable to the strong operating performance across the Company and a lower effective tax rate of 37%.

NET MAJORITY INCOME +44.2%

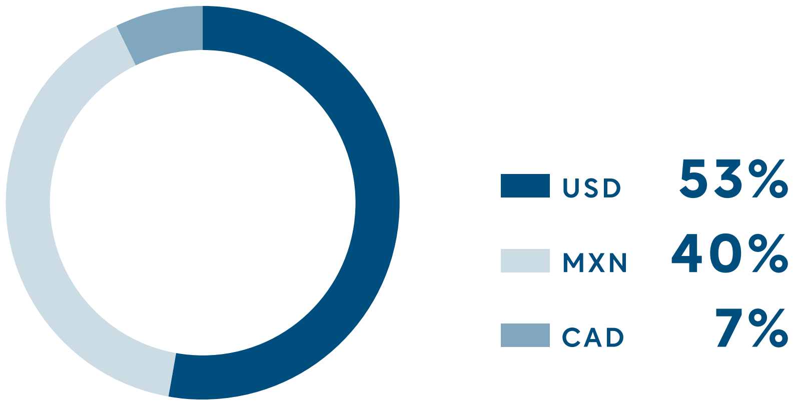


FINANCIAL STRUCTURE

Total Debt at December 31, 2020 was Ps. $85billion, compared to Ps. $87 billion on December 31, 2019. The Ps. $2 billion decrease was attributable to debt payment due to the strong cash flow generation despite the FX adverse effect.

Average debt maturity was 13.2 years with an average cost of 6.1%. Long-term debt comprised 99% of the total; 53% of the debt was denominated in US dollars, 40% in Mexican pesos and 7% in Canadian dollars. The Net Debt to Adjusted EBITDA ratio, which does not consider the effect of IFRS16, was 1.9 times compared to 2.4 times at December 31, 2019.

DEBT CURRENCY MIX



AMORTIZATION PROFILE[6]

(millions of US dollars)

[6] Does not include US$86 million debt at subsidiary level.

conservative debt profile and ample liquidity

#challengeaccepted

to live our beliefs

with ethical transparency

+90%

OF THE SALARIED ASSOCIATES COMPLETED TRAINING ON INTEGRITY AT GB UNIVERSITY

+70K

HOURLY ASSOCIATES TRAINED IN PERSON OR THROUGH OTHER MEDIA

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

AN ETHICAL
culture

(GRI 102-5, 102-16, 102-25, 206-1, 415-1, 419-1)

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

PURPOSE
Nourishing a better world.

PHILOSOPHY
Building a sustainable, highly productive and deeply humane company.

BELIEFS

1 WE VALUE THE PERSON

2 WE ARE A COMMUNITY

3 WE GET RESULTS

4 WE COMPETE AND WIN

5 WE ARE SHARP OPERATORS

6 WE ACT WITH INTEGRITY

7 WE TRANSCEND AND ENDURE

Policies and Compliance

(GRI 205-1)

A. Global Policy on Integrity

Our business ethics model is driven by Our Global Integrity Policy, which is available on our website and open to the public looking for advice or seeking to report an ethical matter. It establishes Zero Tolerance for lack of integrity and the duty to report all irregularities detected to the Compliance Department, the Ethics Committee, or the Legal Department.

Our Zero Tolerance approach to integrity violations has yielded outstanding results, as Grupo Bimbo has not received any reports on confirmed cases of public or private corruption to date.

Compliance with our policy is reinforced by training and internal communications fostering the application of its precepts and providing instructions for reporting through the corresponding locality, via email to **speakup@grupobimbo.com**, or at all Company facilities, which are always in touch with these reporting channels.

In 2020 we conducted an integrity risk analysis to Global Services in Mexico, the division in charge of providing administrative services to our organizations, and in 2021 we will conduct a global analysis to identify and measure our main integrity risks, which we periodically analyze in each of our locations. To ensure the possibility of anyone being able to report an irregularity directly to the Governance Body, we keep a channel open expressly to this end under the Corporate Governance section of our website at **https://www.grupobimbo.com/en/our-group/corporate-governance.**

We conveyed the rules of our Global Integrity Policy through our internal platforms, GB-ON, email, and work center, and online campaigns, targeting Grupo Bimbo Steering Committee, supervisors, administrative personnel, and the middle and senior management teams. Our Global Integrity Policy guidelines enlists our business partners' commitment and obligation to sign the Supplier Code of Conduct, which can be found on our website.

B. Global Policy on Conflicts of Interest

In order to extend this philosophy beyond our organization, Grupo Bimbo has established a Global Policy on Conflicts of Interest, which must be respected by all associates of all partner organizations, subsidiaries, affiliates, and suppliers.

It is worth mentioning that all reporting channels strive to guarantee the responsible management of user data and identity. Therefore, all cases are kept confidential and anonymous and accessed only by personnel authorized by the Company to this end.

C. Anti-Corruption

To prevent situations that could result in acts of corruption or bribery, it is strictly forbidden to receive and/or give anything of value such as money, gifts, favors, or services that could cause reputational damage to the Company. We maintain processes that promote a culture of integrity, control, and legality, as established by our Code of Ethics and our Global Integrity Policy.

+100K

ASSOCIATES TOOK INTEGRITY TRAINING COURSES

(GRI 412-2, 205-2)

65,201

MEXICO

HOURLY ASSOCIATES 49,884

SALARIED ASSOCIATES 15,317

21,252

NORTH AMERICA

HOURLY ASSOCIATES 16,671

SALARIED ASSOCIATES 4,581

7,934

LATIN AMERICA

HOURLY ASSOCIATES (LAS & LAC) 3,826

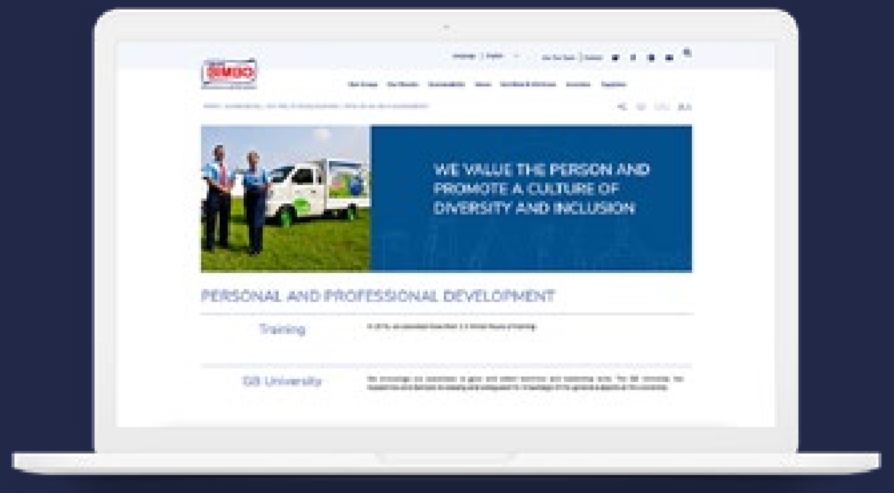
SALARIED ASSOCIATES 4,108

5,908

EAA

HOURLY ASSOCIATES (BCN & BI) 3,616

SALARIED ASSOCIATES 2,292



We also send the Code of Ethics, the Global Integrity Policy, and complementary information, including training courses and materials, to our Board Members once a year through different communication channels, such as email or a special website created to that end. In 2020, GB University taught courses on integrity to 26,298 associates, which translates into close to 91% of the Company's entire workforce in the administrative and managerial levels who have access to the GB University, plus 73,999 operative associates.

We can confirm that whoever works of Grupo Bimbo is trained under a vision of ethics and responsibility that generates a positive reality that encompasses both work and personal aspects.

D. Speak Up Line:

speakup@grupobimbo.com

E. Customer Privacy

In 2020, the Superintendency of Industry and Commerce of Colombia (SIC) submitted a request for information. Bimbo Colombia responded, and the SIC closed the investigation. There were no fines or penalties.

F. Socioeconomic Compliance

No significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in social and economic matters have been corroborated to date.

G. Unfair Trade Practices

Although there are two investigations on matters related to economic competition currently underway, no charges have been filed to date.

H. Public Policy

Grupo Bimbo does not make in-kind or monetary contributions to political parties and/or representatives in any of the countries where we operate. This follows our Global Policy on Integrity, which "strictly forbids direct or indirect contributions on behalf of the Company to political parties or candidates to elected positions."

Our Code of Ethics also establishes that "we maintain processes that promote a culture of integrity, control, and legality, to prevent situations that could result in acts of corruption or bribery, like receiving money and/or giving anything of value such as money, gifts, favors, or services that could cause reputational damage to the Company and all who work in it."

Unrestricted compliance with these regulations is what allowed Grupo Bimbo to be recognized as one of the 2020 World's Most Ethical Companies by the Ethisphere® Institute. This is the fourth consecutive year in which the Company has achieved this recognition.

We are one of the 131 companies chosen for the World's Most Ethical Companies list

+35K

ASSOCIATES RECEIVED INFORMATION ABOUT THE GLOBAL POLICY ON INTEGRITY THROUGH OUR DIGITAL PLATFORMS

You tell us what has happened. We investigate and act on it.

Our Speak Up Committees investigate and determine actions to resolve the matter.

SPEAK UP

comenta@grupobimbo.com

GRUPO BIMBO
NOURISHING A BETTER WORLD

I. Speak Up

Aware of the incalculable value of our associates, we strive to provide them with an exceptional and cordial workplace climate. To do this, we seek to implement actions that comply with the consolidation of our ethical environment, reinforce our beliefs, and contribute to strengthening our Golden Rule: Respect, Fairness, Trust, and Care, promoting our internal values policies, such as the Code of Ethics for Associates and the Supplier Code of Conduct.

In order to contribute to achieving the standards established in these codes and resolving conflicts generated by actions or behavior that contradicts our principles, Grupo Bimbo created Speak Up as our channel offering a timely listening to address, resolve, and follow-up on reports of actions that violate our Codes.

Speak Up is a reporting mechanism that guarantees total confidentiality, free of repercussions and safe for those who seek to express any disagreement, while ensuring the peace of mind all associates, partners, shareholders, suppliers, consumers, and internal and external stakeholder groups deserve.

In 2020, Speak Up received 904 reports, of which:
573 Unfounded
257 Founded
74 In progress

Identity	Gender
382 Anonymous	214 Female
522 Name supplied	478 Male
	212 Unspecified

Grupo Bimbo is deeply committed to diversity and inclusion, which is why we are responsible for investigating all reports we receive regarding this matter.

In 2020, we received reports about 52 cases that were investigated and resolved, followed by the application of preventive and corrective measures, divided as follows:

39 Unfounded
13 Founded

An investigation into each case reported is used to determine an action plan. All diversity and inclusion reports were addressed with the implementation of a specific action plan too.

904
TOTAL NUMBER OF REPORTS RECEIVED

5
CONFLICTS OF INTEREST

52
DIVERSITY AND INCLUSION

21
INTEGRITY POLICY

596
LABOR RELATIONS

91
SAFETY AND WELL-BEING

14
SEXUAL HARASSMENT

5
SUPPLIERS

120
VIOLATIONS OF THE CODE OF ETHICS

Memberships

NATIONAL

- AMCHAM, the American Chamber of Commerce of Mexico
- AMDIVED, Mexico's Confectionary Sales Executives Association
- AMEXIGAPA, Mexico's Cookie, Cracker, and Pasta Production Association
- ANTAD, Mexico's Self-Service, and Department Stores Association
- ANTP, Mexico's Private Transport Association
- ASCHOCO, National Chocolate and Confectionery Association
- CANACINTRA, Mexico's Chamber of the Transformation Industry
- CANAINPA, Mexico's Bakers Association
- CANAMI, Mexico's Chamber for Industrial Maize
- CCE, Business Coordinating Council
- CESPEDES, Commission on Sustainable Development Studies in the Private Sector
- CIMMYT, International Center for the Improvement of Maize and Wheat
- CMN, Mexico's Business Council
- CNA, Mexico's Agricultural Council
- COMEXI, Mexican Council on Foreign Relations
- Communication Council
- CONAR, Mexico's Self-Regulation and Advertising Ethics Council
- CONCAMIN, Mexico's Confederation of Industrial Chambers
- ConMéxico, Mexico's Consumer Products Industry Council
- COPARMEX, Employers' Confederation of Mexico
- ECOCE, an organization that promotes the recycling of PET waste in Mexico
- FUNSALUD, Mexico's Health Foundation
- GEMI Initiative
- MOVISA, Movement for a Healthy Life
- USEM, Mexico's Social Entrepreneurship Union

INTERNATIONAL

- CGF, Consumer Goods Forum
- Earthworm Foundation
- IFBA, International Food and Beverage Alliance
- RSPO, Roundtable on Sustainable Palm Oil
- WFA, World Federation of Advertisers

Alliances

(GRI 102-13)

NATIONAL

AGUA CAPITAL

Agua Capital is a collective collaboration platform comprising members of civil society, foundations, the private sector, and academia, looking for projects and solutions to contribute to Mexico City's water security and water conservation strategy.

INTERNATIONAL

IDB, Inter-American Development Bank

Creation of the #SinDesperdicio platform, in a collaborative effort with the IDB, the Global Food Banking Network, the United Nations Food and Agriculture Organization (FAO), the Consumer Goods Forum (CGF), and the World Resources Institute, to implement technology solutions and processes to fight food loss and waste in Latin America and the Caribbean (LAC), focused on the four actions pillars of innovation, public policy, knowledge, and behavior.

Awards & Honors

INSTITUTION/EXECUTIVE	GRANTED BY	MONTH IN 2020	RECOGNITION
REPUTATION			
Grupo Bimbo	MERCO	July	One of the companies with the best reputation in Latin America and one of the top three food companies
Grupo Bimbo	MERCO	August	Number 1 "Company with the Best Reputation" in Mexico
Grupo Bimbo	MERCO	August	List of Most Reputable Food Companies
Grupo Bimbo	MERCO	December	Number 1 in the Top 100 Companies with the Best Corporate Governance and CSR in 2020
Grupo Bimbo	MERCO	December	Number 1 in the Top 30 Companies with the Best Corporate Social Responsibility and Commitment during the Pandemic
Grupo Bimbo	*Expansión* Magazine	July	Top 500 Companies in Mexico
Grupo Bimbo	*Mejores Empleos* Magazine	June	Number 2 in the Top 50 Companies with the Best Jobs
Grupo Bimbo	Guinness World Records	November	Title Holder for the Largest Donation of Baked Goods Worldwide
Ideal Brand	*Best Workplaces by Compu Trabajo*	June	One of the Best Companies to Work for in Chile
EXECUTIVES		June	
Daniel Servitje, CEO and Chairman of the Board of Grupo Bimbo	MERCO	August	Business Leader with the Best Corporate Reputation in Mexico
Daniel Servitje, CEO and Chairman of the Board of Grupo Bimbo	*Expansión* Magazine	October	Number 7 in the 100 Most Important Entrepreneurs in Mexico
Daniel Servitje, CEO and Chairman of the Board of Grupo Bimbo	Environmentalist Organization Sachamama	December	One of the 100 Most Influential Latinos Committed to Climate Action
Diego Gaxiola, Chief Financial and Administrative Officer (CFAO) of Grupo Bimbo	*Mundo Ejecutivo* Magazine	September	Best CFOs Essential in the New Normal Ranking
Diego Gaxiola, Chief Financial and Administrative Officer (CFAO) of Grupo Bimbo	IMEF	November	Best CFO of the Year
Lynn Langrock, Vice President People & Corporate Affairs of Bimbo Canada	Globe and Mail's, Report Business Magazine	August	One of Canada's Best Executives
María López, Global VP Strategy of Grupo Bimbo	*Expansión* Magazine	September	One of the 30 Promises
Marie-Eve Royer, VP of Business Transformation of Bimbo Canada	Star Women in Grocery	June	One of the Star Women in Grocery in Canada for her leadership of long-term strategic initiatives
Angelines Diez, President of El Globo	*Expansión* Magazine	February	One of the 100 Most Powerful Women in Business in 2020
Liliana Mejía, Global VP Corporate Affairs	*Expansión* Magazine	February	One of the 100 Most Powerful Women in Business in 2020
Patricia Villalobos, Global VP of Research & Development, and Quality Assurance	*Expansión* Magazine	February	One of the 100 Most Powerful Women in Business in 2020
ETHICS			
Grupo Bimbo	The Ethisphere® Institute	February	One of the World's Most Ethical Companies for the fourth consecutive year
Grupo Bimbo	*Expansión* Magazine, Mexicans Against Corruption and Impunity, Mexican Transparency	December	One of the Top 5 Mexican Companies with the highest Corporate Integrity 500 (IC500) score
SUSTAINABILITY			
Bimbo Bakeries USA	US EPA, United States Environmental Protection Agency	April	Energy Star® Partner of the Year: Sustained Excellence Award for the third consecutive year
Bimbo Bakeries USA (Escondido, CA)	Food Processing Magazine, USA	October	Green Plant of the Year
Bimbo and Barcel	SEMARNAT, Mexico's Secretariat of Environment and Natural Resources	July	Excellent Environmental Performance Award; the highest score granted in the Clean Transportation Program
BRANDS			
Bimbo	Brand Footprint Mexico Study, prepared by Consulting Firm Kantar Worldpanel	June	Number 2 in The Most Popular Brands in Mexico, and Number 1 as The Most Popular Brand in Mexico City for the second consecutive year
Marinela, Tía Rosa and Bimbo	Kantar BrandZ™	March	Bimbo for having three of the Top 30 Most Valuable Brands in Mexico Marinela ranked 17 Tía Rosa ranked 27 Bimbo, Number 20 in the Top Most Valuable Brands in Latin America
Kicao	Goula Awards	March	Best Packaging Design Award
Supán	Brand Footprint, Kantar	August	Top 10 of the Most Recognized Brands in Ecuador and Number 1 in the Baked Goods category
Bimbo Guatemala	Summa Magazine	December	In Three Categories of Multinational Top-of-Mind Brand Recall
COMMUNICATION			
#SinDejarHuella (no footprint) Campaign	AMCO Award	October	Commitment to Innovation and Responsible Waste Management, and Digital Actions on our global LinkedIn page
SUPPLIERS			
Grupo Bimbo	Favorite Corporation	October	Supplier of the Year Award in the Baked Goods Category for the third consecutive year

OUR SUSTAINABILITY

management

(GRI 102-20, 102-29, 102-31, 102-32, 102-33)

In 2016, Grupo Bimbo created the Central Sustainability Committee to promote our sustainability strategy. The Committee continues to report on our performance through the four pillars of our sustainability framework, including Wellness, Planet, Community, and Associates. The Committee has been charged with ensuring that sustainability forms an integral part of how we think, decide, and operate, by taking projects to all levels across the Company.

The Global Research & Development Division and the Health and Wellness Department are in charge of managing the Wellness Pillar that develops, measures, and reports innovation, nutritional profiles, packaging, product transparency, and other results.

The Operations, Logistics, Finance, Procurement, and the Research & Development Divisions manage environmental aspects such as carbon footprint, water footprint, comprehensive waste management, and natural capital.

The Global Institutional Relations Division manages follow-up on social programs such as Good Neighbor, Donations, Volunteering, Disasters, and Plant Visits. It also coordinates the preparation of the Integrated Grupo Bimbo Annual Report together with Finance VP and serves as a liaison with the Social Investment Committee that defines and authorizes the budget for social projects.

The Global VP for People is in charge of the Associates pillar and implements sustainability practices inside Grupo Bimbo.

Each division has designated leaders responsible for defining the action plan and measuring the results to disseminate material issues among specialists on each subject matter, monitor progress, and contribute to reporting results through two key mechanisms:

Preliminary corporate board meeting centered on presenting quarterly accountability status reports in a meeting with the Grupo Bimbo CEO and the Steering Committee, and Committee meetings held to analyze results, budgets, and trends, and ask for the approval of specific issues identified by the functional division.

The Steering Committee approves the plans and authorizes the budgets to be allocated to the different sustainability projects and concrete action plans.

As of 2021, Grupo Bimbo will have a global team dedicated to monitoring sustainability and making decisions on strategic issues at the highest level. The Group will also implement a new strategy to raise our level of ambition and the impacts we want to generate on the planet, the community, and our Company.

MATERIALITY

(GRI 102-17, 102-21, 102-44)

Grupo Bimbo conducts a materiality assessment every three years. We use the study as our main indicator to determine the direction of our actions, prioritizing stakeholder requirements, assessments, and urgency.

This study is conducted through an institutional consultation among the stakeholder groups defined in our Global Sustainability Policy. The last consultation was held in 2019 to learn about the new sustainability requirements, needs, and priorities for responsible actions.

The scope of the materiality assessment spanned six countries, including Brazil, Chile, Colombia, Mexico, Spain, and the United States, based on their relevance in the Grupo Bimbo market and how they represent the Group's evolution of sustainability initiatives.

Each stakeholder is served by a specific Global VP that provides feedback for follow-up on the concerns and evolution of stakeholder requirements to evaluate the validity of the materiality assessment and the changes that occur between each update.

The Central Sustainability Committee reviews the materiality assessment every year and the status updates and compliance with these requirements to shed light on the relevant variations detected over the course of the year. This is how the materiality inputs are reviewed by the Group's highest governance body responsible for taking all relevant inputs to the Board of Directors.

The materiality assessment is completed through an external supplier with experience in the subject matter and a presence in other countries to ensure sensitivity to the local culture and requirements and provide the most authentic and reliable information possible, without cultural biases.

The most relevant findings of the materiality assessment are presented to the Central Sustainability Committee with an executive summary sent to the Steering Committee members, with an electronic copy of the study.

Each functional VP provides quarterly status reports on the progress made during the year. They also hold annual meetings with Senior Management to review the consolidation of the progress made and define the new actions to be implemented the next year.

Global Corporate Affairs is responsible for the mechanism used to communicate and directly scale critical environmental concerns to the highest governance body.

Critical concerns derive from regulatory issues, legislative initiatives, and political, social, and economic junctures.

Global Corporate Affairs uses the following tools to address and resolve these critical concerns:

- The Global Risk Management Dashboard, which is used to track regulatory matters in the countries where we operate, assigns each a risk based on the Global Internal Control Division criteria.
- Mechanisms to monitor, analyze, and coordinate actions to address these matters.

Findings in the 2019 materiality assessment showcased the following topics as the most relevant stakeholder priorities:

1. **Responsible supply chain management practices**
2. **Innovation to create healthier products**
3. **Sustainable packaging in a circular economy**
4. **Ethics and integrity**
5. **Human rights in the supply chain**
6. **Water management**
7. **Renewable energy and energy efficiency**
8. **Waste management**
9. **Climate change mitigation and adaptation**
10. **Product safety and quality**

STAKEHOLDER GROUPS

(GRI 102-40, 102-43)

Our stakeholder groups are those that impact or are impacted by Company actions. They include both internal and external stakeholder groups.

- **Internal:** shareholders, partners, associates, and associates representatives. The decisions made by them and the Company affect the development of our business.

- **External:** persons that are somehow linked to the Company and share some of our objectives. Proper interaction with them creates win-win relationships. These groups include customers, suppliers, distributors, contractors, competitors, consumers, society, government, business organizations and international organizations Grupo Bimbo belongs to; media, social organizations, embassies, and higher education and research institutions.

Grupo Bimbo's permanent dialogue with each stakeholder group allows us to confirm the validity of the groups defined in the Global Sustainability Policy. Our relationship with each one allows us to identify their requirements, concerns, and contributions. The functional division serving the group identifies all changes made to the same.

In addition to our evaluators specialized in sustainability, Grupo Bimbo recently created a new group of specialized investors with funds earmarked exclusively to invest in companies and organizations paying special attention to Environmental, Social, and Governance (ESG) issues.

These groups have been identified from our active participation in committees, business groups, and our ongoing dialogue with sustainability experts. This is how our stakeholder group identification base engages in permanent dialogue with the communities we serve and the stakeholder groups already identified.

KEY IMPACTS, RISKS, AND OPPORTUNITIES

(GRI 102-15)

The main impacts produced by Grupo Bimbo are as follows:

1. **Our carbon footprint:** derived from the operation and distribution of our products.

2. **Water footprint:** although it is not one of the issues producing the greatest impact in real terms, our water footprint is one of our stakeholder groups' material targets.

3. **Human rights:** one of Grupo Bimbo's top priorities is to establish general guidelines on respect for human rights, consistent with our culture and in accordance with applicable local laws, international law, and other global instruments.

4. **Regenerative agriculture:** we are working with farmers to ensure a positive impact on our carbon footprint and ensure development opportunities in the communities we serve.

5. **Waste:** food loss and waste management are relevant topics for the coming years. A healthier planet depends on our improved management of resources.

6. **Improved nutritional profiles:** due to the nature of our Company, we must continue our efforts to improve nutritional profiles to offer market products focused on healthy lifestyles and nutritional requirements.

7. **Plant-based diets:** the current food crisis and climate change have generated the need to shift towards alternatives producing the least environmental impact on the planet, such as plant-based diets. The inherent nature of our business is focused on this essential characteristic, resulting in the natural adoption of this trend. Although our original product falls under this category, we must include the diversity of grains existing on the planet to offer a specialized portfolio for consumers choosing to adopt plant-based diets.

8. **Transparent and sustainable brands:** Grupo Bimbo agrees with the need to offer purpose-driven brands committed to a cause, with a strong commitment to contribute to a better world, and well-defined causes that inspire and motivate consumers to identify with the brand's purpose.

9. **Community ties:** we are committed to improving the quality of life of the communities we serve. We want to contribute to their prosperity and create resilient communities to improve their lives.

CORPORATE governance

(GRI 102-18, 102-22, 102-23, 102-24)

Board of Directors

Daniel Javier Servitje Montull
Chairman

Andrés Obregón Servitje
Arturo Manuel Fernández Pérez*
Edmundo Miguel Vallejo Venegas*
Estibalitz Laresgoiti Servitje
José Ignacio Pérez Lizaur*
Jaime A. El Koury*
Jaime Chico Pardo
Javier de Pedro Espínola
Jorge Pedro Jaime Sendra Mata
José Ignacio Mariscal Torroella
Luis Jorba Servitje
Mauricio Jorba Servitje
María Isabel Mata Torrallardona
María Luisa Jorda Castro*
Nicolás Mariscal Servitje
Ricardo Guajardo Touché*
Rogelio M. Rebolledo Rojas*

*Independent

Audit and Corporate Practices Committee

Edmundo Miguel Vallejo Venegas
Chairman

Jaime Antonio El Koury
Arturo Manuel Fernandéz Pérez
María Luisa Jorda Castro
José Ignacio Pérez Lizaur

Evaluation and Results Committee

Luis Jorba Servitje
Chairman

Nicolás Mariscal Servitje
José Ignacio Pérez Lizaur
Daniel Javier Servitje Montull
Edmundo Miguel Vallejo Venegas

Finance and Planning Committee

José Ignacio Mariscal Torroella
Chairman

Jaime Chico Pardo
Javier De Pedro Espínola
Ricardo Guajardo Touché
Luis Jorba Servitje
Daniel Javier Servitje Montull
Nicolás Mariscal Servitje
Rogelio M. Rebolledo Rojas

Steering Committee

Daniel Javier Servitje Montull
Chairman of the Board and Chief Executive Officer, Grupo Bimbo

Javier Augusto González Franco
Executive VP

Rafael Pamias Romero
Executive VP

Gabino Miguel Gómez Carbajal
Executive VP

Diego Gaxiola Cuevas
Global VP, Administration and Finance

Juan Muldoon Barrena
Global VP, People

Raúl Ignacio Obregón Servitje
Global VP, Transformation

Alfred Penny
President, BBU

Miguel Ángel Espinoza Ramírez
President, Bimbo Mexico

* Please visit www.grupobimbo.com for more detailed information on our corporate governance practices, Board Members, and Executive Committee Members and the responsibilities of each Board Committee.

The most senior executive acknowledging responsibility for the statement of use is the Chairman of the Board of Directors of Grupo Bimbo. His level of involvement ensures communication at all corporate levels, ranging from the Board of Directors to the Grupo Bimbo operation.

Grupo Bimbo annually holds the Ordinary Shareholders' Meeting, which is previously convened by mass media in order for them to participate in it and vote their shares according to the Meeting's agenda.

Committee members are actively involved in announcing the results of the materiality assessment and the specific specialized group requirements.

Grupo Bimbo, as a public company, is obligated to comply with the Mexican laws and authorities such as BMV (Mexican Stock Exchange), INDEVAL (Central Securities Depository for the Mexican Securities Commission) and CNBV (National Banking and Stock Commission), it´s regulated by the Ley del Mercado de Valores (Securities Market Law) and the Ley General de Sociedades Mercantiles (General Law of Mercantile Companies). The processes for the appointment and selection of the highest governance body and its committees are regulated in said laws and reflected in the corporate bylaws of Grupo Bimbo.

The Board of Directors is an elected group of men and women of different nationalities, including independent outside directors.

EXPERIENCE AND COMMITMENTS FROM ALL MEMBERS OF THE HIGHEST GOVERNANCE BODY AND ITS COMMITTEES

(GRI 102-14, 102-18)

The Board and Committees' members have a vast experience in different branches and sectors. They have participated in other companies' governance bodies and have many years of professional experience.

Daniel Javier Servitje Montull

Level: Executive
Independence: No
Gender: Male
Seniority: 27 years
Significant positions and commitments, and the nature of the commitments:
Member of the Board of Directors of Grupo Financiero Banamex, S.A. de C.V.; Coca-Cola Femsa, S.A.B de C.V.; Instituto Mexicano para la Competitividad, A.C.; The Global Consumer Goods Forum; Latin America Conservation Council (The Nature Conservancy); and Aura Solar.

Andrés Obregón Servitje

Level: Non-Executive
Independence: No
Gender: Male
Seniority: Two years
Significant positions and commitments, and the nature of the commitments:
Managing Partner of a wealth and investment advisory services firm. Over the past 15 years, he has been actively involved in private equity investments in various sectors such as education, food, financial services, logistics, and manufacturing.

He sits on the Board of Directors of several companies, including lime producer Grupo Calidra; the Dentalia dental clinic network; and the ALLVP Venture Capital Fund Investment Committee. He has a degree in Industrial Engineering from Universidad Iberoamericana and an MBA from Stanford University.

Arturo Manuel Fernández Pérez

Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: 15 years
Significant positions and commitments, and the nature of the commitments:
Dean of Instituto Tecnológico Autónomo de México (ITAM), and member of the Board of Directors of Industrias Peñoles, S.A.B. de C.V.; Grupo Nacional Provincial, S.A.B. de C.V.; Grupo Palacio de Hierro, S.A.B. de C.V.; Valores Mexicanos, Casa de Bolsa, S.A.B. de C.V.; Grupo Financiero BBVA Bancomer, S.A. de C.V.; Grupo Profuturo, S.A.B. de C.V.; and Fresnillo, PLC.

Edmundo Miguel Vallejo Venegas

Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: Nine years
Significant positions and commitments, and the nature of the commitments:
Business scholar, advisor, lecturer, author, social promoter, and former president and CEO of GE Latin America.

Estibalitz Laresgoiti Servitje

Level: Non-Executive
Independence: No
Gendero: Female
Seniority: Three years
Significant positions and commitments, and the nature of the commitments:
She studied medicine at Universidad Anáhuac, a Master's Degree in Immunology from the National Polytechnic Institute, a Master's Degree in Neuroscience from the Open University of Catalunya, and a Doctorate in Health Psychology from Walden University in Minneapolis, MN. In 2021, she will complete a Master of Health Science degree at the University of British Columbia in Canada. She has Clinical Immunology Practice at the ABC Medical Center. She is a Researcher and Professor of Immunology at the TEC de Monterrey School of Medicine and a Professor of Postgraduate Statistics at the UNAM. She is a member of the National System of Researchers at Mexico's Council Of Science and Technology (CONACYT).

José Ignacio Pérez Lizaur

Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: Ten years
Significant positions and commitments, and the nature of the commitments:
He has a degree in Economics from the National Autonomous University of Mexico and a Master's Degree in Development Studies from the University of East Anglia in Norwich, England. He has participated in refresher courses and seminars, most recently, Boards that Lead in 2017 at Wharton University and Exponential Innovation at Singularity University in 2018. He is the founder of Consultores Pérez Lizaur S.C. and Chairman of the Board of Directors of Omnigreen S.A. de C.V., a company engaged in the recycling of low-density plastic. He sits as an independent member on several Boards of Directors for companies such as Grupo Bimbo, where he serves on the Audit and Evaluation and Results Committees; Envases Universales, Nacional Monte de Piedad, where he serves as President of the Board of Trustees and sits on the Social Investment Committee. Until 2016, he served on the Board of Directors of Newell Brands in the USA (member of the Audit and Compensation Committees) and the Central American Bottling Corporation (CBC) in Central America and the Caribbean, where he chaired the Audit Committee.

Currently, he also allocates part of his time to participate in a myriad of projects in civil society. He was distinguished as a member of the Walmart Hall of Fame in recognition of Walmart International's broad expansion in the Americas, where he held various leadership positions both in Mexico and in the US and in other Latin American countries. He was a consultant for Wal-Mart in Brazil, China, and India.

Jaime Antonio El Koury

Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: Four years
Significant positions and commitments, and the nature of the commitments:
He was a Cleary Gottlieb Steen & Hamilton LLP partner from 1986 to 2014. He currently serves as Chief Legal Counsel of the Financial Oversight and Management Board for Puerto Rico (FOMBPR), an official body created by the U.S. Congress, and has served as an Alternate Director on the Board of Directors of Coca-Cola FEMSA, S.A.B. de C.V. since 2015. He received a J.D. degree from Yale Law School and an undergraduate degree in Economics from Yale University. He has been admitted to practice the law in Puerto Rico and the State of New York in the USA.

Jaime Chico Pardo
Level: Non-Executive
Independence: No
Gender: Male
Seniority: Seven years
Significant positions and commitments, and the nature of the commitments:
He has a degree in Industrial Engineering from Universidad Iberoamericana and an MBA from the University of Chicago. In 2011, he founded Enesa, a Private Investment Fund in the Energy and Health sectors. He served as Chairman of the Board of Directors of Telmex and IDEAL, and President and CEO of Telmex since 1995, after serving as President and CEO of Condumex, Euzkadi/General Tire de México, and Hershey's, and founding the Fimbursa Investment Bank. Before joining Grupo Carso, he worked in International Banking at Banamex and founded the IFI Investment Bank of Mexico in 1989. He currently sits on the Board of Directors of Grupo Bimbo and the Advisory Board of BDT Capital Partners. Mr. Chico-Pardo served on the Honeywell Intl. Board of Directors from 2000 to 2020, the AT&T Board from 2008 to 2015, and on the American Mutual Funds Board from 2011 to 2013. He has been a Member of the Board of Directors of the University of Chicago Booth since 2012 and is a member of the Advisory Council of the TEC de Monterrey.

Javier de Pedro Espínola
Level: Non-Executive
Independence: No
Gender: Male
Seniority: Ten years
Significant positions and commitments, and the nature of the commitments:
Member of the Board of Directors and CFAO of MXO Trade, S.A. de C.V.; member of the Board of Directors of Global Biotherapeutics, Grupo Colchones Restonic, S.A. de C.V., and Fundación José T. Mata.

Jorge Pedro Jaime Sendra Mata
Level: Non-Executive
Independence: No
Gender: Male
Seniority: Eight years
Significant positions and commitments, and the nature of the commitments:
Manager of JJ Textiles, S.A. and JRPVJ, Inc., and former member of the Board of Directors of DB Homes S.A. and JRPVJ, Inc.

José Ignacio Mariscal Torroella
Level: Non-Executive
Independence: No
Gender: Male
Seniority: 32 years
Significant positions and commitments, and the nature of the commitments:
He has a degree in Economics from the National Autonomous University of Mexico and currently serves as a member of the Board of Directors of Grupo Marhnos, Grupo Bimbo, Grupo Calidra, Afianzadora Aserta, Servicios de Energía Mexoil, Aura Solar, and Siete Colores Ideas Interactivas. He is Vice President of FinComún Financial Community Services.

He also serves as a Member of the Board of Directors of Uniapac International and the Uniapac Foundation, after serving as World President of Uniapac from 2006 to 2009, as the first Latin American appointed to this position. He is President of the Single Economy Committee of the Business Coordinating Council (CCE), Director of the CCE, an Executive Committee member of COPARMEX, where he is also a board member, and Vice President of International Affairs and Labor as this Employers' Union. He serves as a member of the Executive Commission of the USEM, Mexico's Social Entrepreneurship Union, and was President of the Mexican Institute of Christian Social Doctrine (IMDOSOC), where he currently sits on the Oversight Committee and is President of the León XIII Foundation.

Luis Jorba Servitje
Level: Non-Executive
Independence: No
Gender: Male
Seniority: 15 years
Significant positions and commitments, and the nature of the commitments:
Chief Executive Officer for Frialsa Frigoríficos, Chairman of the Board of Directors of Efform, S.A. de C.V., and the Texas Mexico Frozen Food Council, the International Association of Refrigerated Warehouses, the World Food Logistics Organization, and the World Group of Warehouses.

Mauricio Jorba Servitje
Level: Non-Executive
Independence: No
Gender: Male
Seniority: 24 years
Significant positions and commitments, and the nature of the commitments:
Member of the Boards of Directors of VIDAX and Promociones Monser, S.A. de C.V.

María Isabel Mata Torrallardona
Level: Non-Executive
Independence: No
Gender: Female
Seniority: 15 years
Significant positions and commitments, and the nature of the commitments:
Managing Director of Fundación José T. Mata, A.C. and member of the Board of Directors of Administración de Tepeyac, A.C.

María Luisa Jorda Castro
Level: Non-Executive
Independence: Yes
Gender: Female
Seniority: Five years
Significant positions and commitments, and the nature of the commitments:
Member of the Board of Directors of Orange Spain and the Orange Audit Committee. She is a member of the Board of Directors of Merlin Properties, Chair of the Remuneration Committee, and Member of the Audit Committee, which she chaired for four years. She is also a member of the Board of Directors of the Grupo BANKINTER Financial Institution, where she also chairs the Audit and Regulatory Compliance Committee and sits on the Risk Committee. María Luisa is a member of the Advisory Council of the Institute of Internal Auditors of Spain, where she chairs the Advisory Council and is a Professor in the Advisory Program of the ESADE School of Business.

She has sat on the Board and served as a member of the Audit and Control Committee of Tubos Reunidos, S.A., served on the Board of the European Finance Bank (Grupo Unicaja), and chaired the Audit Committee. She served as a member of the Board of Directors of Jazztel, where she chaired the Audit Committee for four years. She also served on the Governing Board and sat on the Audit Committee of ICA, the Institute of Directors, and Administrators. Mrs. Jorda Castro has held several executive positions during her 30-year career and served as a member of different management, investment, and audit committees.

Nicolás Mariscal Servitje
Level: Non-Executive
Independence: No
Gender: Male
Seniority: 13 years
Significant positions and commitments, and the nature of the commitments:
Managing Director of Marhnos and member of the Board of Directors of Educampo.

Ricardo Guajardo Touché
Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: 18 years
Significant positions and commitments, and the nature of the commitments:
Member of the Boards of Directors of Grupo Financiero BBVA Bancomer, S.A. de C.V.; Grupo Fomento Económico Mexicano, S.A.B. de C.V.; Coca-Cola FEMSA, S.A.B. de C.V.; Grupo Aeroportuario del Sureste, S.A.B. de C.V.; and Vitro, S.A.B. de C.V., and Vice President of the Fund for Peace.

Rogelio M. Rebolledo Rojas
Level: Non-Executive
Independence: Yes
Gender: Male
Seniority: Three years
Significant positions and commitments, and the nature of the commitments:
He has a degree in Chemical Engineering from the UNAM and an MBA from the University of Iowa. He has been a member of the Grupo Bimbo Board of Directors since July 2008, after serving on the Boards of Directors of Kellogg, Clorox, Best Buy, and Applebee's in the United States, and Alfa and José Cuervo Internacional in Mexico. He held several key positions, such as CEO of Sabritas and Gamesa for PepsiCo, and President of Frito Lay Latin America and Asia Pacific, where he played a key role in the Company's growth and expansion in these regions. In 2000, he was appointed President of Frito Lay International, adding the Europe, Middle East, and South Africa operations to his responsibilities. Upon his retirement from Frito Lay International, after 27 years with the Group, in late 2004 and through mid-2007, he served as President and CEO of PBG Mexico and a member of its Board of Directors in the United States.

ABOUT THIS report

(GRI 102-10, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56)

This integrated annual report contains the global economic, social, environmental, and financial results of Grupo Bimbo for the period beginning January 1 and ending December 31, 2020. The “essential” version of this report was prepared in accordance with the GRI Sustainability Reporting Standards, with the information requested by the Mexican Stock Exchange through SAM (now S&P Global) to form part of the Sustainable Index and information obtained in response to requests about our material topics and stakeholders. The last report was prepared for the same period corresponding to 2019.

The process carried out to obtain the information has been provided through interviews with Senior Management and expanded by the corresponding corporate divisions.

As part of our environmental care strategy, we have produced the document in a digital format. This is the tenth time we have reported the results of the activities carried out in Mexico, North America, Latin America, Europe, Asia, and Africa.

We adhere to best reporting practices and principles related to the definition of the content and the quality of the report, such as the inclusion of stakeholders, accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Grupo Bimbo also adheres to the Principles of the United Nations Global Compact and Sustainable Development Goals, to which we contribute actively.

The information obtained from the specialized areas in the different GRI indicators was submitted to an internal audit process to validate both the qualitative and quantitative information. The financial information was submitted to an external verification process.

During this last period, there were no significant changes with respect to the previous periods reported in terms of materiality and coverage.

for further information...

Contact for questions about the report or its contents:

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Bimbo Materiality:
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Grupo Bimbo Policies :
HTTPS://GRUPOBIMBO.COM/EN/OUR-GROUP/POLICIES

Corporate Governance and Risks:
HTTPS://GRUPOBIMBO.COM/EN/SUSTAINTABILITY/INFORMATION-EVALUATORS

Exclusions

WELL-BEING

GLOBAL ENERGY RACE

Bimbo México absorbed the donation from the countries in which the Company does not operate, the surpluses of country limits, and specific donations such as QSR and Venezuela.

TALENT

FREQUENCY OF ACCIDENT RATES BY GENDER

Our Safety and Well-Being Management System allows us to know the number of accidents by gender. However, our basic or structures do not have this classification, which does not allow us to calculate the real indicator or the accident frequency rate by gender. We only have the general rate of associates working for Grupo Bimbo and its subsidiaries. However, safety actions are aimed at all our associates regardless of gender since our priority is to have zero accidents among all associates.

COMMUNITY

Committees and consultation processes with local communities, including vulnerable groups

In Mexico, we conduct the Systematic Supervision of the People processes every year, where the Volunteer Department supervises the execution and perception of the Volunteer and Good Neighbor Programs in each region for the Bimbo, Barcel, and Ricolino brands.

Formal complaint and/or claim processes in local communities

Grupo Bimbo's Speak Up line is the communication channel for associates, suppliers, and third parties to share reports with the Grupo Bimbo Steering Committee.

The purpose of this channel is to address comments, suggestions, and complaints about violations of the Code of Ethics of Grupo Bimbo. Therefore, the activities covered by this mechanism are aimed at our consumers and customers, shareholders and partners, associates, suppliers, the competition, society, and government.

Responsibilities. The Global Institutional Relations Division monitors and submits quarterly executive reports to Senior Management of the reports received at the Grupo Bimbo level. The Organization's Speak Up Line Committee investigates, addresses, reports the results to the Call Center within 60 (sixty) business days after the report is created and executes and follows up on the established action plans. All breaches of the 60-day term must be justified. The Call Center channels the reports it receives to the organization's Speak Up Line executive and the Speak Up Line Corporate Committee executive in Brazil, LatinCentro, LatinSur, and Mexico. The Speak Up Line executive of the organizations not mentioned above sends the reports received with the solution for each case to the executive of the Corporate Committee responsible for the Speak Up Line.

Grupo Bimbo also has a toll-free Customer and Consumer Service System where it addresses complaints and/or claims made when people call 01 800 910 2030 in Mexico, as well as those sent via email to atencionenlinea@grupobimbo.com.

PLANET

STRUCTURE

Mexico
Bimbo Mexico, Barcel, Ricolino, El Globo

North America
Bimbo Bakeries USA, Bimbo Canada; Bimbo Quick Service Restaurants

Latin America
Central America, South America, Brazil

EUROPE, ASIA, AND AFRICA
Bimbo Iberia, Bimbo UK, Bimbo India, Bimbo Morocco, Bimbo China, Bimbo Quick Service Restaurants

Bimbo Quick Service Restaurants portion reported in North America
Bimbo Quick Service Restaurants Asia and Europe reported in Europe, Asia and Africa
Frozen reports each organization where it is: Bimbo Bakeries USA and Bimbo Canada

ALL
The Renewable kWh concept includes solar energy.

The NOX and SOX report is only calculated for Natural Gas. We plan to report other fuels in 2021.

Water in wastewater discharged is calculated by water balance as follows: Wastewater = Treated water - reused water.

Due to the COVID-19 contingency, some of the European reduced their operations, especially in March and April, when they reported a decrease in the Tons Produced.

BBU
Mattoon, Chicago, and Hazleton Bread are excluded from 2020 information (Matton & Chicago are still under standardization to report all consumptions & West Hazleton is no longer operating).

BBU Information From best (water, electricity and gas) is taken from january to november, december is estimated taking the eleven months divided by 11.

Frozen Roanoke and Oxnard are included in BBU.

BC
The Frozen, Attwell and Viceroy plants are included in the consolidated information for Canada, even though they appear in BBU in the Best Drill-down; this is only a display setting.

BQ (QSR)

Kazakhstan is not included since this new plant is still undergoing the integration process.

Information on BQ - North America is partial due to delays in the billing and integration processes.

We did not include information about Bimbo Julitas since this is a new operation scheduled to enter the standardization process for inclusion in the 2021 inventory.

Moldex consumptions are included. However, the tons produced are excluded since this is a different operation involving accounting entries of pieces.

BL
BLU (Coppel) information is included in BL in Mexico.

EL GLOBO
Information about El Globo is reported separately.

RL
The information includes data from the collection centers.

LAC
Bimbo Venezuela information is excluded due to inconsistent operations.

BI
Information on Bimbo Paterna is excluded since this is a new operation undergoing the standardization process.

BUK
Information reported on Welwyn is partial because it began in July.

PACKAGING
The reporting period begins on November 1, 2019, and ends on October 31, 2020.

It includes spend and main suppliers of each organization (~ 80%) as defined by them, without including cardboard.

Each country was responsible for obtaining the information from its suppliers.

The Global Packaging Procurement Team consolidated the information.

Cardboard - the information was obtained through the CDP tool, inviting suppliers representing 90% of spend.

Cardboard - for the CDP report, suppliers were asked to provide information on whether the PM is made from recycled raw material; however, not all suppliers answered this question. This year, we will continue working with providers to increase the quality of the information collected.

Only packaging materials, paper, and cardboard were considered for this indicator since these raw materials are linked to our commitment in terms of packing material.

Recyclable % does not include cardboard.

SUSTAINABLE AGRICULTURE IN MEXICO
The 13,142 hectares reported correspond to the area where sustainable practices were applied for the raw materials consumed by Grupo Bimbo, which are part of the 14,800 hectares corresponding to the CIMMYT program.

The 637 farmers reported are the producers involved in the direct production of the raw materials consumed by Grupo Bimbo and are part of the 940 producers enlisted in the CIMMYT program.

ETHICS

102-33 Communication of critical concerns

This indicator will not be made public because it involved confidential information about the process.

102-33 Total number and nature of critical concerns

Critical concerns derive from regulatory issues, legislative initiatives, and political, social, and economic junctures. Approximately 18 critical concerns were reported in 2020.

102-5 Operations assessed for risks related to corruption

The derived percentage that is not a measurable indicator for the Grupo Bimbo risk analysis process will not be presented.

We will not mention the significant risks resulting from the Company's risk analysis. This indicator will not be made public because it involved confidential information about the process.

205-1 Operations assessed for risks related to corruption

We will not present the derived percentage that is not a measurable indicator for the Grupo Bimbo risk analysis process.

We will not mention the significant risks found in the risk analysis due to confidentiality matters and the Grupo Bimbo strategy.

205-2 Communication and training about anti-corruption policies and procedures

We will not mention the total number and percentage of the governance body members who completed integrity training due to strategic Grupo Bimbo reasons.

We cannot obtain total figures and the percentage of business partners to whom the policies and procedures were communicated since everyone is free to read them on www.grupobimbo.com.

STANDARD	STANDARDS, METHODOLOGIES, ASSUMPTIONS OR CALCULATION TOOLS USED		SOURCE OF CONVERSION FACTORS USED		BASE FOR CALCULATING REDUCTION IN ENERGY USE, SUCH AS BASE YEAR OR BASELINE, INCLUDING CHOICE JUSTIFICATION	THE CONTEXT FOR ANY SIGNIFICAN CHANGE IN EMISSIONS GIVING RISE TO NEW EMISSION CALCULATIONS IN THE BASE YEAR
302-1	f.	The Planet Pillar works under a Global Environmental Compendium that is based on ISO 14001:2015. In said document, the minimum requirements are set forth so GB business units may ensure legal compliance and manage environmental aspects and impacts for continued improvement, both in plants as well as the value chain. Plants: BEST is our digital tool for monitoring environmental performance, through which we produce monthly reports identifying those operations with greater progress or greater opportunities. This enables decisions leading to continued improvement as well as standardizing different units of measure and conversion factors in those countries where we are present. Areas: As of 2019 and 2020, we began operating under global and local environmental committees in which there is a member from each area in charge of reporting and supervising the environmental efforts within their area. This is done through specific standards, a cross-functional dashboard with KPIs according to impact, and a dashboard that reports the area's environmental performance, KPIs, and status of the projects underway. Each global area has digital systems or mechanisms with the other business units, so information may be obtained.	g.	Conversion factors for energy are not specified as they do not vary in terms of anything specific.		
302-2	b.		g.			
302-4	d.				The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	
302-5	c.				The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	
305-1	g.		e.	GHG (Global), EPA (US), CFE (Mexico)	The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	There were no changes in emissions for the base year.
305-2	g.		e.	GHG (Global), EPA (US), CFE (Mexico)	The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	There were no changes in emissions for the base year.
305-3	g.		f.	GHG (Global), EPA (US), CFE (Mexico)	The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	There were no changes in emissions for the base year.
305-5	e.				The baseline is 2016, which is the basis for the 2016-2020 strategy. Reductions are calculated in terms of performance for the previous year, and historical data published starts in 2016.	
305-6	d.					
305-7	c.		b.	GHG (Global), EPA (US), CFE (Mexico)		
304-3	d.					
303-1	b.					
303-2	b.					
303-3	c.					
306-1	b.					

Annex

ASSOCIATES

102-7 Size of the organization

BACK TO TOPIC

TOTAL NUMBER OF ASSOCIATES IN GRUPO BIMBO: 148,746

	TOTAL ASSOCIATES ON PAYROLL	TOTAL WORKERS HIRED AND AUTONOMOUS	TOTAL GB ASSOCIATES
Mexico	73,893	0	73,893
US/Canada	26,115	7,621	33,736
Latin America	21,347	3,643	24,990
Europe, Asia, Africa	12,337	3,790	16,127
Total within GB payroll	**133,692**	**15,054**	**148,746**

102-8 Labor force

BACK TO TOPIC

	TOTAL ASSOCIATES WITHIN THE PAYROLL					TOTAL INDEPENDENT DISTRIBUTORS		TOTAL AUTONOMOUS WORKERS	
	TOTAL	MEN	WOMAN	NOT SPECIFIED	% OF TOTAL	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
Mexico	73,893	60,777	13,126	0	55%	0	0%	0	0%
North America	26,115	20,771	5,344	0	20%	150	4%	7,471	67%
Latin America	21,347	16,688	4,659	0	16%	1,749	45%	1,894	17%
Europe, Asia, Africa	12,337	9,225	3,112	0	9%	1,984	51%	1,806	16%
Total within GB payroll	**133,692**	**107,451**	**26,241**	**0**	**100%**				
Total independent workers	**3,883**	**NA**	**NA**	**NA**		**3,883**	**100%**		
Autonomous workers	**11,171**	**NA**	**NA**	**NA**				**11,171**	**100%**
Total worldwide	**148,746**								

Full time	130,558
Part time	3,134
Total within GB payroll	**133,692**
Total associates within payroll plus independent distributors	**137,575**
Total associates within payroll plus independent distributors and autonomous workers	**148,746**

	FULL TIME	PART TIME	TOTAL
Mexico	73,739	154	73,893
US/Canada	23,492	2,623	26,115
Latin America	21,320	27	21,347
Europe, Asia, Africa	12,007	330	12,337
Total within GB payroll	**130,558**	**3,134**	**133,692**

Information obtained from the People Net and HCMC system for organizations completed within said systems. The rest of the organizations send an email with basic headcount information, which is consolidated. Third-party personnel are reported only regarding the number of the same.
Outsourcing and Autonomous personnel are independent sales people and are part of the Business Strategy of each Organization.

401-1 Turnover

BACK TO TOPIC

GRI REGION	AGE RANGE	PERSONNEL ACTIVE DURING 2020			PERSONNEL TURNOVER (TERMINATIONS IN 2020)			NEW HIRES DURING 2020			TOTAL NEW HIRES WHO RESIGN BEFORE THE FIRST YEAR OF EMPLOYMENT			TURNOVER INDEX 2020			INDEX OF NEW ASSOCIATES 2020		
		MALE	FEMALE	GRAND TOTAL	MALE	FEMALE	GRAND TOTAL	MALE	FEMALE	GRAND TOTAL	MALE	FEMALE	GRAND TOTAL	MALE	FEMALE	GRAND TOTAL	MALE	FEMALE	GRAND TOTAL
Mexico	1 Less than 30	16,534	5,863	22,397	3,148	1,101	4,249	5,393	2,583	7,976	1,338	534	1,872	19%	19%	19%	33%	44%	36%
	2 Between 30 and 50	48,182	10,495	58,677	4,104	1,167	5,271	3,024	1,938	4,962	659	400	1,059	9%	11%	9%	6%	18%	8%
	3 Older than 50	8,140	1,074	9,214	724	103	827	66	71	137	16	21	37	9%	10%	9%	1%	7%	1%
Total Mexico		**72,856**	**17,432**	**90,288**	**7,976**	**2,371**	**10,347**	**8,483**	**4,592**	**13,075**	**2,013**	**955**	**2,968**	**11%**	**14%**	**11%**	**12%**	**26%**	**14%**
North America	1 Less than 30	3,958	1,063	5,021	1,125	324	1,449	1,751	474	2,225	621	173	794	28%	30%	29%	44%	45%	44%
	2 Between 30 and 50	11,398	3,235	14,633	1,673	536	2,209	2,226	693	2,919	710	241	951	15%	17%	15%	20%	21%	20%
	3 Older than 50	9,679	2,452	12,131	645	239	884	630	228	858	189	74	263	7%	10%	7%	7%	9%	7%
Total North America		**25,035**	**6,750**	**31,785**	**3,443**	**1,099**	**4,542**	**4,607**	**1,395**	**6,002**	**1,520**	**488**	**2,008**	**14%**	**16%**	**14%**	**18%**	**21%**	**19%**
Latin America	1 Less than 30	5,273	1,935	7,208	952	262	1,214	2,033	858	2,891	397	90	487	18%	14%	17%	39%	44%	40%
	2 Between 30 and 50	13,677	3,529	17,206	1,851	451	2,302	1,987	715	2,702	410	126	536	14%	13%	13%	15%	20%	16%
	3 Older than 50	1,546	340	1,886	123	24	147	91	21	112	8		8	8%	7%	8%	6%	6%	6%
	4 Not specified	2		2	2		2	1		1	1		1	100%	0%	100%	50%	0%	50%
Total Latin America		**20,498**	**5,804**	**26,302**	**2,928**	**737**	**3,665**	**4,112**	**1,594**	**5,706**	**816**	**216**	**1,032**	**14%**	**13%**	**14%**	**20%**	**27%**	**22%**
Europe, Asia, Africa	1 Less than 30	6,154	904	7,058	1,882	75	1,957	4,472	604	5,076	1,345	32	1,377	31%	8%	28%	73%	67%	72%
	2 Between 30 and 50	8,020	3,702	11,722	975	295	1,270	3,043	1,576	4,619	507	100	607	12%	8%	11%	38%	43%	39%
	3 Older than 50	1,905	1,137	3,042	75	52	127	363	457	820	29	10	39	4%	5%	4%	19%	40%	27%
	4 Not specified	6		6				5		5				0%	0%	0%	83%	0%	83%
Total Europe, Asia, Africa		**16,085**	**5,743**	**21,828**	**2,932**	**422**	**3,354**	**7,883**	**2,637**	**10,520**	**1,881**	**142**	**2,023**	**18%**	**7%**	**15%**	**49%**	**46%**	**48%**
GRAND TOTAL		**134,474**	**35,729**	**170,203**	**17,279**	**4,629**	**21,908**	**25,085**	**10,218**	**35,303**	**6,230**	**1,801**	**8,031**	**13%**	**13%**	**13%**	**19%**	**29%**	**21%**

* Total terminations consider those which were voluntary.
* Information on terminations for countries part of BQ (China, Korea, France, Italy, Kazakhstan, Russia, South Africa, Turkey and Ukraine) is effective as of August 2020.

401-3 Parental leave

BACK TO TOPIC

COUNTRY	ORGANIZATION	ASSOCIATES WHO HAD THE RIGHT TO TAKE TIME OFF WORK FOR MATERNITY / PATERNITY		ASSOCIATES WHO USED THEIR RIGHT TO TAKE TIME OFF WORK FOR MATERNITY / PATERNITY		TOTAL ASSOCIATES WHO RETURNED TO WORK AFTER THE PERMIT		TOTAL ASSOCIATES WHO RETAIN THEIR WORK AFTER ONE YEAR OF HAVING RETURNED TO WORK		INDICATOR OF RETURN TO WORK		RATE OF RETENTION	
		MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Mexico	Corporate, Bimbo, Barcel, Moldex, Qnet, El Globo, Ricolino	**1798**	**486**	**1798**	**486**	**1684**	**432**	**1634**	**413**	**93.66%**	**88.89%**	**97.03%**	**95.60%**
North America	Bimbo Canada, BBU	**73**	**64**	**73**	**64**	**56**	**25**	**38**	**16**	**76.71%**	**39.06%**	**67.86%**	**64.00%**
Latin America	LAC	N/A	36	N/A	36	N/A	33	N/A	34	N/A	91.67%	N/A	103.03%
	LAC (countries missing in the list)	138	33	138	33	138	31	135	33	100.00%	93.94%	97.83%	106.45%
	LAS	164	138	164	138	164	138	108	96	100.00%	100.00%	65.85%	69.57%
	Brazil	N/A	41	N/A	41	N/A	38	N/A	18	N/A	92.68%	N/A	47.37%
Total Latin America		**302**	**248**	**302**	**248**	**302**	**240**	**243**	**181**	**100.00%**	**96.77%**	**80.46%**	**75.42%**
Europe, Asia, Africa	IBERIA	84	17	84	17	76	17	70	13	90.48%	100.00%	92.11%	76.47%
	EAA (countries missing in the list)	48	58	47	58	45	29	30	13	95.74%	50.00%	66.67%	44.83%
Total Europe, Asia, Africa		**132**	**75**	**131**	**75**	**121**	**46**	**100**	**26**	**92.37%**	**61.33%**	**82.64%**	**56.52%**

403-2 Safety and wellness

BACK TO TOPIC

CONCEPT	NORTH AMERICA	MEXICO	LATIN AMERICA	EUROPE, ASIA, AFRICA	TOTAL
Disabling injury	424	1,361	166	173	**2,124**
Days of disability	22,942	35,180	5,307	7,191	**70,620**
Hours worked	51,126,807	183,189,644	51,694,558	30,606,182	**316,617,190**
Number of collaborators	25,840	73,095	21,165	12,270	**132,370**
Fatalities	0	0	0	0	**0**
Fatalities Independent operators / External personnel	0	0	0	0	**0**
Occupational illness	0	0	0	0	**0**
Days Lost Rate (DLR)	89.75	38.41	20.53	46.99	**44.61**
Absenteeism Rate (AR)	8.99	10.2	4.3	7.73	**8.79**
Incident Rate (IR)	1.66	1.49	0.64	1.13	**1.34**

Our safety management system allows us to know the number of injuries by gender, but our headcount (structures) does not have this classification, and therefore we are unable to estimate the real indicator or the incident frequency rate by gender. We only have the overall rate for GB associates and its affiliates.

To estimate the incident rate, we only considered direct associates (within the GB payroll), not the Independent operators or contractor personnel because we have no control over their headcount, thereby distorting the incident rate. However, all injuries classified as severe or fatal suffered by Independent operators or contractor personnel is investigated and reported to the Steering Committee of the organization, and to Grupo Bimbo's Central Committee on Safety, in addition to being reported separately in the GRI.

In the case of injuries enroute, (those taking place when the associate travels from home to work, or vice-versa) these are neither included in GB records, nor reported to the Central Committee on Safety. This is because we have no control over risk factors outside the work centers, nor any direct influence on associate behavior when off the job.

The GRI Report with results from 2019 included 2,459 incidents (1.89 incident rate) and the adjustments made by the organization after the closing date (due to pending incident scores from the health agencies). The safety data from social security is pending, which is applied per country and which determines if the incident is applicable or not. The result for 2019, with the adjustments, was 2,723 incidents (2.07 incident rate) 264 more incidents.

December results subject to review due to changes to number of incidents to be confirmed by Social Security.

From the headcount of structures, we do not take into account the business units of: Kannan, Kazakhstan, Qnet, Shared Services Center (CSC) and Barcel USA, therefore, the total of the basic table and the total of associates used in the report of indicators, are different.

404-1 Average training hours per year and per associate, assistance programs

BACK TO TOPIC

LABOR CATEGORY	TOTAL HOURS OF TRAINING		AVERAGE HOURS PER ASSOCIATE	
	FEMALE	MALE	FEMALE	MALE
VPs and Executives	41,240	93,997	34	31
Supervisors	120,132	441,741	44	44
Hourly and salaried associates	261,269	733,684	12	8
World Total per Employment Level	**422,642**	**1,269,422**	**16**	**12**

* This information does not include information on:
Mexico KANAN: 14 associates
North America BQ: 1 associate w/o gender, and 4 w/o level
Europe, Asia, Africa, India : 2818 associates, UK: 1 w/o level, BQ: 101 w/o level

404-2 Programs for upgrading associate skills and transition assistance programs

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A. Type and scope of programs implemented, and assistance provided to enhance associate skills.

PROGRAM IMPLEMENTED	SCOPE	TYPE	DESCRIPTION
Onboarding	For all personnel (upon hiring)	Internal training courses	Program aimed at all newly hired associates, wherein they are presented with Company philosophy, challenges, safety and wellness model, and other relevant subjects for a good start within our Company
Leadership Seminar	Manager position (upon filling a Manager position)	Internal training courses	Explains to leaders the type of Company we want and the leadership style we expect from them. Supplies tools so that the Manger may analyze like a leader and discover aspects that help him/her to be a better person and leader.
The Power of Feedback	Aimed at Executives and VPs	Internal training courses	Describes five tips from GB VPs so our leaders know how to give successful feedback, and so they may be applied with their teams.
Safety and Wellness	Manager position (within the first six months of filling this position)	Internal training courses	Analyze GB Health and Safety Model; explain policy and stress the importance that health and safety on the job has for GB.
MS01 Basic Principles (Supervision Modules)	Manager position (within the first year of filling this position)	Internal training courses	Ensure operation result scope in an atmosphere of respect for the individual. The Manager will analyze and apply the skills needed to improve his/her own training and development, as well as that of his/her associates.
MS02 Listen with Understanding	Manager position (within the first year of filling this position)	Internal training courses	Strengthen communication through effective listening. The Manager learns and applies the skills needed to listen with empathy and assertiveness.

PROGRAM IMPLEMENTED	SCOPE	TYPE	DESCRIPTION
MS03 Attention to Associate Claims and Concerns	Manager position (within the first year of filling this position)	Internal training courses	Maintain a sound work environment with team, through timely attention to claims and concerns made by associates. The Manager will learn and apply skills needed to recognize moods and to direct them in a positive way.
MS04 Communicating with the Team	Manager position (within the first year of filling this position)	Internal training courses	Ensure effectiveness of communication processes with associates. The Manager will learn and apply the skills needed to communicate ideas clearly and effectively.
MS05 Ensuring Associate Performance	Manager position (within the first year of filling this position)	Internal training courses	Ensure meeting individual and team goals. The Manager will learn and apply skills needed to maintain focus on results and indicators through systematic evaluations, motivating and constantly teaching associates.
MS06 Performance Evaluation Interview	Manager position (within the first year of filling this position)	Internal training courses	The Manager shall learn and apply the skills needed to evaluate results, proactive attitudes and associate responsibility in a motivating atmosphere throughout the interview, also recognize results, the way to obtain them, the bases for improvement.
MS07 Recognition and how to provide it	Manager position (within the first year of filling this position)	Internal training courses	The Manager will learn and apply the skills needed to reinforce associate motivation, through recognition of their personal achievements and by facilitating a feeling of satisfaction and identification with the Company.

PROGRAM IMPLEMENTED	SCOPE	TYPE	DESCRIPTION
MS08 Correcting problematic behavior	Manager position (within the first year of filling this position)	Internal training courses	Enrich and maintain a sound working environment for the team. The Manager will learn and apply the skills needed to identify and change inappropriate associate behavior, in a timely manner.
MS09 Coaching to Improve Results	Manager position (within the first year of filling this position)	Internal training courses	Provoke interdependence among associates to transform behaviors and attitudes. The Manager will learn and apply skills needed to provide support and drive the search for solutions that associates can adopt in their work environment.
MS10 Change Management	Manager position (within the first year of filling this position)	Internal training courses	Overcome reluctance to change among team members. The Manager will learn and apply skills needed to generate and promote self confidence, dealing with frustration, and commitment to benefits derived from the change.
MS11 Settling Labor Conflicts	Manager position (within the first year of filling this position)	Internal training courses	Keep the Company highly productive and deeply humane through a sound work environment. The Manager will learn and apply skills needed to mediate labor relations between management and workers (win-win).
MS12 Disciplinary Actions	Manager position (within the first year of filling this position)	Internal training courses	Ethically and responsibly guide associates by convincing them to change behavior or low performance, applying motivation or constructive sanctions.
MS13 Termination of the Labor Contract	Manager position (within the first year of filling this position)	Internal training courses	Psychologically and legally prepare Manager to successfully complete the dismissal of an associate from the Company, using firm but fair explanations on why this person must be separated from the Company.
MS14 Assistance on Personal Problems	Manager position (within the first year of filling this position)	Internal training courses	Maintain a sound work environment through the proper orientation of associates who raise a personal issue. The Manager will learn and apply the skills needed to provide support and foster the search for the best solution for the associate.

PROGRAM IMPLEMENTED	SCOPE	TYPE	DESCRIPTION
Executive Leadership Development Program (ELDP)	For GB Senior Executives and VPs, according to needs detected. It begins one day before (Sunday) but only as participant reception as the venue. It is not counted within the program because there are no activities that day.	Internal training courses	Development of Leadership Skills
Harvard Hmm	Manager position (upon filling a Manager position)	Internal training courses	Specialized Program from Harvard
Renewing my Commitment	Manager position (Specialized leadership program since 2019)	Internal training courses	The Manager, together with the team, renew their commitment through GB leadership basics.
Networking Workshop	Manager position (Program executed according to operation needs)	Internal training courses	Facilitate work via networking, fostering the willingness to collaborate as a group and enhance productivity.
Mindset Shift	Staff level associates and above	Internal training courses	We consider it critical that all Grupo Bimbo leaders are able to understand what the Digital Transformation entails. Constantly innovating, GB University designed the Mindset Shift program for you to explore 6 hours of select multimedia content related to Digital Transformation.
Virtual Facilitation Skills	Staff level associates and above	Internal training courses	Guide virtual training course that covers recent trends for improving engagement and attention between participants and facilitators.
Successful Virtual Meetings	Staff level associates and above	Internal training courses	This course reviews advice and suggestions on how to maximize participation and ensure effectiveness during meetings or presentations with 2 or more people.

A. Assistance programs for transition, to facilitate Management continuity stemming from retirement or out-placement-related career termination.

PROGRAM IMPLEMENTED	SCOPE	TYPE	DESCRIPTION
A sound financial future	Associates aged 18 to 54 (only Mexico)	Internal training courses	Have information that helps prepare a personal financial plan. Learn about savings mechanisms offered by GB. Learn about filings that need to be presented to obtain a pension.
Let's Discuss my Future	Associates aged 55 to 59 (only Mexico)	Internal training courses	Learn about requirements and filings to be completed, when facing future retirement.
Life Plan	Associates 60 years old and above (only Mexico)	Internal training courses	Learn of the process that leads to a change of this type, and the emotional components when facing retirement. Learn about the requirements and filings needed. Learn of the benefits offered by the GB retirement plan.
Estimate – Pension Plan	Staff level associates and above	Internal training courses	Grupo Bimbo has a Retirement Pension Plan, which is fair recognition for the valuable years of service of our personnel, who after a whole life of working and responsibilities in GB, is now at retirement age.

404-3 Percentage of associates who are evaluated regularly and who undergo career development reviews

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# OF ASSOCIATES WHO RECEIVED REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS			%	
	FEMALE	MALE	FEMALE	MALE
Hourly and Staff	14,219.00	64,402.00	66%	70%
Supervisors	2,481.00	9,696.00	96%	97%
Managers, Directors, VPs and Presidents	1,097.00	2,950.00	95%	96%
WITHOUT DATA	2.00	22.00	4%	1%
Global total by employment level	**17,799.00**	**77,070.00**	**70%**	**72%**

* Data on active associates at the end of May 2020
* This report does not include BQ International operations associates (outside the US)

405-1 Diversity and Inclusion

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PERSONS BY AGE RANGE AND GENDER	TOTAL NUMBER
Persons with a disability	570
Women	26,241
Men	107,451
Women under 30	6,250
Men under 30	20,808
Women between 30 - 50 years of age	16,152
Men between 30 - 50 years of age	68,738
Women over 50	3,839
Men over 50	17,905

409-1 Forced labor

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COUNTRY	ORGANIZATION	REGION	TYPE OF CENTER (PLANTS, SALES CENTERS, DISTRIBUTION CENTERS, OFFICES, ETC)	RISK DESCRIPTION
Mexico	Barcel	Mexico	Forced labor does not apply	
Canada	Bimbo Canada	North America	All bakeries and DC's	Voluntary Overtime (Based on specific Collective Agreements): If overtime is needed, associates can volunteer, if additional associates are needed, workers are assigned based on the shortest term associate to the most Sr associates.
US	BIMBO QSR	North America	Bakery facilities	There are procedures in place for unanticipated and anticipated overtime. The CBA for each union addresses this issue.
Brazil	BBR	Latin America	Does not apply	All federal, state, and local legislation if obeyed concerning employment in Brazil. All hours worked are paid pursuant to laws, agreements and internal company policies. In addition, any situation that could put the company at risk is dealt with by litigation committees, with an agreement signed by all managers.
Portugal	EAA	Europe, Asia, Africa	There are no centers where forced labor could take place	
Nicaragua	LAC	Latin America	There are no work centers where forced labor could exist.	Pursuant to Article 57 of the Labor Act, extraordinary services shall be subject to special hiring, which indicates that both parties must agree, and therefore all overtime must be voluntarily accepted. To obligate overtime work is punishable by sanctions or dismissal, and may lead to administrative filing with the Ministry of Labor who, after inspection of the case, may deem this act as a serious offense (Article 46, section f), Law 664 of the General Labor Inspection Act.) A serious offense may lead to a pecuniary fine ranging between forty and eighty times the minimum wage in force for the economic sector of the Company (Art. 57, Section c), Law No. 664.)
India	EAA	Europe, Asia, Africa	All bakeries and sales centers	The Constitution of India prohibits forced labour and considers it an offence punishable under the law. In any Plant or Sales Centre we do not have any forced labor. As per section 19 of the Act where an adult worker works in any plantation/factory on any day in excess of the number of hours constituting a normal working day or for more than 48 hours in any week, he/she shall, in respect of such overtime work. We pay the overtime to our associates as per law.
Colombia	LAC	Latin America	Does not apply	National legal provision state therein the type of workday applicable to work agreements. Any assignment of an additional shift shall be notified in advance to the associate, with legal limits.
Ecuador	LAC	Latin America	There are no work centers where forced labor or child labor could take place. Associates are hired after turning 18.	NA
Guatemala	LAC	Latin America	Does not apply	
El Salvador	LAC	Latin America	Does not apply	Article 9 of the Constitution and Art. 13 of the Labor Act forbids any manner of forced / mandatory labor. Pursuant to the Labor Act, forced labor is any work or service demanded under the threat of any sanction whatsoever, and for which the worker has not voluntarily agreed to work.
Honduras	LAC	Latin America	Does not apply	
Costa Rica	LAC	Latin America	Does not apply	
Panama	LAC	Latin America	Does not apply	

408-1 Child labor

BACK TO TOPIC

COUNTRY	ORGANIZATION	REGION	COMMENT	TYPE OF DOCUMENT	INDICATE THE ARTICLE, PARAGRAPH, OR SUBSECTION SUPPORTING THE COMMENT
Mexico	Barcel	Mexico	Art. 22 of the LFT establishes that anyone may work as of 15 years of age, in keeping with the considerations set forth in said law. However, the minimum age for employment at Barcel is 18.	LFT	Article 22
US	BBU	North America	A person must be 18 years of age to work at BBU.	I9 Forms	Each associate fills out an I9 form to confirm they are legally allowed to work in the US.
Canada	Bimbo Canada	North America	The age of majority in Canadá is the age at which a person is considered by law to be an adult. A person younger than the age of majority is considered a "minor child." Like the drinking age, the age of majority in Canadá is determined by each province and territory in Canadá and varies between the ages of 18 and 19. This is NOT however, a prescribed minimum age for employment. Our corporately established standard age of employment is 18; with very limited exceptions we may permit associates at age 16 in our Toronto market retail store, and occasionally at age 17 in DC's where the exposure to significant hazards is low.	Provincial statutes	Varies by province
Mexico	Bimbo SA	Mexico	The legal age in Mexico is 18, and to join the Company, it is mandatory to present an official identification of proof of age (National Card – INE).	Official legislation in force for the corresponding location	Federal Civil Code Art. 646
France	BIMBO QSR	Europe, Asia, Africa	According French legislation - 18 years	French legislation	
Ukraine	BIMBO QSR	Europe, Asia, Africa	According to Ukranian legislation - 14 years (but in Bimbo QSR Ukraine - 18 years, because of the working conditions).	Ukranian legislation	The Constitution of Ukraine prohibits the exploitation of children (part 2 of article 52) and prohibits the use of the work of minors in jobs hazardous to their health (part 5 of article 43). But the law provides for the possibility of using the labor of 14-year-olds, but subject to the following conditions (part 3 of article 188 of the Labor Code of Ukraine): • such people must be students of secondary schools, vocational and secondary specialized educational institutions; • they should do light and easy work, and not cause harm to their health; • the educational process should not be violated by work; • their work must be agreed upon one of the parents, adoptive parents or guardians.
South Africa	BIMBO QSR	Europe, Asia, Africa	Child labour is viewed as anyone under the age of 15	Basic Conditions of Employment Act	Sections 43, 55 y 93
Turkey	BIMBO QSR	Europe, Asia, Africa	According Turkey legislation - 15 years (child workers: completed 14 years and graduated from primary school; young workers: between 15 years - 18 years) But in Bimbo QSR Turkey - 18 years, because of the working conditions)	Turkey Republic legislation (4857 Turkish Labor Law)	4857 Turkish Labor Law, Article 71.

COUNTRY	ORGANIZATION	REGION	COMMENT	TYPE OF DOCUMENT	INDICATE THE ARTICLE, PARAGRAPH, OR SUBSECTION SUPPORTING THE COMMENT
Russia	BIMBO QSR	Europe, Asia, Africa	According Russian legislation - 14 years (but in Bimbo QSR Russia - 18 years, because of the working conditions).	Russian Federation legislation	1)The Constitution of the Russian Federation does not explicitly prohibit the exploitation of child labor, however, it is noted that childhood is protected by the state (Article 38), and forced labor is prohibited, and work must comply with safety conditions (Article 37). 2) Federal Law No. 124-FZ (adopted in 1998) guarantees child workers benefits, holidays and reduced working hours. This is stated in the 11th article. 3) Federal Law - No. 273-ФЗ dated December 29, 2012 “On Education in the Russian Federation”. In Art. 34 of this act is part 4, which prohibits involving a child in work not provided for in the educational program, unless the consent of his parents or legal representatives is obtained. 4)Many articles of the “Labor Code of the Russian Federation” dated December 30, 2001 N 197-FZ (as amended on December 16, 2019) of the Russian Federation talk about the peculiarities of hiring minors, paying for their labor and other nuances.
Italy	BIMBO QSR	Europe, Asia, Africa	18. Below 18 there could be some exceptions, but not used because below 18 they can’t work on night shift.	Italian Legislation	Law n. 39 of March 8, 1975.
Korea	BIMBO QSR	Europe, Asia, Africa	Minors are 17 years old	Labor Standard Act	Article 67
US	Bimbo QSR	Europe, Asia, Africa	A minor is defined as an individual under the age of 18 years. Updated Labor Law postings are posted at each facility and contain information about Minor Labor Laws.	Department of Labor-Fair Labor Standards Act-Child Labor Rules. Labor Posters	Child Labor Laws
Brazil	BBR	Latin America	Prior to turning 18, individuals are deemed minors	Labor legislation and R&S policy	Internal procedure and personal documents
China	EAA	Europe, Asia, Africa	In China the legal age for work is M: 18-60, F: 18-50 Or 55, young people can work in some areas between 16-18, but with proper protection. All of our associates are elder than 18 years old.	We have labor law which identify the legal working age. In the company we have registeration form and copy of national ID of each associates when they first entered the company.	Article 15 in Chapter 2: company can not hire people under 16 years old.
Spain	EAA	Europe, Asia, Africa	Legal age in the country. 18 years old	Worker laws	Article 6,1
Spain	EAA	Europe, Asia, Africa	Work those a minimum of 16 years of age, with permission from parent or legal guardian.	Worker laws	Article 7 b
Morocco	EAA	Europe, Asia, Africa	Minors (under the age of 18) may not be employed or admitted to companies or employers before the age of fifteen.	By Law	Article 143
Portugal	EAA	Europe, Asia, Africa	Minors -under 18	Legislation in force	Labor Law - Portugal
United Kingdom	EAA	Europe, Asia, Africa	We do not have any significant risk of Child Labor being used by suppliers. In the UK the gae of a minor is up to 16 years old.	Most suppliers pass similar ethical audits to oursleves	SEDEX Auidts, Customer Audits such as McDonalds who ask us to prove the supply chain is not at risk.

COUNTRY	ORGANIZATION	REGION	COMMENT	TYPE OF DOCUMENT	INDICATE THE ARTICLE, PARAGRAPH, OR SUBSECTION SUPPORTING THE COMMENT
Mexico	TPA	Mexico	The legal age is 18/minimum age for employment.	Current Legislation - Official Agency	
Colombia	LAC	Latin America	Under 18 years of age.	Current Legislation - Official Agency	Article 1 of Law 27 of 1977
Costa Rica	LAC	Latin America	Can work under different conditions as of age 15. The age of majority is 18.	Public Register	Chapter VII, Special Regime Protecting Adolescent Workers, prohibits work by individuals under 15 years of age and regulates the work of adolescents over 16 years old. The main provisions for this age category are as follows: a working day may not exceed seven working hours or 36 hours per week. Night work is prohibited. Tasks forbidden for adolescents to perform are listed as follows: they cannot work in mines, quarries, unhealthy or dangerous places, alcoholic beverage outlets, or engage in activities in which their own safety or that of others are supervised by the minor or where they are required to work with dangerous machinery, polluting substances, or excessive noise. This code also protects adolescents working on their own, in the formal or informal sectors, at home, or in family businesses. The Ministry will monitor adolescent work. Therefore, all employers who hire employees under this category must keep a record with the occupational risk insurance policy number and the number of the parties insured, among other data. Employers must report dismissals with employer liability to the General Labor Inspectorate so they can advise the affected party of their compensation rights. Before a dismissal for just cause, the employer must obtain authorization from the General Labor Inspectorate, which could disallow the dismissal. Adolescents who work on their own or are self-employed have the right to occupational hazard insurance coverage, subsidized by the National Insurance Institute, according to the Regulations that will be issued. According to transitory provision V, the National Council for Childhood and Adolescence will be appointed and take office within a maximum period of three months from the date of enactment of this Law, and according to transitory VI: "adolescents under 15 years of age who are working when this Law enters into force, may continue working without the employer incurring the liabilities set forth herein, as long as the employer informs the Ministry of Labor and Social Security of this situation within a maximum period of one month. The Ministry of Labor will keep a record of cases and specifically monitor them to protect the rights of adolescents until they reach the minimum age to work, in accordance with Article 96 of this code.
Ecuador	LAC	Latin America	Individuals under 18 years of age.	Internal Work Rules, Bimbo Ecuador S.A.	"CHAPTER II: CONDITIONS FOR ADMISSION OF WORKERS, ARTICLE 5: The admission of new workers is optional for the company. Individuals wishing to work for the company must apply in writing by filling out the application forms provided by the company. If the application is accepted, the winning applicant must present the following documents or demonstrate the following qualifications: a. Application for Admission b. Be of legal age."
Guatemala	LAC	Latin America	Officially considered a minor between 0 and 17 years of age. Once citizens turn 18, they can carry a piece of personal identification and act on their own behalf. For certain special and legal purposes, minors can act as of 14 years of age; however, this does not mean that they are of legal age but simply act under a special permission granted to this end.	Civil Code (extract)	"ARTICLE 8. (Capacity). The capacity to exercise civil rights is acquired by the age of majority. Individuals who have reached the age of 18 are of legal age. Minors who have reached the age of 14 are capable of performing certain acts determined by Law. *(ms6)*."

COUNTRY	ORGANIZATION	REGION	COMMENT	TYPE OF DOCUMENT	INDICATE THE ARTICLE, PARAGRAPH, OR SUBSECTION SUPPORTING THE COMMENT
Honduras	LAC	Latin America	Individuals under 18 years of age.	Constitution of the Republic of Honduras	Constitutional Articles 36 and 124, and Articles 1 and 115 of the Code of Children and Adolescents.
Nicaragua	LAC	Latin America	In accordance with Article 21 of Law Number 870 of the Family Code, individuals who have reached 18 years of age have the full legal capacity to acquire rights, contract obligations, and freely dispose of their person and property, without being declared incapable or subject to discrimination for reasons of sex, technical opinion, economic or social status, or any other condition. However, the minimum age for employment for compensation is 14 years; consequently, minors under that age may not be employed — Article 131 of the Labor Code. Working adolescents are considered to be those between the ages of 14 and 17 — Article 130 of the Labor Code. However, adolescent workers ages 14 and 15 must have permission from their parents or legal guardians to work. The permission must be certified before the Child Labor Inspection Department. Work assigned to adolescents cannot include activities which, due to their nature or the conditions in which the work activities are carried out, harm their physical, mental, moral, and spiritual health, prevent them from getting an education and their family unity and integral development — Article 133 of the Labor Code. The working day may not exceed seven working hours per day or 30 hours per week; equal pay for work performed equal to that of other workers and other benefits consigned in labor regulations — Article 134 of the Labor Code. Failure to comply with the provisions mentioned above can lead to a breach of labor regulations.	Internal Corporate Rules, Family Code, and Labor Code	Article 21 of the Family Code and Articles 130, 131, 132, 133, and 134 of the Labor Code.
Panama	LAC	Latin America	Under 18 years of age.	Current Legislation – Official Agency	Article 125 of the Political Constitution of the Republic of Panama.
El Salvador	LAC	Latin America	18 years of age.	Civil Code	Article 26. Individuals who have not reached the age of seven are called infants; prepubescents are males who have not reached 14 years of age and females who have not reached 12 years of age. Individuals of legal age or simply older are those who have reached 18 years of age, and minors or simply minors are those who have not reached 18 years of age. (20)
Mexico	Ricolino	Mexico	15 is considered the working age. Work by individuals between 15 and 17 years of age is allowed with limitations.	According to Group Policy, the Code of Ethics that states that the company complies with the Law.	Article 22 LFT
Kazakhstan	BIMBO QSR	Europe, Asia, Africa	Under Kazakhstan's laws, a child is a person who is under 18 years of age.	Kazakhstan Legislation	Law of the Republic of Kazakhstan dated 23.11.2010 No. 354-IV: Article 16. Right of a child to freedom of labor 1. Each child shall have the right to freedom of labor, free choice of business occupation and profession. 2. From the age of fourteen years, children shall have the right to participate in socially useful labor at the time free from study under permission of parents being available for them on health condition and development, not harming to physical, moral and psychic condition of a child, as well as shall have the right to obtain profession. This right shall be ensured by employment service and bodies of local state management. 3. Procedure for conclusion and dissolution of labor agreement and other special aspects of regulating the labor of employees under the age of eighteen years shall be established by labor legislation of the Republic of Kazakhstan. 4. Acceptance or engagement of a child for performance of any work that may be dangerous for his (her) health or may be an obstacle in receipt of his (her) education or may cause damage to his (her) health and physical, mental, spiritual, moral and social development shall be prohibited.

COUNTRY	ORGANIZATION	REGION	COMMENT	TYPE OF DOCUMENT	INDICATE THE ARTICLE, PARAGRAPH, OR SUBSECTION SUPPORTING THE COMMENT
Argentina	LAS	Latin America	Under 18 years of age.		
Chile	LAS	Latin America	Considered a minor through 17 years of age.		
Paraguay	LAS	Latin America	17 years old.		
Peru	LAS	Latin America	<18 years of age.		
Uruguay	LAS	Latin America	The age of majority is 18; adolescents can work with parental permission as of 15 years of age.		
India	EAA	India	In accordance with the Constitution of India, no child below the age of fourteen years shall be employed to work in any factory or mine or engaged in any other hazardous employment. The minimum age for employment is 14 years. (We have an internal company policy to not hire any associate below 18 years of age. When a person joins the Organization, he has to submit a set of documents like Aadhar Card which is mandatory. It is an official Government ID which states the date of birth of an associate.)	The Child Labour (Prohibition and Regulation) Act, 1986	The definition of child is mentoned in the introduction paragraph of the Child Labour (Prohibition & Regulation) Act, 1986 (We have an internal company policy to not hire any associate below 18 years of age. When a person joins the Organization, he has to submit a set of documents like Aadhar Card which is mandatory. It is an official Government ID which states the date of birth of an associate.)

gri content

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consolidated financial *statements*

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AUDIT AND CORPORATE PRACTICES

COMMITEE REPORT

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Mexico City, April 05, 2021

TO THE BOARD OF DIRECTORS OF GRUPO BIMBO, S.A.B. DE C.V.

In my capacity as chairman of the Audit and Corporate Practices Committee (the “Committee”) of Grupo Bimbo, S.A.B. de C.V. (the “Company”), and in accordance with point e), section II of Article 42 of the Securities Market Act, I hereby present you the opinion of the Committee regarding the content of the report of the Chief Executive Officer regarding the financial situation and results of the Company for the year ended December 31, 2020.

In the opinion of the Committee, the accounting and information policies and criteria followed by the Company and used to prepare the consolidated financial information are appropriate and sufficient, and consistent with international financial reporting standards. Therefore, the consolidated financial information presented by the Chief Executive Officer reasonably reflects the financial situation and results of the Company as of December 31, 2020 and for the year ended on that date.

Sincerely,

Edmundo Vallejo Venegas

Chairman of the Audit and Corporate Practices Committee of Grupo Bimbo, S.A.B. de C.V.

Mexico City, April 18, 2021

TO THE BOARD OF DIRECTORS OF GRUPO BIMBO, S.A.B. DE C.V.

Dear members of the Board of Directors,

In conformity with the provisions of the Securities Market Act, the corporate charter of this Company and the Regulations of the Audit and Corporate Practices Committee of Grupo Bimbo, S.A.B. de C.V. {the “Group” or the “Company”), I hereby present to you the report of the activities carried out by the Audit and Corporate Practices Committee {the “Committee”) during the year ended December 31, 2020. In carrying out our work, we abided by the recommendations established in the Code of Best Corporate Practices.

Based on the previously approved work plan, the Committee met seven times during the year, in which it discussed the issues it is legally obligated to consider and carried out the activities described below:

INTERNAL CONTROLS

With the assistance of both Internal and External Auditors, we verified that management had established general guidelines for internal control, as well as the necessary procedures for their application and enforcement. In addition, we followed up on the remarks and observations made by the external and internal auditors in performance of their duties.

The members of Management responsible for such matters presented the plans of action corresponding to the observations resulting from the internal audit, so our contact with them was frequent and their responses satisfactory.

The Committee learned about the functions of the Global Internal Control and Risk Management Department during the year, specifically the Control Self-Assessment (CSA) activities, with positive progress and results in terms of the coverage achieved, the progress of the projects at global level, and its coverage of different areas and organizations.

The Committee learned about the global analysis of Cybersecurity risk under the remote work modality. A tool for the Identity Access Management (IAM) project and the consultants for its implementation for 2021 were selected. Also, the issued corporate policies, the company’s segregation of duties conflict resolution, and the external auditor’s recommendations to compliance for the improvement of the control environment were followed.

Also, we learned through the Global Controllership Department of the project that is being carried out, jointly with Deloitte, to establish a financial information control model according to the Sarbanes-Oxley Act (SOX), a model that is voluntarily implemented by Management, for the comprehensive improvement of the company’s controls.

CODE OF ETHICS

With the support of the Internal Audit Department and other areas of the Company, we verified compliance by the associates of the Company with the Group's current Code of Ethics.

We learned of the results and central issues identified in maintaining a hotline for Group associates, and management informed us of the actions taken in those cases.

EXTERNAL AUDIT

We were in constant contact with the representative of the EY firm to follow up on the relevant issues and know the activities carried out during the year, along with the Company's management. The audit of the consolidated financial statements as of December 31, 2020 has been completed and the opinion was clean.

We approved the fee for these auditing services for 2020 and 2021, including additional fees to account for the growth of the Group and other permitted services. We ensured that these payments did not compromise the independence of that firm.

The external auditors presented their approach and work program and areas of interaction with Grupo Bimbo's Internal Audit department; the Committee approved this presentation.

An inquiry was made by the external auditors, to this Committee, about the knowledge of relevant fraud, complaints to financial information, concern about related party transactions and/or knowledge of possible violations of laws or regulations, to which, the Committee gave a negative answer to these questions.

We maintained direct and close communication with the external auditors, and they informed us on a quarterly basis of the progress of their work and any observations they had; we took note of their comments on the quarterly and annual financial statements. We were promptly informed of their conclusions and reports on the annual financial statements.

We reviewed the content in a timely manner of the Prior Notice to the issuance of the External Audit Report (or Independent Auditor's Report) made in accordance with the International Auditing Standards on the consolidated financial statements of the Company as of December 31, 2020 and for the year ended on that date, which have been prepared in accordance with International Financial Reporting Standards (hereinafter IFRS), issued by the Independent External Auditor of the Company and legal representative of Mancera, SC (or EY Mexico), in order to comply with the provisions of Article 35 of the General Provisions Applicable to Supervised Entities and Issuers by the National Banking and Securities Commission that Contract External Audit Services of Basic Financial Statements (hereinafter Provisions, Sole Circular of External Auditors or CUAE).

In addition, we conducted an evaluation of the services of the external auditing firm for the year 2020 and were promptly informed of the preliminary financial statements.

INTERNAL AUDIT

We reviewed and approved the department's budget, as well as the audit plan for 2021, corresponding to a total of 428 audits in 28 different countries. The auditable universe between legal entities, bakeries, sales centers, systems and projects, among others, was reviewed in detail. Likewise, the annual budget for internal audit department and the agenda and schedule of sessions of this Committee for 2021 were approved.

In each of this Committee's meetings, we received and approved regular reports on the progress of the approved work plan. Specifically, Audit plan changes related to the execution as a result of the pandemic, to virtual, remote models, and with the intensive use of technology, the data analysis through the execution of Audits under the Agile framework. The changes to the plan included the analysis of the Business Continuity Plans of all Bimbo organizations, as a result of the Pandemic.

We followed up on the comments and suggestions made by the Internal Audit Department and verified that Management resolved any deviations from the established internal controls, and we therefore consider the status of that system to be reasonably correct.

We authorized an annual training plan for personnel of the area and verified its effectiveness. A number of specialized professional firms participated actively in that plan to maintain the members with updated information on the appropriate topics.

The Committee authorized the Internal Audit Department to use the services of the firm Baker Tilly for internal audit work on Finance and Information Technologies, for the operations of Bimbo QSR in South Africa and China, and of PwC for a Co-sourcing in India with a maximum of 5 auditors.

The project to develop a Fraud Risk Management scheme for Grupo Bimbo was submitted to this committee for consideration and approval. The governance model was proposed, with oversight by the Audit Committee, the execution by the Internal Audit VP, and the Governance through a Committee composed of Internal Control Security, Compliance, People, Controllership, and Internal Audit Department. The model is comprised of 5 elements according to the 'COSO Fraud' regulations: Government Structure, Fraud Risk Assessment, Prevention and Detection, Investigation models, and corrective actions.

In compliance with the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors, The Committee approved the update of Grupo Bimbo's Internal Audit Charter, the Internal Audit VP confirmed to the Committee the independence of the internal audit activity, the risks assumed by the operation, the conflicts that currently occur with the auditors and the mitigation plan for these conflicts were presented.

SECURITY

The report of the Global VP of Security and Protection was received, where he disclosed the relevant corporate risks and the actions taken, in the Group's companies' operations due to the security situation in various regions, highlighting organized crime, transport and cargo robberies, product theft and gender violence.

INFORMATION TECHNOLOGY

The Global VP of Infrastructure and Applications presented an annual report of the company's Global Cybersecurity Strategy, the identification of risks, according to ISO27000, the operation of the Security Operations Center (SOC), as well as mitigation measures, in particular, those caused by remote work due to the global situation of COVID and the company's training plans.

FINANCIAL INFORMATION AND ACCOUNTING POLICIES

We reviewed the quarterly and annual financial statements of the Company together with the parties responsible for their preparation, recommended their approval by the Board of Directors and authorized their publication. Throughout the process we took into account the opinions and remarks of the external auditors.

The Committee approved the request of the Global Controllership Department to the following changes to the Main Accounting Policies: a) Criteria for classifying Assets and Liabilities in the Short Term and Long Term, b) Simplification of the text of the Policy applicable to hyperinflationary accounting, c) Adjustment in the useful life ranges of Production Equipment and Furniture and d) Remarks around Uncertain Tax Treatments.

To arrive at an opinion on the financial statements, we verified, with the support of the internal and external auditors, that the accounting policies and standards and the information used by management in the preparation of the financial statements was appropriate and sufficient and had been applied in a consistent manner with the prior year, taking into account the changes in IFRS effective both in that year and the preceding year. As a result, the information presented by Management reasonably reflects the financial position, results of operations and cash flows of the Company.

COMPLIANCE WITH REGULATORY STANDARDS AND APPLICABLE LAW CONTINGENCIES

With the support of the internal and external auditors, we confirmed the existence and reliability of the controls established by the Company to assure compliance with the various legal provisions to which it is subject, and it was assured that these were appropriately disclosed in the financial information.

At the close of each quarter, we reviewed the Company's various financial, legal and labor contingencies and confirmed that appropriate procedures were in place and consistently followed, so that Management could identify and address them in an appropriate manner. The situation and progress of the activities related to the cases facing the group in Canada Brazil and Portugal were reviewed based on the information generated, the opinion of the law firms handling the cases in both countries and the progress of the investigations carried out by local authorities.

The PwC firm presented the annual evaluation of its work on transfer pricing. They commented on the activities that have generated a positive evaluation, as well as the improvement areas related to information flows and delivery times. The Committee took notice and was satisfied with the evaluation and progress in the relationship.

The Global Insurance Department commented on global insurance management, highlighting the need to strengthen prevention for cybersecurity risks, where new opportunities are identified in the recording of security incidents to evaluate their root cause, increase the frequency vulnerability analysis and the implementation of tools for monitoring and active protection of databases, and also insurance coverage against the implications of the Pandemic.

COMPLIANCE WITH OTHER OBLIGATIONS

We met with Management executives and officers as we considered necessary to remain apprised of the progress of the Company and any material or unusual activities and events. Special attention was given to the company's global strategy regarding to the effects of the pandemic, the functioning of the global crisis and business continuity committees, the performance of the raw material markets and the different hedging strategies, and finally the possible risks associated with the integration of new businesses.

We obtained information about significant matters that could involve a possible breach of operating policies, the internal control system and policies on accounting records; and we were also informed of corrective measures taken in each case, finding them satisfactory.

We did not find it necessary to request the support or opinion of independent experts, because the issues raised in each meeting were duly supported by the information on hand, and the conclusions reached were satisfactory to Committee members.

TRANSACTIONS WITH RELATED PARTIES

We reviewed and recommended for approval by the Board, each and every related party transaction requiring approval by the Board of Directors for fiscal year 2020, as well as for recurring transactions that are expected to be conducted in fiscal year 2021 that require Board approval.

EVALUATION OF MANAGEMENT

We reviewed and recommended for approval by the Board, the evaluation of management and compensation of the Chief Executive Officer as well as the members Bimbo's Executive Committee for fiscal year 2020, previously reviewed and recommended by the Evaluation and Results Committee.

In my capacity as Chairman of the Audit and Corporate Practices Committee, I reported regularly to the Board of Directors on the activities conducted within the Committee.

The work that we conducted was duly documented in minutes of each meeting, which were reviewed and approved in a timely manner by the Committee members.

Sincerely,

Edmundo Vallejo Venegas

Chairman of the Audit and Corporate Practices Committee
Grupo Bimbo, S. A. B. de C. V.

INDEPENDENT AUDITOR'S
REPORT

(GRI)

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF
GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

Opinion

We have audited the accompanying consolidated financial statements of Grupo Bimbo, S.A.B. de C.V. and Subsidiaries (the Company), which comprise the consolidated statement of financial position as of December 31, 2020, 2019 and 2018, and the consolidated statement of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, as well as the explanatory notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Grupo Bimbo, S.A.B. de C.V. and Subsidiaries as of December 31, 2020, 2019 and 2018, and its consolidated financial results and cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico in accordance with the *Código de Ética Profesional del Instituto Mexicano de Contadores Públicos* (IMCP Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; thus, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the accompanying consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Assessment of impairment in the value of goodwill and intangible assets with indefinite useful lives

DESCRIPTION OF KEY AUDIT MATTER

As described in Notes 11 and 12 to the consolidated financial statements, the Company recognized goodwill and intangible assets of $121,911 million as of December 31, 2020. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually at the cash generating unit (CGU) level.

The analysis of impairment in the value of goodwill and intangible assets with indefinite useful lives was significant to our audit, since the value of such assets is significant with respect to the consolidated financial statements and the calculation of the recoverable value of the assets requires significant and complex judgments and estimates by management, that are sensitive to the discount rate, the revenue growth rate and the operating margin, which are affected by future market conditions. In addition, the calculation of the recoverable value is subject to the risk that the future cash flows used in the calculation may differ from the expected amounts, or the results may be different from the originally estimated values.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Among other audit procedures applied, we involved our internal specialists to assist us in the assessment of the key assumptions and methods used by Company management in the impairment testing.

We also assessed the key assumptions used by management in preparing financial projections, primarily with regard to the annual revenue growth rates and projections of costs, along with other key assumptions used to prepare the impairment tests based on publicly available information obtained from market participants and the relevant industry trends.

We obtained the business plans that the Company used as a basis to determine its future cash flow estimates for the impairment testing of the CGUs within the audit scope.

We assessed the reasonableness of the disclosures included in the Company's consolidated financial statements.

Business combinations

DESCRIPTION OF THE KEY AUDIT MATTER

As mentioned in Note 1 to the Company's consolidated financial statements, in 2020, the Company completed certain acquisitions which were accounted for as business combinations.

We consider the aforementioned business combinations to be a key audit matter due to the complexity of the key assumptions used in measuring the fair value of the assets acquired, in the determination of the discount rate and in the valuation of identified assets for the transaction.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Among other audit procedures applied, we involved our internal specialists to assist us in the assessment of the key assumptions and methods used by Company management, primarily in determining the fair value of property, plant and equipment, and intangible assets with definite useful lives.

We also assessed the key assumptions used by management, with regard to the annual growth rates and projections of production costs, along with other key assumptions used in valuing intangible assets based on publicly available information obtained from market participants and the relevant industry trends.

We obtained the business plans that the Company used as a basis to determine its future cash flow estimates for the valuation of intangible assets.

We assessed the reasonableness of the disclosures regarding the Company's business combinations in the consolidated financial statements.

Emphasis of matter

As discussed in Note 9 to the consolidated financial statements, as of January 1st, 2019 the Company adopted IFRS 16 Leases, which sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Company decided to apply the modified retrospective approach for the IFRS 16 adoption.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit and Corporate Practices Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Corporate Practices Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Corporate Practices Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit and Corporate Practices Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is the undersigned.

Mancera, S.C.
A Member Practice of Ernst & Young Global Limited

Adán Aranda Suárez

March 23, 2021
Mexico City

CONSOLIDATED STATEMENTS
of financial position

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos)

		DECEMBER 31		
ASSETS	**NOTES**	**2020**	**2019**	**2018**
Current assets:				
Cash and cash equivalents		$ 9,268	$ 6,251	$ 7,584
Trade receivables and other accounts receivable, net	5	27,487	26,198	25,950
Inventories	6	10,893	9,819	9,340
Prepaid expenses		1,944	1,188	1,098
Derivative financial instruments	17	871	143	106
Guarantee deposits for derivative financial instruments	17	-	325	619
Assets held for sale	8	140	273	154
Total current assets		50,603	44,197	44,851
Property, plant and equipment, net	8	91,248	84,341	87,243
Right-of-use assets, net	9	29,163	25,550	-
Investments in associates	10	3,143	2,871	2,645
Derivative financial instruments	17	267	1,533	3,017
Deferred income tax	16	8,733	4,590	3,886
Intangible assets, net	11	55,007	51,318	54,476
Goodwill	12	66,904	62,794	65,513
Other non-current assets, net		2,583	1,887	1,685
Total assets		$ 307,651	$ 279,081	$ 263,316
Liabilities and equity				
Current liabilities:				
Current portion of non-current debt	13	$ 600	$ 5,408	$ 1,153
Trade accounts payable		26,679	22,972	20,971
Other accounts payable and accrued liabilities	14	24,901	18,473	23,055
Current lease liabilities	9	5,153	4,599	-
Accounts payable to related parties	15	1,334	1,197	1,012
Current income tax	16	-	115	256

		DECEMBER 31		
	NOTES	**2020**	**2019**	**2018**
Statutory employee profit sharing		1,017	1,183	1,423
Derivative financial instruments	17	1,183	673	879
Other current liabilities	17	398	-	-
Total current liabilities		61,265	54,620	48,749
Non-current debt	13	84,629	81,264	88,693
Non-current lease liabilities	9	23,936	20,741	-
Non-current derivative financial instruments	17	214	437	347
Employee benefits	18	33,832	30,426	25,885
Deferred income tax	16	6,766	5,241	5,720
Other non-current liabilities	19	8,998	8,041	9,347
Total liabilities		219,640	200,770	178,741
Equity:	20			
Capital stock		4,061	4,156	4,199
Retained earnings		64,265	61,332	59,238
Other equity financial instrument		8,996	8,931	9,138
Cumulative foreign currency translation effect from foreign operations		9,046	1,247	4,739
Remeasurements on defined benefit plans liability		(443)	(226)	3,131
Valuation of equity financial instrument		(661)	(422)	(386)
Unrealized loss on cash flow hedges	17	(1,551)	(1,282)	(369)
Controlling interest		83,713	73,736	79,690
Non-controlling interest		4,298	4,575	4,885
Total equity		88,011	78,311	84,575
Total liabilities and equity		$ 307,651	$ 279,081	$ 263,316

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS

# of profit or loss

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos, except for basic earnings per ordinary share in Mexican pesos)

		FOR THE YEARS ENDED DECEMBER 31		
	NOTES	2020	2019	2018
Net sales		$ 331,051	$ 291,926	$ 289,320
Cost of sales	21	152,608	138,184	135,669
Gross profit		**178,443**	**153,742**	**153,651**
General expenses:				
Distribution and selling		123,511	110,234	109,701
Administrative		22,383	16,641	19,006
Integration costs		1,968	2,435	1,855
Other expenses, net	22	5,173	4,013	4,580
	21	**153,035**	**133,323**	**135,142**
Operating profit		**25,408**	**20,419**	**18,509**
Comprehensive financing cost:				
Interest expense	23	9,424	8,561	7,668
Interest income		(387)	(560)	(386)
Foreign exchange (gain)/loss, net		(108)	445	(85)
(Gain)/loss from monetary position		(70)	114	(202)
		8,859	**8,560**	**6,995**
Share of profit of associates	10	194	249	194
Profit before income tax		**16,743**	**12,108**	**11,708**
Income tax	16	6,192	4,733	4,897
Consolidated net profit		**$ 10,551**	**$ 7,375**	**$ 6,811**
Attributable to:				
Controlling interest		**$ 9,111**	**$ 6,319**	**$ 5,808**
Non-controlling interest		**$ 1,440**	**$ 1,056**	**$ 1,003**
Basic earnings per ordinary share		**$ 2.00**	**$ 1.36**	**$ 1.24**
Weighted average number of outstanding shares (in thousands of shares)		**$ 4,552,712**	**$ 4,651,529**	**$ 4,689,122**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS

# of profit or loss and statement of comprehensive income

FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos)

	NOTES	2020	2019	2018
Consolidated net profit		$ 10,551	$ 7,375	$ 6,811
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Valuation of equity financial instrument	3c	(239)	(36)	(386)
Remeasurements on defined benefit plans liability	18	(362)	(4,715)	3,782
Income tax	16	145	1,358	(1,110)
		(456)	**(3,393)**	**2,286**
Items that may be reclassified subsequently to profit or loss:				
Effect of net investment hedge		(2,828)	2,124	820
Foreign operations currency translation effect of the year		7,400	(5,321)	(2,981)
Net change in unrealized loss on cash flow hedges	17	(386)	(1,353)	(608)
Income tax	16	3,672	(304)	(97)
		7,858	**(4,854)**	**(2,866)**

	NOTES	2020	2019	2018
Other comprehensive income		7,402	**(8,247)**	**(580)**
Consolidated comprehensive income		17,953	**$ (872)**	**$ 6,231**
Comprehensive income attributable to controlling interest		16,185	**$ (1,479)**	**$ 5,230**
Comprehensive income attributable to controlling interest		1,768	**$ 607**	**$ 1,001**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS
of changes in equity

FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos)

	CAPITAL STOCK	OTHER EQUITY FINANCIAL INSTRUMENT	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	EQUITY ATTRIBUTABLE TO CONTROLLING INTEREST	NON-CONTROLLING INTEREST	TOTAL EQUITY
Balance as of December 31, 2017	**$ 4,225**	**-**	**60,849**	**7,693**	**72,767**	**4,257**	**77,024**
Issuance of equity financial instrument, net	-	9,138	-	-	9,138	-	9,138
Other equity instrument dividends, net	-	-	(104)	-	(104)	-	(104)
Effects of the adoption of IFRIC 23 (Note 19)	-	-	(2,283)	-	(2,283)	-	(2,283)
Effects of the adoption of IFRS 9	-	-	32	-	32	-	32
Effects of the adoption of IFRS 15	-	-	(157)	-	(157)	-	(157)
Effects of the adoption of IAS 29 (Argentina) (Note 3f)	-	-	(2,180)	-	(2,180)	-	(2,180)
Consolidation effect of structured entities	-	-	-	-	-	(864)	(864)
Increase in non-controlling interest (Note 1)	-	-	-	-	-	491	491
Dividends declared	-	-	(1,646)	-	(1,646)	-	(1,646)
Repurchase of shares (Note 20)	(26)	-	(1,081)	-	(1,107)	-	(1,107)
Balance before comprehensive income	**4,199**	**9,138**	**53,430**	**7,693**	**74,460**	**3,884**	**78,344**
Consolidated net profit for the year	-	-	5,808	-	5,808	1,003	6,811
Other comprehensive income	-	-	-	(578)	(578)	(2)	(580)
Consolidated comprehensive income	-	-	5,808	(578)	5,230	1,001	6,231
Balance as of December 31, 2018	**4,199**	**9,138**	**59,238**	**7,115**	**79,690**	**4,885**	**84,575**
Other equity instrument dividends	-	-	(595)	-	(595)	-	(595)
Other equity instrument income taxes	-	(207)	178	-	(29)	-	(29)
Consolidation effect of structured entities	-	-	-	-	-	(917)	(917)
Dividends declared	-	-	(2,103)	-	(2,103)	-	(2,103)
Repurchase of shares (Note 20)	(43)	-	(1,705)	-	(1,748)	-	(1,748)
Balance before comprehensive income	**4,156**	**8,931**	**55,013**	**7,115**	**75,215**	**3,968**	**79,183**
Consolidated net profit for the year	-	-	6,319	-	6,319	1,056	7,375
Other comprehensive income	-	-	-	(7,798)	(7,798)	(449)	(8,247)
Consolidated comprehensive income	-	-	6,319	(7,798)	(1,479)	607	(872)
Balance as of December 31, 2019	**4,156**	**8,931**	**61,332**	**(683)**	**73,736**	**4,575**	**78,311**
Other equity instrument dividends	-	-	(648)	-	(648)	-	(648)
Other equity instrument income taxes	-	65	194	-	259	-	259
Consolidation effect of structured entities	-	-	-	-	-	(1,025)	(1,025)
Net changes in non-controlling interest	-	-	207	-	207	(873)	(666)
Dividends declared	-	-	(2,286)	-	(2,286)	(147)	(2,433)
Repurchase of shares (Note 20)	(95)	-	(3,645)	-	(3,740)	-	(3,740)
Balance before comprehensive income	**4,061**	**8,996**	**55,154**	**(683)**	**67,528**	**2,530**	**70,058**
Consolidated net profit for the year	**-**	**-**	**9,111**	**-**	**9,111**	**1,440**	**10,551**
Other comprehensive income	**-**	**-**	**-**	**7,074**	**7,074**	**328**	**7,402**
Consolidated comprehensive income			**9,111**	**7,074**	**16,185**	**1,768**	**17,953**
Balance as of December 31, 2020	**$ 4,061**	**$ 8,996**	**$ 64,265**	**$ 6,391**	**$ 83,713**	**$ 4,298**	**$ 88,011**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS

# of cash flows

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos)

	NOTES	FOR THE YEARS ENDED DECEMBER 31, 2020	2019	2018
Operating activities				
Profit before income tax		$ 16,743	$ 12,108	$ 11,708
Adjustments for:				
Depreciation and amortization	8, 9, 11	16,251	14,373	10,000
Loss/(gain) on sale of property, plant and equipment		(127)	17	14
Share of profit of associates		(194)	(249)	(194)
Impairment of non-current assets		1,075	1,318	907
Multi-employer pension plan and other non-current liabilities	22	2,494	1,762	(401)
Current year service cost	18	991	717	986
Interest expense	23	9,424	8,561	7,668
Interest income		(387)	(560)	(386)
Short-term and low-value asset lease expenses	9	2,017	2,141	-
Changes in assets and liabilities:				
Trade receivables and other accounts receivable		(914)	(1,348)	(1,250)
Inventories		(769)	(876)	(1,194)
Prepaid expenses		(684)	(135)	(167)
Trade accounts payable		3,004	2,054	257
Other accounts payable and accrued liabilities		4,718	(3,406)	306
Accounts payable to related parties		270	289	57
Income tax paid		(5,789)	(3,961)	(4,327)
Guarantee deposits for derivative financial instruments		723	294	(202)
Statutory employee profit sharing payable		(165)	(241)	137
Employee benefits		(2,955)	(2,197)	(2,809)
Assets held for sale		168	-	(128)
Short-term and low-value asset lease expenses		(2,017)	(2,141)	-
Net cash flows from operating activities		43,877	**28,520**	**20,982**

	NOTES	FOR THE YEARS ENDED DECEMBER 31, 2020	2019	2018
Investing activities				
Purchase of property, plant and equipment	8	(13,218)	(13,117)	(15,067)
Acquisitions of business and non-controlling interests, net of cash received	1	(3,453)	(94)	(3,600)
Proceeds from sale of property, plant and equipment		763	470	599
Purchase of intangible assets	11	(528)	(264)	(760)
Increase of distribution rights in structured entities	11	(351)	(132)	(180)
Other assets		(218)	(89)	232
Dividends received	10	93	73	42
Interest received		387	560	386
Investments in associates	10	(163)	(49)	(43)
Net cash flows used in investing activities		(16,688)	**(12,642)**	**(18,391)**
Financing activities				
Proceeds from loans	13	34,818	22,594	8,024
Repayments of loans	13	(40,745)	(22,640)	(11,005)
Interest paid		(6,410)	(5,681)	(7,280)
Other equity instrument dividends paid		(648)	(595)	(104)
Dividends paid		(2,433)	(2,103)	(1,646)
Payment of lease liabilities	9	(5,544)	(4,784)	-
Equity financial instrument issued	20	-	-	8,986
Payment of derivative financial instruments		(2,431)	(2,481)	(412)
Collection of derivative financial instruments		2,970	605	2,222
Repurchase of shares	20	(3,740)	(1,748)	(1,107)
Net cash flows used in financing activities		(24,162)	**(16,833)**	**(2,322)**
Adjustments to cash flows due to exchange rate fluctuations and inflationary effects		(9)	**(378)**	**99**
Net increase in cash and cash equivalents		3,017	(1,333)	368
Cash and cash equivalents at beginning of year		6,251	7,584	7,216
Cash and cash equivalents at end of year		$ 9,268	$ 6,251	$ 7,584

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED
financial statements

DECEMBER 31, 2020, 2019 AND 2018

GRUPO BIMBO, S.A.B. DE C.V. AND SUBSIDIARIES

(Amounts in millions of Mexican pesos, except where otherwise indicated)

1. Nature of operations and significant events

Nature of operations - Grupo Bimbo, S.A.B. de C.V. and subsidiaries ("Grupo Bimbo" or "the Company") is a Mexican entity, primarily engaged in the production, distribution and sale of sliced bread, buns, sweet bread, pastries, cookies, English muffins, bagels, tortillas, salty snacks and confectionery, among others.

The Company operates in different geographical areas that represent the reporting segments used by the Company, which are Mexico, North America, Latin America and Europe, Asia and Africa ("EAA").

The Company's corporate offices are located at Prolongación Paseo de la Reforma No. 1000, Colonia Peña Blanca Santa Fe, Álvaro Obregón, Código Postal 01210, Mexico City, Mexico.

During 2020, 2019 and 2018, the net sales of the subsidiaries that are classified in the Mexico segment represented approximately 29%, 33% and 32%, respectively, of the Company's consolidated net sales. During 2020, 2019 and 2018, the net sales of the Company's subsidiaries classified in the North America segment represented approximately 53%, 49% and 50%, respectively, of the Company's consolidated net sales.

Relevant events

ACQUISITIONS IN 2020

Acquisition of Siro Paterna - Spain

On June 30, 2020, the Company acquired, through its subsidiary, a 100%-stake in Siro Paterna Valencia in Spain, a company engaged in the production of sliced bread and salted pastries under a private label. This acquisition has been funded using the Company's own resources.

Business acquisition – United States of America (USA)

On January 2nd, 2020, the Company acquired, through one of its subsidiaries, acquired the Lender's brand frozen bagel business from Conagra Brands.

Blue Label México

On September 21, 2020, the Company acquired a 47.56% stake in Blue Label México, S.A.P.I. de C.V. As a result of this transaction, the Company increased its equity interest to 95.12% and obtained control over the company as of that date. In December 2020, the Company acquired the remaining 4.88% stake, so that is now holds a 100% stake in Blue Label México. Blue Label México is engaged mainly in the distribution of digital services and electronic payments.

Accounting effects of the acquisitions

The valuation and recognition of the acquisitions was performed in accordance with International Financial Reporting Standards (IFRS) 3 *Business Combinations*. The following table summarizes the fair values of the assets acquired and liabilities assumed that were recognized as a result of these acquisitions at the exchange rate ruling at the date of the transactions:

		FAIR VALUE
Amount paid in the transactions	$	2,789
Amounts recognized for identifiable assets and liabilities assumed:		
Cash and cash equivalents		82
Accounts receivable		149
Inventories		147
Property, plant and equipment		1,127
Right-of-use assets		32
Identified intangible assets		1,742
Other assets		14
Total identifiable assets		**3,293**
Goodwill		724
Total assets acquired		**4,017**
Total liabilities assumed		**927**
Non-controlling interests		35
Net loss on business combinations in stages		(266)
Value of acquired investments	**$**	**2,789**

The goodwill resulting from this acquisition was allocated to the Mexico and EAA segments.

ACQUISITIONS OF NON-CONTROLLING INTERESTS IN 2020

Ready Roti - India

On May 13, 2020, the Company acquired, through one of its subsidiaries, the remaining 35% of the voting shares of Ready Roti India Private Limited, to complement the acquisition made in May 2017, so that it now holds all of the share capital of this company.

ACQUISITIONS IN 2019

Acquisition of Mr. Bagels

On August 6, 2019, the Company acquired, through one of its subsidiaries, the bagels business from Mr. Bagel's Limited, for £4 million, equal to $94. This acquisition mainly corresponds to manufacturing equipment and inventories. The valuation and recognition of this acquisition was completed in 2020 in accordance with IFRS 3 *Business Combinations*.

ACQUISITIONS IN 2018

Acquisition of Mankattan Entity ("Mankattan")

On June 28, 2018, the Company acquired the Mankattan trademark and a 100%-stake in Mankattan for USD 200 million, that was paid as follows:

	MILLIONS OF USD		MEXICAN PESOS
Transaction amount	**200**	**$**	**3,985**
Acquisition of trademarks	**(19)**	**$**	**(368)**
Liabilities assumed	**(23)**	**$**	**(466)**
Security deposits	**(11)**	**$**	**(230)**
Amount paid in the transaction	**147**	**$**	**2,921**

Mankattan is engaged in producing and distributing packaged bread, pastries, buns and *yudane* (a Japanese-style sandwich bread), among other products, that are distributed through the traditional and modern channel customers and quick service restaurants (QSR). Mankattan operates four companies that serve the markets of Beijing, Shanghai, Sichuan, and Guangdong, along with their surrounding areas.

This acquisition complements the Company's current operations in China, in terms of brand products and QSR business. It also represents an opportunity to create significant synergies, especially in Northern China, by optimizing the supply chain to better serve consumers.

The Company recognized transaction costs of $66 under integration expenses.

Sources of financing

The Company used the resources obtained through the equity instruments issued on April 17, 2018 to fund this acquisition.

Accounting effects of the acquisition of Mankattan

The valuation and recognition of this acquisition was finalized in 2019 in accordance with IFRS 3 *Business Combinations*. The following table summarizes the fair values of the assets acquired and liabilities assumed that were recognized as a result of the acquisition made on June 28, 2018 at the exchange rate ruling at the date of the transaction:

	PRELIMINARY FAIR VALUE	PPA ADJUSTMENTS	DEFINITIVE FAIR VALUE
Amount paid in the transaction	$ 2,921	$ -	$ 2,921
Amounts recognized for identifiable assets and liabilities assumed:			
Cash and cash equivalents	235	-	235
Accounts receivable	581	-	581
Inventories	79	-	79
Property, plant and equipment	682	290	972
Identifiable intangible assets	628	-	628
Other assets	46	-	46
Total identifiable assets	**2,251**	**290**	**2,541**
Goodwill	2,050	(290)	1,760
Total assets acquired	**4,301**	**-**	**4,301**
Total liabilities assumed	**1,380**	**-**	**1,380**
Value of acquired investment	**$ 2,921**	**$ -**	**$ 2,921**

The goodwill resulting from this acquisition was allocated to the EAA segment and represents the expected synergies arising from the preexisting business combination in China.

CONSOLIDATED FIGURES

An analysis of the amounts contributed by Mankattan to the consolidated figures of Grupo Bimbo for the 186 days elapsed from June 28 to December 31, 2018 is as follows:

	CONSOLIDATED JANUARY 1ST TO DECEMBER 31, 2018	MANKATTAN JUNE 28 TO DECEMBER 31, 2018
Net sales	**$ 289,320**	**$ 1,133**
Operating profit/(loss)	**$ 18,509**	**$ (57)**
Attributable to the equity holders of the parent	**$ 5,808**	**$ (82)**

As of December 31, 2018

	CONSOLIDATED	MANKATTAN
Total assets	**$ 263,316**	**$ 4,697**
Total liabilities	**$ 178,741**	**$ 1,281**

If Mankattan had been consolidated from January 1st, 2018, the consolidated net sales and consolidated net profit would have been $290,331 and $5,774, respectively.

Acquisition of International Bakery S.A.C.

On March 27, 2018, the Company acquired a 100%-stake in International Bakery, S.A.C. for USD7.8 million, equal to $143, which was paid on April 2, 2018.

International Bakery is engaged in producing and distributing bread, buns, pound cake, muffins and torrone, among other products, that are distributed to modern channel customers and quick service restaurants. International Bakery has 350 employees.

Business acquisition in Colombia

On May 31, 2018, through its subsidiary, the Company acquired El Paisa, S.A.S. for USD 2.6 million, equal to $52. This acquisition consists primarily of property, plant and equipment, inventories, trademarks, customer relationships and non-competition agreements.

Acquisition of Alimentos Nutra Bien S.A.

On December 17, 2018, through one of its subsidiaries, the Company acquired a 100%-stake in Alimentos Nutra Bien, S.A. for USD 36.7 million, equal to $743. Alimentos Nutra Bien, S.A. is a prominent producer of artisanal bread made with non-genetically modified natural ingredients and certified organic ingredients. This acquisition strengthens the Company's presence in the Chilean market.

Accounting effects of the acquisitions

The valuation and recognition of the acquisitions of El Paisa in Colombia and International Bakery was concluded in 2018.

The valuation and recognition of the acquisitions of Alimentos Nutrabien, S.A. in Chile was concluded in 2019.

The following table summarizes the fair values of the assets acquired and liabilities assumed that were recognized as a result of these acquisitions at the exchange rate ruling at the date of the transaction:

DATE OF ACQUISITION	INTERNATIONAL BAKERY MARCH 27	EL PAISA MAY 31	ALIMENTOS NUTRABIEN DECEMBER 17
Amount paid in the transaction (1)	$ 137	$ 52	$ 750
Amounts recognized for identifiable assets and liabilities assumed:			
Cash and cash equivalents	5	-	19
Accounts receivable	29	-	406
Inventories	7	1	20
Property, plant and equipment	21	11	248
Identifiable intangible assets	58	29	306
Other assets	5	-	-
Total identifiable assets	**125**	**41**	**999**
Goodwill (1)	101	11	204
Total assets acquired:	**226**	**52**	**1,203**
Current liabilities	67	-	396
Non-current liabilities	22	-	57
Total liabilities assumed	89	-	453
Value of acquired investment	**$ 137**	**$ 52**	**$ 750**

(1) Includes adjustments to the purchase price made during 2019 regarding the acquisition of International Bakery and Alimentos Nutrabien.

The goodwill resulting from these acquisitions was allocated to the Latin America segment and represents the expected synergies arising from the preexisting business combination in those countries.

Health contingency caused by COVID-19:

COVID-19, an infectious disease caused by the SARS COV-2 virus, was declared a world-wide pandemic by the World Health Organization (WHO) on March 11, 2020. The measures to slow the spread of COVID-19 have had a significant impact on the global economy. Given the evolving nature caused by the COVID-19 pandemic and the limited recent experience of the economic and financial impacts of such a pandemic, changes to estimates may need to be made in the measurement of entities' assets and liabilities may arise in the future.

The health contingency caused by COVID-19 has had the following impacts on the Company's liquidity, cash flows, solvency and business:

(a) Liquidity: It was benefited since the third month of 2020 from changes in consumers habits globally as a result of the pandemic and which can be prolonged in an uncertain and indefinite manner. The Company modified its financial strategy in the first six months of 2020 by prioritizing the generation and conservation of cash flow, reviewing the capital investment plan, reducing general and administrative expenses, and postponing certain restructuring projects.

(b) Cash flows: The Company has a diversified revenue base as it operates in several countries, which provides stability to its cash flows, coupled with the results generated by its operations during the pandemic.

(c) Solvency: The Company considers that its financial situation, given its ability to generate cash flows, allows it to meet its current and non-current financial commitments.

(d) Business: It was partially affected, mainly during the first six months of 2020, by the pandemic, since some plants engaged in the production for the fast food restaurant business ("QSR") operated below their capacity due to restrictions on mobility of individuals imposed in the different countries where it has a presence. In addition, the Company incurred in COVID-19related costs and expenses such as: increases in the labor cost by hiring additional employees, donations to different associations to support customers and consumers in the uncertain environment and in health measures in all of its plants and workplaces around the world.

The Company does not consider that its operating and financial conditions will undergo material changes in the short and long-term as a result of the COVID-19 pandemic.

2. Basis of Preparation

Adoption of new and revised International Financial Reporting Standards

a) Application of new and revised International Financial Reporting Standards (IFRS) and their interpretations, the adoption of which is mandatory in the current year

In 2020, the Company adopted a series of new and amended IFRS issued by the International Accounting Standards Board (IASB), which are effective for annual periods beginning on or after January 1st, 2020:

Amendments to IFRS 3: Definition of a Business

The IASB issued amendments to the definition of a business to help entities determine whether an acquired set of activities and assets is a business or not. To be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output.

The amendment introduces an optional fair value concentration test allowing a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Since the Company's current practice is in line with these amendments, the Company had not any effect on the consolidated financial statements.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments are intended to simplify the definition of material established in IAS 1 in order to improve the understanding of the existing requirements rather than to modify the underlying concept of materiality established by IFRS. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the *Conceptual Framework* that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments as of January 1st, 2020 had no effect on the consolidated financial statements.

Amendments to IFRS 16 COVID-19 Related Rent Concessions

In May 2020, the IASB amended IFRS 16 Leases, to provide relief to lessees by permitting a simplified method to recognize COVID-19-related rent concessions without having to recognize the change as a lease modification. Accordingly, there are no changes to the value of right-of-use assets or lease liabilities, and the effects of these concessions are recognized in profit or loss.

These amendments are effective for annual periods beginning on or after June 1, 2020. Earlier application is permitted; the Company opted to apply the practical expedient as of April 2020 and recognized a benefit of $46 to rental payments related to those concessions meeting the requirements established by these amendments.

Amendments to IFRS 9 Interest Rate Benchmark Reform

The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

These amendments did not have a material impact on the consolidated financial statements as the reform did not have a direct effect on the Company's hedging relationships

IFRS Conceptual Framework

Together with the revised *Conceptual Framework* that became effective on the day of its publication on March 29, 2018, the IASB has also issued *Amendments to References to the Conceptual Framework in IFRS Standards*. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however, update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised *Conceptual Framework*. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASC framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised *Conceptual Framework*.

The amendments, where they actually are updates, are effective for annual periods beginning on or after January 1st, 2020.

b) New and revised IFRS issued but not yet effective

The new and amended standards that are issued but not yet effective and that may be applicable to the Company are as follows:

Amendments to IFRS 7, IFRS 9 and IAS 39	Interest Rate Benchmark Reform (1)
Annual Improvements 2018-2020 Cycle	IFRS 1 and IFRS 9 (2)
Amendments to IAS 1	Classification of liabilities as current and non-current (2)
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (3)

(1) Effective for annual periods beginning on or after January 1st, 2021.
(2) Effective for annual periods beginning on or after January 1st, 2023.
(3) Effective for annual periods beginning on or after a certain date that has yet to be determined.

Amendments to IFRS 7, IFRS 9, IFRS 16 and IAS 39: Interest Rate Benchmark Reform

In August 2020, the IASB issued guidelines pertaining to the interest rate benchmark reform that modify the specific requirements in order to continue hedge accounting during the uncertainty period before the hedged item or hedging instrument is modified as a result of the new benchmark interest rates. In addition, the amendments establish certain disclosure requirements related to the application of the new benchmark interest rates.

As of December 31, 2020, the Company is in the process of assessing the impact resulting from the interest rate benchmark reform.

Annual Improvements 2018-2020 Cycle

In May 2020, the IASB issued the following annual improvements to IFRS:

IFRS 1 FIRST-TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The amendments permit a subsidiary that adopts IFRS after its parent to measure the cumulative translation differences for all foreign operations using the amounts reported by its parent, based on the parent's date of transition to IFRS, provided that no adjustments have bene made to the consolidation process and for the purposes of the business combination in which the parent acquired the subsidiary.

IFRS 9 FINANCIAL INSTRUMENTS

The amendments clarify that fees in the ten per cent test for derecognition of financial liabilities must only be fees paid or received between the entity (the borrower) and the lender.

AMENDMENTS TO IAS 1: CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

In January 2020, the IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1st, 2023 and must be applied retrospectively. The Company is in the process of assessing the impact that the adoption of these amendments will have on its consolidated financial statements.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture

The amendments establish that any gain or loss resulting from loss of control over a subsidiary that does not constitute a business in a transaction with an equity-accounted associate or joint venture are recognized in profit or loss of the parent only to the extent of unrelated investors' interest in the associate or joint venture. Gains and losses resulting from the remeasurement at fair value of the investment retained in a former subsidiary (which has become an equity-accounted associate or joint venture) is recognized in profit or loss of the parent only to the extent of unrelated investors' interest in the associate or joint venture.

The effective date of these amendments has not been determined by the IASB. Early application is permitted. Company management believes that the adoption of these amendments could have a material effect on the Company's consolidated financial statements in the future if such transactions arise.

c) Consolidated statement of profit or loss and other comprehensive Income

The Company presents its profit or loss in two separate statements: i) the consolidated statement of profit or loss, and ii) the consolidated statement of profit or loss and other comprehensive income. The Company's expenses are presented based on their function, which is consistent with the customary practices of the industry to which the Company belongs. The nature of these expenses is described in Note 21. Although not required to do so under IFRS, the Company includes operating profit in the consolidated statement of profit or loss, since this item is an important indicator for evaluating the Company's financial and business performance.

d) Consolidated statements of cash flows

The Company prepares the statement of cash flows using the indirect method. Interest and dividends received are shown as investing activities, while interest and dividends paid are shown as financing activities. As of December 31, 2020, 2019 and 2018 there were no material non-monetary transactions in investment and financing activities.

3. Summary of significant accounting policies

a) Compliance statement

The Company's consolidated financial statements have been prepared in accordance with IFRS, as issued by the IASB.

b) Basis of preparation

The Mexican peso is the Company's functional currency for transactions in Mexico and the presentation currency of its consolidated financial statements.

The accompanying consolidated financial statements have been prepared on a historical cost basis, except for certain assets and liabilities (derivative financial instruments), which are measured at fair value at the end of the reporting period, and the non-monetary assets of the Company's subsidiaries in hyperinflationary economies, which are restated for inflation, as explained in the accounting policies below.

i. Historical cost

Historical cost is generally equal to the fair value of the consideration to which the Company is entitled in exchange for the goods and services received.

ii. Fair value

Fair value is the price to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value-in-use in IAS 36.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is described as follows:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly indirectly
- Level 3: unobservable inputs are considered.

Basis of presentation

Current versus non-current (short-term versus long-term) classification

The Company presents assets and liabilities in the consolidated statement of financial position as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current (long-term) assets and liabilities.

c) Basis of consolidation

In accordance with IFRS 10, the consolidated financial statements comprise the financial statements of the Company and its subsidiaries and other entities as of December 31, 2020, 2019 and 2018.

The Company's most significant subsidiaries included in the consolidated financial information are as follows:

SUBSIDIARY	% EQUITY INTEREST	COUNTRY	SEGMENT	PRIMARY ACTIVITY
Bimbo, S.A. de C.V.	97	Mexico	Mexico	Baking
Barcel, S.A. de C.V.	98	Mexico	Mexico	Snacks
Productos Ricolino, S.A.P.I. de C.V. (1)	98	Mexico	Mexico	Confectionery
Bimbo Bakeries, Inc. (BBU)	100	United States	North America	Baking
Canada Bread Corporation, LLC	100	Canada	North America	Baking
Bimbo do Brasil, Ltda.	100	Brazil	Latin America	Baking
Bakery Iberian Investments, S.L.U.	100	Spain and Portugal	EAA	Baking

(1) On November 1st, 2019, Barcel S.A. de C.V. decided to spin off its confectionery business. As a result of the spin-off, Productos Ricolino S.A.P.I. de C.V. was created..

Subsidiaries are consolidated from the date on which control is transferred to the Company and are no longer consolidated from the date that control is lost. Gains and losses of subsidiaries acquired during the year are recognized in the consolidated statement of profit or loss and statement of comprehensive income from the acquisition date, as applicable.

Non-controlling interest represents the portion of profit or loss and net assets that do not correspond to the Company but to the minority shareholders and is recognized separately in the consolidated financial statements.

The political and economic situation in Venezuela has significantly limited the capacity of the Company's subsidiaries in Venezuela to maintain their production process under normal conditions. In view of the above, and since Grupo Bimbo will continue its operations in Venezuela, as of June 1, 2017, the Company changed the method under which it consolidated the financial position and performance of its operations in Venezuela; therefore, at the date of these financial statements, the Company measures its investment in Venezuela at fair value through other comprehensive income (OCI), in accordance with IFRS 9.

The Company elected to classify irrevocably its equity investments in affiliates in Venezuela under this category as it intends to hold these investments for the foreseeable future. As of December 31, 2020, 2019 and 2018, the Company recognized an impairment loss of $239, $36 and $386, respectively, in other comprehensive income.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intercompany balances and transactions have been eliminated on consolidation.

d) Business combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business acquisition is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Company, the liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Costs related to the acquisition are generally recognized in profit or loss as incurred.

At the acquisition date, all identifiable assets acquired and liabilities assumed in a business combination are measured at fair value, except for:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefits are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree that are measured in accordance with IFRS 2 *Share-based Payments* at the acquisition date (as of December 31, 2020, 2019 and 2018, the Company does not have share-based payments);
- Assets (or disposal groups) that are classified as held for sale and measured in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.*

Goodwill is measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If, after reassessment, the fair value of the net assets acquired and liabilities assumed at the acquisition date is in excess of the aggregate consideration transferred, the amount recognized for non-controlling interests in the acquiree and any previous interest held over the acquiree is recognized in profit or loss as gain on business combinations.

Non-controlling interests may be initially measured either at fair value or at the proportionate share of the acquiree's identifiable net assets. The election is made on a transaction-by-transaction basis.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at fair value at the acquisition date and is included as part of the consideration transferred. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively and the corresponding adjustments are charged against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year following the acquisition date) on facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on the classification of the contingent consideration. Contingent considerations classified as equity are not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent considerations classified as assets or liabilities are remeasured at subsequent reporting dates in accordance with IFRS 9 or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, and the corresponding gain or loss is recognized in profit or loss.

When a business combination is achieved in stages, any previous interest held over the acquiree is remeasured at fair value at the acquisition date and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss when such treatment is appropriate if that interest is disposed of.

If the initial accounting treatment for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company must report provisional amounts for the items for which the accounting is incomplete. Such provisional amounts are adjusted during the measurement period or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

e) Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets or disposal groups. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs that the Company expects to incur in the sale.

f) Recognition of the effects of inflation

The effects of inflation are recognized when the functional currency of an entity is the currency of a country with a hyperinflationary economic environment.

An analysis of the cumulative inflation rates for the three prior years in the countries of the Company's primary operations is as follows:

	2020 – 2018		2019 – 2017		2018 – 2016	
	CUMULATIVE INFLATION RATE	TYPE OF ECONOMY	CUMULATIVE INFLATION RATE	TYPE OF ECONOMY	CUMULATIVE INFLATION RATE	TYPE OF ECONOMY
Mexico	11.19%	Non-hyperinflationary	14.43%	Non-hyperinflationary	15.69%	Non-hyperinflationary
USA	5.40%	Non-hyperinflationary	6.24%	Non-hyperinflationary	5.99%	Non-hyperinflationary
Canada	5.05%	Non-hyperinflationary	6.11%	Non-hyperinflationary	5.42%	Non-hyperinflationary
Spain	1.51%	Non-hyperinflationary	3.11%	Non-hyperinflationary	3.66%	Non-hyperinflationary
Brazil	12.92%	Non-hyperinflationary	9.88%	Non-hyperinflationary	13.46%	Non-hyperinflationary
Argentina	162.53%	Hyperinflationary	126.27%	Hyperinflationary	148.19%	Hyperinflationary

Starting in July 2018, the economy in Argentina is considered to be hyperinflationary; consequently, the Company's subsidiaries in Argentina recognized, in accordance with IAS 29, the following adjustments for the cumulative effects of inflation:

- Using inflation factors to restate non-monetary assets such as inventories, property, plant and equipment, and intangible assets.
- Recognizing the net monetary asset position in the consolidated statement of profit or loss.

g) Foreign currency transactions

Exchange differences on monetary items are recognized in profit or loss, except in the following cases:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see Note 17);
- Exchange differences on monetary assets or liabilities related to foreign operations with no planned settlement and for which payment cannot be made (thus forming part of the net investment in the foreign operation) are initially recognized in other comprehensive income and are reclassified from equity to profit or loss as reimbursements of monetary items.

TRANSLATION TO THE COMPANY'S PRESENTATION CURRENCY

On consolidation, the assets and liabilities of foreign operations are translated into Mexican pesos using the prevailing exchange rate at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless the exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. The assets and liabilities of operations in hyperinflationary economies are translated using the exchange rate prevailing at the reporting date. The exchange differences arising on translation for consolidation are recognized in other comprehensive income and accumulated in equity and attributed to non-controlling interests as appropriate.

On disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date. Exchange differences resulting from the translation are recognized in other comprehensive income.

An analysis of the annual average and closing exchange rates of the Mexican peso and the exchange rates functional currencies of the countries of the main subsidiaries as of December 31, 2020, 2019 and 2018 is as follows:

	AVERAGE EXCHANGE RATE			CLOSING EXCHANGE RATE		
	2020	2019	2018	2020	2019	2018
USA	**21.4955**	19.2616	20.1529	**19.9487**	18.8452	19.6829
Canada	**16.0529**	14.5108	15.0496	**15.5424**	14.2680	14.4324
Spain	**24.5343**	21.5632	22.9400	**24.4790**	21.1707	22.5369
Brazil	**4.1764**	4.8823	5.1882	**3.8387**	4.6754	5.0797
Argentina	**0.3045**	0.3997	0.5324	**0.2371**	0.3147	0.5221

h) Cash and cash equivalents

Cash and cash equivalents principally consist of bank deposits in checking accounts and highly liquid, readily available low-risk investments in short-term securities, maturing within three months following the purchase date. Cash is stated at nominal value and cash equivalents are stated at fair value. Gains and losses from changes in the value of cash and cash equivalents are recognized in profit or loss (see financial assets below). Cash and cash equivalents principally consist of investments in government debt instruments with daily maturities.

i) Financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

FINANCIAL ASSET CLASSIFICATION

Financial instruments are measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

The remaining financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Notwithstanding the above, upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they are not held for trading and do not correspond to contingent consideration transferred by an acquirer in a business combination.

Equity investments at fair value through OCI are initially measured at cost, plus transaction costs, and are subsequently measured at fair value and the gains and losses from the fair value changes are recognized in OCI. Upon derecognition, cumulative gains and losses are never recycled to profit or loss, and instead are recorded in retained earnings.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

1. Accounts receivable

Trade accounts receivable and other accounts receivable are non-derivative financial assets with fixed or determinable payments that are not traded on an active market. These instruments are classified as accounts receivable and are measured at amortized cost using the effective interest rate method and are subject to impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

2. Impairment in the value of financial assets

The Company assesses at each reporting date whether its non-FVTPL financial assets are impaired.

The Company recognizes a provision for expected credit losses for trade receivables. The Company uses a provision matrix to calculate expected credit losses for trade receivables. The provision matrix is initially based on the Company's historical credit loss experience and is subsequently adjusted for factors that are specific to the debtors, general economic conditions and an assessment of the current direction and forecast of future conditions at the reporting date, including the time value of money, when applicable.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Regarding trade accounts receivables, the carrying amount is reduced through the use of an allowance for doubtful accounts and expected credit losses. Trade receivables that are considered uncollectible are charged to the allowance account. Subsequent recovery of previously recognized impairment losses is reversed by adjusting the allowance account. The amount of the reversal is recognized in profit or loss.

j) Inventories and cost of sales

Inventories are valued at the lower of cost or net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials, containers, packaging and spare parts: at cost, which includes the cost of the merchandise plus import costs, minus discounts, using the average cost method.
- Finished goods and orders in process: cost of materials and direct labor costs and a proportion of manufacturing overheads based on the normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell and the estimated costs necessary to make the sale.

k) Property, plant and equipment

Property, plant and equipment is recognized at its adjusted historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Fixed assets acquired in Mexico before December 31, 2007 were restated for inflation through that date based on the National Consumer Price Index (NCPI), which became the estimated cost of such assets as of January 1st, 2011 upon the Company's adoption of IFRS.

The cost includes those costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The costs of expansion, remodeling or improvements that enhance the capacity and increase the productivity and extend the useful life of the asset are also capitalized. Repair and maintenance costs are expensed as incurred. The carrying amount of the replaced asset, if any, is derecognized when replaced, and the effect is recognized in profit and loss.

Freehold land is not depreciated. Depreciation of property, plant and equipment is calculated on the assets' carrying amounts on a straight-line basis over the estimated useful lives of the assets, as follows:

	NO. OF YEARS
Buildings:	
Infrastructure	15 – 30
Foundations	35 – 50
Roofs	10 – 30
Fixed facilities and accessories	10 – 20
Production equipment	3 – 25
Automotive equipment	8 – 16
Furniture and equipment	3 – 18
Computer equipment	4
Leasehold improvements	The lower of either the related lease term or the useful life of the asset

The Company allocates the amount initially recognized in respect of an item of buildings and manufacturing equipment to its various significant parts (components) and depreciates each of these components separately.

The carrying amount of an asset is adjusted to its recoverable value, when the carrying amount exceeds its estimated value in use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss under other expenses, net.

Leasehold improvement and adaptations to buildings and establishments in which the Company is the lessee are recognized at historical cost less the respective depreciation.

l) Right-of-use assets

Right-of-use assets are initially measured at the present value of lease payments, less any lease incentives received and initial direct costs. Right-of-use assets are subsequently measured at cost net of accumulated depreciation, impairment losses and adjustments for any remeasurement of lease liabilities in accordance with IFRS 16. The Company decided to present leases as finance or capitalized operating as shown in Note 9.

Right-of-use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease payments for low-value assets (less than USD 5,000) and short-term leases (less than 12 months) are recognized directly in profit or loss.

m) Investment in associates

An associate is an entity over which the Company has significant influence that it is defined as the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The operating results and the net assets and liabilities of associates are recognized in the consolidated financial statements using the equity method, except if the investment or part of the investment is classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.*

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date. When the Company's share of loss of an associate exceeds the Company's interest in that associate, the Company discontinues the recognition of its share of further losses.

On acquisition of the investment, any difference between the cost of the investment and the Company's share of the net fair value of the identifiable assets and liabilities of the associate is accounted for as goodwill, which is included in the carrying amount of the investment.

The Company discontinues the use of the equity method from the date the investment ceases to be an associate, or when the investment is classified as held for sale.

If the Company's interest in an associate is reduced, but the equity method is continued to be applied, the Company reclassifies to profit or loss the proportion of the gain or loss previously recognized in other comprehensive income relative to that reduction in ownership interest if the gain or loss would have been reclassified to profit or loss in the case of disposal of the related assets or liabilities.

Profits and losses resulting from transactions between the Company and the associate are recognized in the Company's consolidated financial statements only to the extent of unrelated investors' interests in the associate.

n) Intangible assets

Intangible assets are primarily comprised of trademarks and customer relationships resulting from the acquisition of businesses. Intangible assets acquired through a business combination are recognized at fair value at the acquisition date, separately from goodwill. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite, based on the contractual terms established at acquisition. Trademarks are considered to have indefinite useful lives when ownership is acquired and otherwise are amortized.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed and adjusted at least at the end of each reporting period. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss under general expenses.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment at least annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

o) Impairment of tangible and intangible assets, other than goodwill

At the end of each reporting period, the Company assesses whether there is any indication that its tangible and intangible assets, including right-of-use assets, may be impaired. If any such indication exists, the Company estimates the asset's recoverable amount. If it is not possible to estimate the recoverable amount of the individual asset, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis can be identified, corporate assets are also allocated to the cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives or not yet available for use, are tested for impairment on an annual basis, or more often if there is any indication that the intangible asset may be impaired.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value-in-use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized immediately in profit or loss.

Whenever there are indicators that the carrying amount of the Company's assets with finite useful lives has significantly increased, due to changes in the legal, economic, technological or market environment in which the asset is operated or to changes in interest rates that will affect the discount rate used in prior periods to determine the value in use of the asset, the Company estimates the new recoverable amount of the asset on an annual basis in order to determine the amount of accumulated impairment losses to be reversed.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss.

p) Goodwill

Goodwill arising from business combinations is recognized at the cost determined on the acquisition date of the business, as described in the business acquisitions policy note, net of any accumulated impairment losses (see Note 12).

Goodwill is allocated to each cash-generating unit (or group of cash-generating units) that is expected to benefit from the synergies achieved from the combination.

The cash-generating units to which goodwill has been allocated are tested for impairment on an annual basis, or more frequently if there are any indicators of impairment. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the impairment losses recognized in respect of the cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. Impairment in goodwill is recognized directly in profit or loss. Any loss from impairment in the value of goodwill cannot be reversed in future years.

When the relevant cash-generating unit is disposed of, the remaining amount of goodwill is included in the calculation of gains or losses at the time of the disposal.

The Company's policy for goodwill arising on the acquisition of an associate is described in Note 3m.

q) Financial liabilities

Financial liabilities are initially recognized at fair value, net of transaction costs, except for financial liabilities designated at fair value through profit or loss, which are initially recognized at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss (FVTPL) or other financial liabilities. Note 17 describes the category of each financial liability of the Company.

Subsequent measurement depends on the category of the financial liability. Loans and borrowings are subsequently measured using effective interest method. Gains and losses are recognized in the consolidated statements of profit or loss when the liabilities are amortized. Amortized cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest method. The effective interest method amortization is included in interest expense caption. For subsequent measurement of derivatives see Note 3 r).

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

r) Derivative financial instruments and hedge accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Presentation of the related gain or loss from changes in fair value of the derivative financial instrument depends on whether they are designated as hedging instruments, and if so, the nature of the hedging relationship. The Company only holds derivative financial instruments classified as cash flow hedges and hedges of net investment in foreign operations.

At the inception of a hedge relationship, the Company formally documents the hedge relationship between the hedging instrument and the hedged items, including the risk management objective and strategy for undertaking the hedge. Periodically, the Company documents whether the derivative financial instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Derivatives are not offset in the consolidated financial statements unless the Company has both a legally enforceable right and intention to offset. Derivatives are accounted for as non-current assets or liabilities if the remaining maturity of the instrument is more than 12 months and the instrument is not expected to be realized or settled within 12 months. All other derivatives are accounted for as current assets or liabilities.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in OCI under Valuation effects of cash flow hedges. The gain or loss relating to the ineffective portion is immediately recognized in profit or loss. Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss.

Hedges of net investment in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated under the heading of Translation effects of foreign subsidiaries. The gain or loss relating to the ineffective portion is immediately recognized in profit or loss under Foreign exchange gain/(loss), net. Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss on the disposal of the foreign operation.

s) Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate (IBR) applicable in the countries where the Company operates. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made, and is adjusted for certain remeasurements or amendments made to the lease contracts.

The estimated IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The Company estimates the IBR using observable inputs, such as market interest rates, when available, and its credit rating.

Leases for which the lease term ends within 12 months after the date of initial application irrespective of when the lease term commenced are accounted for as short-term (current) leases in the consolidated statement of financial position; otherwise, they are accounted for as long-term (non-current) leases.

t) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured based on the estimated cash flows required to settle the present obligation, its carrying amount represents the present value of these cash flows when the effect of the time value of money is material.

All contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognized in accordance with IAS 37 and the amount initially recognized, less cumulative amount of income recognized in accordance with IFRS 15.

UNCERTAIN TAX TREATMENTS

The Company constantly evaluates the tax treatments of all its consolidated entities and identifies the tax treatments for which there is uncertainty as to their acceptance by the tax authorities. In view of the current circumstances of the reviews underway, as well as the tax treatments applied by the entities, the tax treatments are quantified considering the conditions of each tax jurisdiction and the approach that better predicts the resolution of the uncertainty, using the most likely amount or the expected value method, as applicable. The related effects are recognized in the statement of profit or loss.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

u) Income tax

Income tax expense consists of current and deferred tax. Current and deferred taxes are recognized as either income or an expense in profit or loss, except for tax items that must be recognized as other comprehensive income items or in equity. For business combinations, the tax effect is included in the recognition of the business combination.

1. Current income tax

Current income tax is calculated based on the tax rates and tax laws enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. The related income tax expense is recorded in profit or loss as incurred.

2. Deferred taxes

Deferred taxes are recognized on all temporary differences between financial reporting and tax values of assets and liabilities based on tax rates that have been enacted at the reporting date and where applicable, they include unused tax losses and certain tax credits. Deferred tax assets or liabilities are recognized for all temporary differences, with certain exceptions. The Company recognizes a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the temporary differences reverse based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred taxes are recognized for all taxable temporary differences, except:

i) when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii) in respect of temporary differences associated with investments in subsidiaries and associates, when it is probable that the temporary differences will not reverse in the foreseeable future.

iii) taxable temporary differences arising on the initial recognition of goodwill. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted, for future tax periods, at the reporting date.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

v) Employee benefits

i. Pensions and seniority premiums

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity or a fund and will have no legal or constructive obligation to pay further contributions. The obligation is recognized as an expense when the employees have rendered the service entitling them to the contributions.

A defined benefit plan is a post-employment plan under which the Company has the obligation to provide the agreed benefits to current and former employees. The cost of providing benefits under a defined benefit plan that includes pensions and seniority premiums is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), are immediately recognized in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognized in profit or loss at the date of the plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The defined benefit retirement plan obligation recognized in the consolidated statement of financial position includes changes in the present value of the defined benefit obligation. The present value of the net defined benefit obligation is determined based on the discounted value of estimated net cash flows, using interest rates tied to government bonds denominated in the same currency in which the benefits are to be paid and whose terms are similar to those of the obligation.

ii. Statutory employee profit sharing

In Mexico, Ecuador and Brazil, the Company is required to recognize a provision for employee profit sharing when it has a present legal or constructive obligation as a result of a past event and the amount can be reliably estimated. Employee profit sharing is recognized in profit or loss as incurred.

iii. Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave, short-term bonus and sick leave in the period the related service is rendered.

iv. Termination benefits

A liability is recognized for termination benefits only when the Company cannot withdraw its offer to provide termination benefits to the employee and/or when it recognizes the related restructuring costs.

v. Long-term bonus

The Company grants a long-term cash bonus to certain executives, which is calculated based on performance metrics. The bonus is paid 30 months following the date on which it was granted, and it is recognized in profit or loss in the year in which it accrues and the employee is entitled to receive the bonus.

vi. Multi-employer pension plans (MEPP)

The Company classifies multi-employer plans as defined contribution plans or defined benefit plans in order to determine the accounting for such plans. If the MEPP is classified as a defined benefit plan, the Company accounts for its proportionate share of the defined benefit obligation, plan assets and costs associated with the plan in the same manner as for any other defined benefit plan. When sufficient information is not available to use defined benefit accounting for a MEPP, the Company accounts for such plan as a defined contribution plan and recognized in profit or loss the total amount of contributions paid by the employer.

Liabilities related to the payment of or withdrawal from a multi-employer plan is recognized and measured in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

w) Revenue recognition

The Company earns its revenue primarily from contracts with customers for the sale of products. Revenue is recognized when control of the goods is transferred to the customer, which is when the performance obligation is satisfied and the Company is entitled to collect the consideration from the customer in exchange for these products. To determine the transaction price, the Company considers the effects of variable considerations (i.e. rights of return and rebates). Payments made to customers for commercial services are recognized as distribution and selling expenses.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. For goods that are expected to be returned, the Company recognizes a refund liability and a corresponding adjustment to revenue.

Volume rebates

The Company provides retrospective volume rebates to certain customers when the conditions established in the contract are met. Rebates are offset against amounts payable by the customer and against the respective revenue. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold.

x) Reclassifications

Certain captions shown in the consolidated financial statements for the year ended December 31, 2019 and 2018 as originally issued on March 18, 2020, have been reclassified for uniformity of presentation with the 2020 financial statements. The effects of these reclassifications were recognized retrospectively in the statement of financial position as of December 31, 2019 and 2018, in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors.*

	REFERENCE	SBALANCE AS OF DECEMBER 31, 2019 AS ORIGINALLY REPORTED	RECLASSIFICATIONS	BALANCE AS OF DECEMBER 31,2019
Accounts payable to suppliers	(a)	$ 23,105	$ (133)	$ 22,972
Accounts payable to related parties		$ 1,064	$ 133	$ 1,197

	REFERENCE	BALANCE AS OF DECEMBER 31, 2018 AS ORIGINALLY REPORTED	RECLASSIFICATIONS	BALANCE AS OF DECEMBER 31, 2018
Accounts payable to suppliers	(a)	$ 21,074	$ (103)	$ 20,971
Accounts payable to related parties		$ 909	$ 103	$ 1,012

(a) Change in the grouping of related parties, previously recognized as trade accounts payable.

The reclassifications mentioned above were considered in the consolidated cash flow as of December 31, 2019 and 2018, without affecting the net cash flows generated from operating activities.

4. Critical accounting judgments and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. The effects of changes in accounting estimates are recognized in the period of the change and future periods if the change affects both.

a) Critical judgment in applying accounting policies

CONSOLIDATION OF STRUCTURED ENTITIES

As described in more detail in Note 7, BBU has entered into agreements with third party contractors (Independent Commercial Partners) in which it holds no direct or indirect interest but that qualify as structured entities (SE). The Company has concluded that some of these structured entities meet the requirements to be consolidated in accordance with IFRS 10 Consolidated Financial Statements.

b) Key sources of estimation uncertainty

i. Useful lives, residual values and depreciation methods for long-lived assets

As described in Note 3, the Company periodically reviews the estimated useful lives, residual values and depreciation methods of long-lived assets, including property, plant and equipment and intangibles. Additionally, for intangibles, the Company determines whether their useful lives are finite or indefinite. As of January 1st, 2020, the Company determined that the estimated useful life of trays is 3 years, which had no impact on the consolidated financial statements.

ii. Incremental borrowing rate

The Company uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment at contract inception date. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

iii. Impairment of goodwill and intangible assets

Determining whether goodwill is impaired involves calculating the recoverable value of the cash-generating unit to which goodwill has been allocated. Recoverable amount is the higher of fair value less costs of disposal and value in use. The calculation of the value-in-use requires the Company to determine the expected future cash flows from the cash-generating units, using an appropriate discount rate to calculate the present value.

iv. Fair value measurements

Derivative financial instruments are recognized in the statement of financial position at fair value at the reporting date. In addition, the fair value of certain financial instruments, mainly with respect to long-term debt, is disclosed in the accompanying notes, though there is no risk of adjustment to the related carrying amount (see Note 17). The Company has acquired businesses for which it is required to determine the fair value of the consideration paid, the identifiable assets acquired and liabilities assumed and, if applicable, the non-controlling interest at the date of the acquisition, as described in Note 1.

The fair values described above are estimated using valuation techniques that may include inputs that are not based on observable market data. The main assumptions used by management are described in the related notes. The Company considers that the valuation techniques and assumptions selected are appropriate for the determination of the fair values.

v. Employee benefits

The cost of defined benefit plans and MEPP (considered as defined benefits) is determined using actuarial valuations that involve assumptions related to discount rates, future salary increases, employee turnover rates and mortality rates, among others. Due to the long-term nature of these plans, the assumptions used for such estimates are subject to change.

vi. Recoverability of deferred income tax

To determine whether a deferred income tax asset related to tax losses carryforwards is impaired, the Company prepares tax projections to determine its recoverability.

vii. Insurance and other liabilities

Insurance risks in the United States of America related to the liability for general damages to third parties, car insurance and employee benefits are self-insured by the Company with coverage that is subject to specific limitations established in an insurance program. Provisions for claims are recorded on an incurred-claim basis. Insurable risk liabilities are determined using the Company's historical data. As of December 31, 2020, 2019 and 2018, the net liabilities amounted to $5,309, $4,650 and $4,757, respectively.

5. Trade accounts receivables and other accounts receivable

An analysis of this caption as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Trade receivables	$	17,946	$	17,128	$	19,249
Allowance for expected credit loss [(1)]		(838)		(711)		(706)
		17,108		16,417		18,543
Notes receivable		29		30		110
Income tax, value added tax and other recoverable taxes [(2)]		8,685		8,047		5,579
Sundry debtors		1,665		1,704		1,718
	$	27,487	$	26,198	$	25,950

(1) During 2020, the Company has had no significant increases in its trade receivables balance nor was it necessary to implement changes in the model for estimating expected credit losses as a result of the COVID-19 pandemic.
(2) During March 2019, the Company obtained certain favorable rulings on legal actions in Brazil related to some contributions, recognizing a right to recover of $734. As of December 31, 2020, the recoverable tax balance amounts to $306.

Credit terms on non-cash sales of goods range from 21 to 60 days, depending on the customer and local business policies..

6. Inventories

An analysis of the Company's inventories as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Raw materials, containers and packaging	$	4,490	$	4,317	$	4,281
Work in progress		108		99		187
Finished goods		4,036		3,517		3,508
Spare parts		1,143		958		995
		9,777		8,891		8,971
Raw materials in transit		1,116		928		369
	$	10,893	$	9,819	$	9,340

For the years ended December 31, 2020, 2019 and 2018, the Company recognized inventory utilization releases of $97,891, $89,112 and $87,342, respectively, in cost of sales.

7. Structured entities

The Company, through its subsidiary BBU, enters into agreements with independent business partners for distribution rights to sell and distribute the Company's products through direct deliveries to retail stores in certain sales territories. The Company does not hold equity interests in any of the entities controlled by the independent business partners, some of which, finance the purchase of distribution rights through loans from financial institutions with the Company's support. To maintain working routes and ensure the delivery of products to customers, the Company assumes explicit and implicit commitments. The Company has concluded that all independent business partners that are legal entities qualify as Structured Entities (SE), primarily due to the financial and operative support they receive from the Company. Based on this, the SE are consolidated in the Company's financial statements.

An analysis of the assets and liabilities of independent operators before eliminations as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Right-of-use – vehicles	$	3,441	$	3,097	$	3,208
Distribution rights		7,631		6,770		7,084
Total assets	$	11,072	$	9,867	$	10,292
Current portion of non-current debt:						
Obligations under finance leases	$	715	$	637	$	647
Loans granted to independent business partners		46		42		44
Non-current debt:						
Obligations under finance leases		1,858		1,718		1,731
Loans granted to independent business partners		48		46		47
Debt with affiliates (net of accounts receivable)		5,966		5,271		5,472
Total liabilities	$	8,633	$	7,714	$	7,941
Non-controlling interest	$	2,439	$	2,153	$	2,351

Funding provided by BBU to independent business partners that have been classified as SE and consolidated are eliminated in the consolidated financial statements.

Non-current lease liabilities are secured by the vehicles subject to leases and do not represent additional claims on the Company's assets.

In addition, the Company has sold certain distribution rights to former employees and other individuals, who are also considered independent business partners, but not structured entities.

The Company funds up to 90% of the distribution rights sold to certain independent operators. The loans bear interest of between 5% and 11%, with a weighted monthly average of 10%, and are payable in 120 monthly installments. Independent operators make an initial payment to the Company for the remaining 10% of the purchase price. In most cases, an independent third-party lender finances the down payment. Both the Company and the financing of independent third parties are guaranteed by the distribution routes, equipment, customer lists, and other assets. The independent third-party lender has priority over the collateral.

8. Property, plant and equipment

A reconciliation of the carrying amount of intangible assets at the beginning and at the end of 2020, 2019 and 2018 is as follows:

	BALANCE AS OF JANUARY 1ST, 2020	ADDITIONS AND DEPRECIATION	BUSINESS COMBINATIONS AND PPA ADJUSTMENTS[1]	TRANSFERS	TRANSLATION EFFECT	DISPOSALS	IMPAIRMENT	INFLATION RESTATEMENT	BALANCE AS OF DECEMBER 31, 2020
Investment:									
Buildings	$ 29,196	$ -	$ 253	$ 1,411	$ 890	$ (672)	$ -	$ 353	$ 31,431
Manufacturing equipment	85,079	-	757	9,127	2,470	(2,458)	-	598	95,573
Vehicles	14,511	-	3	640	133	(752)	-	10	14,545
Office equipment	1,564	-	9	116	44	(28)	-	(2)	1,703
Computer equipment	6,025	-	404	534	213	(333)	-	8	6,851
Total investment	136,375	-	1,426	11,828	3,750	(4,243)	-	967	150,103
Depreciation and impairment:									
Buildings	(14,475)	(2,028)	(4)	9	(273)	519	-	(259)	(16,511)
Manufacturing equipment	(41,993)	(5,990)	-	19	(938)	2,224	(191)	(380)	(47,249)
Vehicles	(6,192)	(932)	(1)	15	(73)	637	-	(10)	(6,556)
Office equipment	(739)	(131)	(5)	17	(20)	25	-	2	(851)
Computer equipment	(4,684)	(683)	(364)	18	(139)	329	-	(8)	(5,531)
Total accumulated depreciation	(68,083)	(9,764)	(374)	78	(1,443)	3,734	(191)	(655)	(76,698)
	68,292	(9,764)	1,052	11,906	2,307	(509)	(191)	312	73,405
Land	7,976	-	75	(98)	341	(116)	-	83	8,261
Construction in process and machinery in transit	8,346	13,218	-	(11,962)	143	(10)	-	(13)	9,722
Less: Assets held for sale	(273)	-	-	168	(35)	-	-	-	(140)
Net investment	$ 84,341	$ 3,454	$ 1,127	$ 14	$ 2,756	$ (635)	$ (191)	$ 382	$ 91,248

	BALANCE AS OF JANUARY 1ST, 2019	ADDITIONS AND DEPRECIATION	BUSINESS COMBINATIONS AND PPA ADJUSTMENTS (1)	TRANSFERS (2)	TRANSLATION EFFECT	DISPOSALS	IMPAIRMENT	INFLATION RESTATEMENT INCREMENT	BALANCE AS OF DECEMBER 31, 2019
Investment:									
Buildings	$ 28,256	$ -	$ (117)	$ 2,326	$ (1,376)	$ (301)	$ -	$ 408	$ 29,196
Manufacturing equipment	82,214	-	(291)	7,965	(3,353)	(2,101)	-	645	85,079
Vehicles	18,107	-	10	(2,332)	(144)	(1,127)	-	(3)	14,511
Office equipment	1,235	-	(11)	396	(39)	(21)	-	4	1,564
Computer equipment	5,741	-	(18)	812	(202)	(324)	-	16	6,025
Total investment	**135,553**	**-**	**(427)**	**9,167**	**(5,114)**	**(3,874)**	**-**	**1,070**	**136,375**
Depreciation and impairment:									
Buildings	(12,326)	(1,803)	213	(1,252)	648	246	(52)	(149)	(14,475)
Manufacturing equipment	(41,653)	(4,934)	397	1,409	1,668	1,908	(296)	(492)	(41,993)
Vehicles	(7,137)	(918)	3	822	90	921	-	27	(6,192)
Office equipment	(707)	(97)	12	21	20	15	(1)	(2)	(739)
Computer equipment	(4,503)	(667)	17	5	160	318	-	(14)	(4,684)
Total accumulated depreciation	**(66,326)**	**(8,419)**	**642**	**1,005**	**2,586**	**3,408**	**(349)**	**(630)**	**(68,083)**
	69,227	**(8,419)**	**215**	**10,172**	**(2,528)**	**(466)**	**(349)**	**440**	**68,292**
Land	8,261	-	2	26	(385)	(21)	-	93	7,976
Construction in process and machinery in transit	9,909	13,117	-	(14,374)	(365)	-	-	59	8,346
Less: Assets held for sale	(154)	-	-	(109)	9	(19)	-	-	(273)
Net investment	**$ 87,243**	**$ 4,698**	**$ 217**	**$ (4,285)**	**$ (3,269)**	**$ (506)**	**$ (349)**	**$ 592**	**$ 84,341**

	BALANCE AS OF JANUARY 1ST, 2018	ADDITIONS AND DEPRECIATION	BUSINESS COMBINATIONS AND PPA ADJUSTMENTS (1)	TRANSFERS (2)	TRANSLATION EFFECT	DISPOSALS	IMPAIRMENT	INFLATION RESTATEMENT INCREMENT	BALANCE AS OF DECEMBER 31, 2018
Investment:									
Buildings	$ 26,514	$ -	$ 673	$ 1,969	$ (1,148)	$ (291)	$ -	$ 539	$ 28,256
Manufacturing equipment	76,190	-	(247)	9,887	(2,613)	(2,010)	-	1,007	82,214
Vehicles	17,644	104	(46)	1,660	(130)	(1,155)	-	30	18,107
Office equipment	1,084	-	15	162	(24)	(9)	-	7	1,235
Computer equipment	5,626	-	(1)	549	(108)	(355)	-	30	5,741
Total investment	**127,058**	**104**	**394**	**14,227**	**(4,023)**	**(3,820)**	**-**	**1,613**	**135,553**
Depreciation and impairment:									
Buildings	(11,715)	(1,319)	(14)	441	289	218	(72)	(154)	(12,326)
Manufacturing equipment	(38,439)	(5,163)	793	(252)	1,268	1,736	(1,029)	(567)	(41,653)
Vehicles	(7,247)	(1,133)	37	200	73	952	(2)	(17)	(7,137)
Office equipment	(609)	(129)	5	8	14	8	-	(4)	(707)
Computer equipment	(4,220)	(654)	11	(14)	70	331	-	(27)	(4,503)
Total accumulated depreciation	**(62,230)**	**(8,398)**	**832**	**383**	**1,714**	**3,245**	**(1,103)**	**(769)**	**(66,326)**
	64,828	**(8,294)**	**1,226**	**14,610**	**(2,309)**	**(575)**	**(1,103)**	**844**	**69,227**
Land	8,404	-	52	(37)	(314)	(42)	(1)	199	8,261
Construction in process and machinery in transit	9,766	14,963	57	(14,573)	(400)	21	-	75	9,909
Less: Assets held for sale	(26)	(127)	-	-	(1)	-	-	-	(154)
Net investment	**$ 82,972**	**$ 6,542**	**$ 1,335**	**$ -**	**$ (3,024)**	**$ (596)**	**$ (1,104)**	**$ 1,118**	**$ 87,243**

(1) This column includes: i) acquisition of Lender's business; ii) Acquisition of Julitas business; iii) Acquisition of Bimbo QSR Kazakhstan business; iv) Acquisition of Siro Paterna business; v) Acquisition of Blue Label business; and vi) adjustments to the purchase price allocation of Siro Paterna recognized in 2020; vii) acquisition of Mr. Bagel's business; viii) adjustments to the purchase price allocation of Mankattan and Alimentos Nutra Bien recognized in 2019; ix) acquisition of Alimentos El Paisa; x) International Bakery; v) Mankattan and xi) Alimentos Nutra Bien; and xii) adjustments to the purchase price allocation of Bimbo QSR, Ready Roti and Bays recognized in 2018.

(2) Correspond mainly to transfers of buildings and equipment to right-of-use assets.

Impairment losses recognized during the year

In 2020, 2018 and 2017, the Company performed a review of unused buildings and industrial machinery and equipment, resulting in recognition of an impairment loss of $191, $349 and $296, respectively, in profit and loss.

As of December 31, 2020 and 2019, the Company performed its impairment analysis using the value in use of the manufacturing equipment in Argentina, and resulted in an impairment loss of $89 and $117, respectively, recognized in profit or loss.

In addition, in 2018 the Company recognized impairment of $808 in Argentina, which was recognized in retained earnings (see Note 3f).

9. Right-of-use assets and lease liabilities

A reconciliation of the carrying amount of right-of-use assets at the beginning and at the end of 2020 and 2019 is as follows:

	BALANCE AS OF JANUARY 1ST, 2020	ADDITIONS AND DEPRECIATION	BUSINESS COMBINATIONS	DISPOSALS	EARLY TERMINATION	CHANGES AND INITIAL COSTS	TRANSLATION EFFECT	INFLATION RESTATEMENT INCREMENT	BALANCE AS OF DECEMBER 31, 2020
Right-of-use assets:									
Buildings	$ 18,917	$ 6,171	$ 32	$ (398)	$ (1,994)	$ 280	$ 735	$ 5	$ 23,748
Vehicles	6,277	1,620	-	(81)	(420)	(1)	195	-	7,590
Other	166	159	-	(22)	(28)	2	9	-	286
	25,360	7,950	32	(501)	(2,442)	281	939	5	31,624
Assets under financial lease	4,749	734	-	(283)	-	-	283	-	5,483
Total right-of-use assets	30,109	8,684	32	(784)	(2,442)	281	1,222	5	37,107
Depreciation:									
Buildings	(2,540)	(3,070)	-	398	450	79	4	(2)	(4,681)
Vehicles	(1,014)	(1,337)	-	81	232	-	15	-	(2,023)
Other	(61)	(75)	-	22	2	(1)	(1)	-	(114)
	(3,615)	(4,482)	-	501	684	78	18	(2)	(6,818)
Assets under financial lease	(944)	(467)	-	283	-	50	(48)	-	(1,126)
Total accumulated depreciation	(4,559)	(4,949)	-	784	684	128	(30)	(2)	(7,944)
Right-of-use assets, net	$ 25,550	$ 3,735	$ 32	$ -	$ (1,758)	$ 409	$ 1,192	$ 3	$ 29,163

	BALANCE AS OF JANUARY 1ST, 2019 (1)	ADDITIONS AND DEPRECIATION	DISPOSALS	EARLY TERMINATION	CHANGES	TRANSLATION EFFECT	INFLATION RESTATEMENT	BALANCE AS OF DECEMBER 31, 2019
Right-of-use assets:								
Buildings	$ 15,893	$ 4,643	$ (101)	$ (2,001)	$ 651	$ (169)	$ 1	$ 18,917
Vehicles	4,996	1,945	(74)	(471)	8	(127)	-	6,277
Other	134	43	(4)	(5)	1	(3)	-	166
	21,023	**6,631**	**(179)**	**(2,477)**	**660**	**(299)**	**1**	**25,360**
Assets under financial lease	5,076	170	(303)	-	-	(194)	-	4,749
Total right-of-use assets	**26,099**	**6,801**	**(482)**	**(2,477)**	**660**	**(493)**	**1**	**30,109**
Depreciation:								
Buildings	-	(2,864)	101	198	(10)	35	-	(2,540)
Vehicles	-	(1,218)	74	106	-	24	-	(1,014)
Other	-	(69)	4	3	-	1	-	(61)
	-	(4,151)	179	307	(10)	60	-	(3,615)
Assets under financial lease	(900)	(385)	303	-	-	38	-	(944)
Total accumulated depreciation	**(900)**	**(4,536)**	**482**	**307**	**(10)**	**98**	**-**	**(4,559)**
Right-of-use assets, net	**$ 25,199**	**$ 2,265**	**$ -**	**$ (2,170)**	**$ 650**	**$ (395)**	**$ 1**	**$ 25,550**

(1) As a result of the application of the modified retrospective approach, the cumulative effects of initial adoption of IFRS 16 Leases were recognized on January 1st, 2019.

An analysis of changes in lease liabilities in 2020 and 2019 is as follows:

	CAPITALIZED OPERATING LEASES	FINANCE LEASES	TOTAL
Balance as of January 1st, 2020	$ 22,402	$ 2,938	$ 25,340
Additions	7,950	734	8,684
Business combinations	32	-	32
Interest expense	1,039	33	1,072
Payments	(4,964)	(580)	(5,544)
Early termination	(1,831)	-	(1,831)
Modifications	340	-	340
COVID-19 rent concessions	(46)	-	(46)
Foreign exchange effects	16	8	24
Translation effect	927	91	1,018
Balance as of December 31, 2020	**25,865**	**3,224**	**29,089**
Less - current portion	**$ (4,356)**	**$ (797)**	**$ (5,153)**
	$ 21,509	**$ 2,427**	**$ 23,936**

	CAPITALIZED OPERATING LEASES	FINANCE LEASES	TOTAL
Balance as of January 1st, 2019 (1)	$ 21,023	$ 3,197	$ 24,220
Additions	6,631	170	6,801
Interest expense	1,013	28	1,041
Payments	(4,446)	(338)	(4,784)
Early termination	(2,208)	-	(2,208)
Modifications	655	-	655
Foreign exchange effects	(4)	-	(4)
Translation effect	(262)	(119)	(381)
Balance as of December 31, 2019	**22,402**	**2,938**	**25,340**
Less - current portion	**(3,916)**	**(683)**	**(4,599)**
	$ 18,486	**$ 2,255**	**$ 20,741**

(1) Effects of initial adoption of IFRS 16 Leases.

An analysis of the maturities of non-current lease liabilities are as follows:

	CAPITALIZED OPERATING LEASES	FINANCE LEASES	TOTAL
2022	$ 3,145	$ 730	$ 3,875
2023	2,682	637	3,319
2024	2,237	474	2,711
2025	1,734	263	1,997
2026 and thereafter	11,711	323	12,034
	$ 21,509	**$ 2,427**	**$ 23,936**

10. Investments in Associates

An analysis of investments in associates as of December 31, 2020, 2019 and 2018 is as follows:

ASSOCIATE	ACTIVITY	% EQUITY INTEREST	2020	2019	2018
Beta San Miguel, S.A. de C.V.	Sugar refinery	8	$ 1,044	$ 968	$ 855
Mundo Dulce, S.A. de C.V.	Confectionery	50	359	347	337
Fábrica de Galletas La Moderna, S.A. de C.V.	Cookies	50	345	321	313
Grupo La Moderna, S.A. de C.V.	Holding company	4	305	278	265
Congelación y Almacenaje del Centro, S.A. de C.V.	Warehouse	15	224	236	207
Fin Común Servicios Financieros, S.A. de C.V.	Financial services	41	184	180	161
Productos Rich, S.A. de C.V.	Baking	18	170	169	148
Other	Other	Varios	512	372	359
			$ 3,143	$ 2,871	$ 2,645

The associate entities are incorporated and operate primarily in Mexico and are accounted for using the equity method in the consolidated financial statements.

Beta San Miguel, S.A. de C.V., Grupo La Moderna, S.A. de C.V., Congelación y Almacenaje del Centro, S.A. de C.V. and Productos Rich, S.A. de C.V. are all considered associates, since the Company has significant influence over these companies given that it is a member of the Board of Directors of such associates.

A summary of the changes in the Company's investments in associates is as follows:

		2020		2019		2018
Balance as of January 1st	$	2,871	$	2,645	$	2,318
Acquisitions and capital contributions		163		49		175
Dividends received		(93)		(72)		(42)
Share of profit		194		249		194
Other		8		-		-
Balance as of December 31	$	3,143	$	**2,871**	$	**2,645**

11. Intangible Assets

An analysis of intangible assets by geographical segment as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Mexico	$	2,592	$	2,733	$	2,926
North America		41,589		39,769		42,428
EAA		9,580		7,576		7,971
Latin America		1,246		1,240		1,151
	$	55,007	$	**51,318**	$	**54,476**

An analysis of intangible assets by item as of December 31, 2020, 2019 and 2018 is as follows:

	AVERAGE USEFUL LIFE		2020		2019		2018
Trademarks	Indefinite	$	35,548	$	34,410	$	35,314
Use and distribution rights	Indefinite		8,525		7,734		7,928
			44,073		42,144		43,242
Trademarks	4 to 40 years		1,393		311		312
Customer relationships	7 to 40 years		20,269		17,526		17,870
Licenses and software	2 to 8 years		2,973		2,441		2,223
Non-competition agreements	2 to 5 years		187		158		165
Other			1,508		1,464		1,457
			26,330		21,900		22,027
Accumulated amortization and impairment			(15,396)		(12,726)		(10,793)
		$	55,007	$	**51,318**	$	**54,476**

The accumulated impairment in the value of trademarks with indefinite useful lives as of December 31, 2020, 2019 and 2018 is $4,170, $3,544 and $2,868, respectively.

The customer relationships that resulted from the Company's acquisitions are as follows:

			NET CARRYING AMOUNT					
	YEAR OF ACQUISITION	REMAINING USEFUL LIFE (YEARS)		2020		2019		2018
Weston Foods, Inc.	2009	6	$	2,062	$	2,261	$	2,705
Sara Lee Bakery Group, Inc.	2011	9		921		965		1,114
Canada Bread	2014	15		2,099		2,343		2,388
Bimbo QSR	2017	22 to 37		4,226		4,054		4,351
Siro Paterna	2020	24		1,449		-		-

A reconciliation of the carrying amount of intangible assets at the beginning and at the end of 2020, 2019 and 2018 is as follows:

COST

	TRADEMARKS	USE AND DISTRIBUTION RIGHTS	CUSTOMER RELATIONSHIPS	LICENSES AND SOFTWARE	NON-COMPETITION AGREEMENTS	OTHER	TOTAL
Balance as of December 31, 2017	$ 35,564	$ 7,619	$ 17,116	$ 2,162	$ 148	$ 1,167	$ 63,776
Structured entities	-	328	-	-	-	-	328
Additions	381	-	-	120	-	259	760
Business combinations and PPA adjustments	609	-	940	12	(14)	90	1,637
Transfers	-	-	399	-	-	-	399
Inflation restatement increment	63	-	-	-	-	-	63
Translation effect	(991)	(19)	(585)	(71)	31	(59)	(1,694)
Balance as of December 31, 2018	**35,626**	**7,928**	**17,870**	**2,223**	**165**	**1,457**	**65,269**
Structured entities	-	132	-	-	-	-	132
Additions	-	-	-	264	-	-	264
Business combinations and PPA adjustments	133	-	247	-	1	16	397
Transfers	(34)	-	-	-	-	-	(34)
Translation effect	(1,004)	(326)	(591)	(46)	(8)	(9)	(1,984)
Balance as of December 31, 2019	**34,721**	**7,734**	**17,526**	**2,441**	**158**	**1,464**	**64,044**
Structured entities	-	351	-	-	-	-	351
Additions	156	-	30	342	-	-	528
Business combinations and PPA adjustments	10	-	1,477	37	15	7	1,546
Transfers	-	-	(9)	-	-	16	7
Translation effect	2,054	440	1,245	153	14	21	3,927
Balance as of December 31, 2020	**$ 36,941**	**$ 8,525**	**$ 20,269**	**$ 2,973**	**$ 187**	**$ 1,508**	**$ 70,403**

ACCUMULATED AMORTIZATION AND IMPAIRMENT

	TRADEMARKS	USE AND DISTRIBUTION RIGHTS	CUSTOMER RELATIONSHIPS	LICENSES AND SOFTWARE	NON-COMPETITION AGREEMENTS	OTHER	TOTAL
Balance as of December 31, 2017	$ (1,688)	$ (337)	$ (4,288)	$ (1,167)	$ (76)	$ (26)	$ (7,582)
Impairment in structured entities	-	(148)	-	-	-	-	(148)
Amortization expense	(18)	-	(765)	(579)	(8)	(232)	(1,602)
Impairment	(1,268)	-	(333)	-	(51)	-	(1,652)
Translation effect	51	-	64	61	15	-	191
Balance as of December 31, 2018	**(2,923)**	**(485)**	**(5,322)**	**(1,685)**	**(120)**	**(258)**	**(10,793)**
Impairment in structured entities	-	(99)	-	-	-	-	(99)
Amortization expense	(5)	-	(856)	(328)	(6)	(223)	(1,418)
Impairment	(847)	-	-	-	-	(6)	(853)
Translation effect	170	19	205	37	3	3	437
Balance as of December 31, 2019	**(3,605)**	**$ (565)**	**$ (5,973)**	**$ (1,976)**	**$ (123)**	**$ (484)**	**$ (12,726)**
Reversal of impairment in structured entities	-	103	-	-	-	-	103
Amortization expense	(34)	-	(944)	(283)	(8)	(269)	(1,538)
Impairment	(204)	-	-	(4)	-	-	(208)
Translation effect	(421)	(30)	(439)	(117)	(14)	(6)	(1,027)
Balance as of December 31, 2020	**$ (4,264)**	**$ (492)**	**$ (7,356)**	**$ (2,380)**	**$ (145)**	**$ (759)**	**$ (15,396)**
Net balance as of December 31, 2018	**$ 32,703**	**$ 7,443**	**$ 12,548**	**$ 538**	**$ 45**	**$ 1,199**	**$ 54,476**
Net balance as of December 31, 2019	**$ 31,116**	**$ 7,169**	**$ 11,553**	**$ 465**	**$ 35**	**$ 980**	**$ 51,318**
Net balance as of December 31, 2020	**$ 32,677**	**$ 8,033**	**$ 12,913**	**$ 593**	**$ 42**	**$ 749**	**$ 55,007**

Amortization of intangible assets is recognized under administrative expenses.

In 2020, 2019 and 2018, the Company recognized impairment in the value of trademarks of $204, $847 and $401, respectively.

In addition, in 2018 the Company recognized impairment in the value of trademarks, customer relationships and non-competition agreements in Argentina of $1,251, which was recognized in retained earnings (see Note 3f).

For the purpose of impairment tests, the fair value of trademarks was estimated using the relief-from-royalty method with royalty rates ranging from 2% to 5%, and with 3% being the rate used for most trademarks. Fair value is determined based on the market share of the trademarks in the countries in which they are sold. This method is primarily applied in the USA.

12. Goodwill

An analysis of goodwill by geographical area is as follows:

		2020		2019		2018
Goodwill:						
Mexico	$	2,084	$	1,471	$	1,470
North America		63,665		59,950		61,952
EAA		11,720		10,444		11,240
Latin America		3,125		3,019		3,461
	$	80,594	$	74,884	$	78,123
Accumulated impairment:						
Mexico	$	(1,194)	$	(577)	$	(569)
North America		(6,482)		(6,122)		(6,389)
EAA		(4,122)		(3,486)		(3,696)
Latin America		(1,892)		(1,905)		(1,956)
		(13,690)		(12,090)		(12,610)
	$	66,904	$	62,794	$	65,513

The movements in goodwill for the years ended December 31, 2020, 2019 and 2018 are as follows:

		2020		2019		2018
Balance as of January 1st	$	62,794	$	65,513	$	63,426
Acquisitions in business combinations (Note 1)		2,086		35		2,663
Impairment		(779)		(17)		(331)
Transfers		18		34		-
Reclassifications due to adjustments to the values of business combinations		(1,398)		(512)		1,784
Translation effect		4,183		(2,259)		(2,029)
Balance as of December 31	$	66,904	$	62,794	$	65,513

An analysis of movements in cumulative impairment losses as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Balance as of January 1st	$	12,090	$	12,610	$	12,314
Impairment for the year		779		17		331
Translation effect		821		(537)		(35)
Balance as of December 31	$	13,690	$	12,090	$	12,610

KEY ASSUMPTIONS USED IN THE VALUE-IN-USE CALCULATIONS

An analysis of the key assumptions of the primary cash-generating units used in impairment tests is as follows:

	DISCOUNT RATE (1)			AVERAGE GROWTH			CAPEX OVER NET SALES		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Mexico	9.66%	8.90%	9.80%	7.17%	3.10%	6.10%	5.45%	2.20%	2.10%
USA	6.95%	6.50%	7.50%	3.92%	5.33%	3.60%	2.95%	2.86%	2.60%
Canada	6.50%	6.25%	6.00%	1.97%	2.20%	1.90%	3.74%	3.00%	3.70%
Spain	6.50%	6.50%	7.00%	2.10%	2.10%	2.10%	3.70%	3.70%	6.00%
Brazil	10.25%	10.25%	9.80%	7.04%	5.20%	9.40%	7.51%	5.90%	5.70%

(1) Discount rate after income tax

The projections developed by the Company in the impairment models consider assumptions based on the current macroeconomic conditions of each CGU, including any future impacts generated by the COVID-19 pandemic.

As of December 31, 2020, the Company performed a sensitivity analysis on its main cash-generating units, considering an of 50 basis-point increase in the discount rate or a 100 basis-point decrease in the average growth rate, without giving rise to additional impairment.

ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS

When analyzing impairment, goodwill is allocated to cash-generating units (CGUs), which are represented mainly by the USA, Canada, Spain and others.

The carrying amount of goodwill assigned to each cash-generating unit, after impairment losses, is as follows:

		2020		2019		2018
USA	$	**42,724**	$	40,396	$	42,227
Canada		**14,362**		13,335		13,336
Spain		**1,522**		1,175		1,229
Other CGUs		**8,296**		7,868		8,721
	$	**66,904**	$	**62,774**	$	**65,513**

USA

The recoverable amount of the CGU is the higher of the asset's value in use and its fair value less costs to sell. This year the value in use was higher and in order to calculate this amount, the Company applied the discounted cash flow method, which consists of applying a discount rate to the projected cash flows of the CGU. The discount rate used is the weighted average cost of capital (WACC), which considers the cost of capital contributed by the shareholder (CAPEM) and the cost of financial debt. The planning horizon was 5 years plus a perpetuity that considers the normalized cash flow with projected country's inflation rate.

After applying the aforementioned methodology, the Company concluded that there is no impairment in the value of the goodwill of this CGU.

China and other CGU

The Company used the discounted cash flow method, which considers a discount rate applied to projected cash flows provided by the CGU. The discount rate used is the weighted average cost of capital (WACC), which considers the cost of capital contributed by the shareholder (CAPEM) and the cost of bond debt. The planning horizon was 5 years plus a perpetuity that considers the normalized cash flow with projected country's inflation rate.

Based on the application of this methodology, the Company identified impairment in the China CGU's goodwill of $250 and other CGUs of $529 for 2020, which was recognized in the statement of profit or loss.

Argentina

The Company applied the discounted cash flow method to this CGU and identified impairment of $121 in the value of the goodwill of its operations in Argentina in 2018, which was recognized in retained earnings (see Note 3f).

Rest of CGUs

For the rest of the CGUs, the value in use was higher than the carrying amount and no impairment losses were recognized.

13. Debt

		FAIR VALUE		BOOK VALUE 2020		BOOK VALUE 2019		BOOK VALUE 2018
International bonds:								
On September 6, 2019 the Company issued a bond under Rule 144 A and Regulation S of the Securities and Exchange Commission (SEC) for USD 600 million, maturing on September 6, 2049. Such bond pays a fixed interest rate of4.000% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity. See Note 17.2.3 (e).	$	13,503	$	11,898	$	11,307	$	-
On November 10, 2017 the Company issued a bond under Rule 144 A and Regulation S of the SEC for USD 650 million, maturing on November 10, 2047. Such bond pays a fixed interest rate of 4.70% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity.		16,184		12,967		12,249		12,794
On June 27, 2014 the Company issued a bond under Rule 144 A and Regulation S of the SEC for USD 800 million, maturing on June 27, 2024. Such bond pays a fixed interest rate of 3.875% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity. See Note 17.2.3 (a) and (b).		17,568		15,959		15,076		15,746
On June 27, 2014 the Company issued a bond under Rule 144 A and Regulation S of the SEC for USD 500 million, maturing on June 27, 2044. Such bond pays a fixed interest rate of 4.875% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity. See Note 17.2.3 (c).		12,568		9,974		9,423		9,841

	FAIR VALUE	BOOK VALUE 2020	BOOK VALUE 2019	BOOK VALUE 2018
On January 25, 2012 the Company issued a bond under Rule 144 A and Regulation S of the SEC for USD 800 million, maturing on January 25, 2022. Such bond pays a fixed interest rate of 4.50% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity.	16,607	15,915	15,076	15,746
On June 30, 2010 the Company issued a bond under Rule 144 A and Regulation S of the SEC for USD 800 million, maturing on June 30, 2020. Such bond pays a fixed interest rate of 4.875% payable on a semi-annual basis. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity. On October 8, 2019, the Company made a partial payment of principal of USD 600 million; and on June 30, 2020, the Company paid the remaining outstanding balance of USD 200 million. See Note 17.2.3 (d).	-	-	3,769	15,746
Structured notes:				
As of December 31, 2020, the Company has issued the following structured notes, payable upon maturity:				
Bimbo 17- Issued on October 6, 2017. This structured note matures on September 24, 2027 and pays a fixed interest rate of 8.18%. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity, as well as the partial payment of the Bimbo QSR acquisition.	10,356	9,633	9,633	9,723
Bimbo 16- Issued on September 14, 2016. This structured note matures on September 2, 2026 and pays a fixed interest rate of 7.56%. The proceeds from this issuance were used to refinance the Company's debt, extending the average maturity.	8,068	7,706	7,706	7,830

	FAIR VALUE	2020	2019	2018
Revolving committed line of credit (multicurrency) On May 21, 2018 the Company renewed and amended the terms and conditions of the committed multicurrency line of credit, which was originally obtained on April 26, 2010 and modified in 2013, 2016 and February 2018. In accordance with the new terms and conditions, the financial institutions engaged in this line of credit are BBVA Bancomer S.A., Banco Nacional de México S.A., HSBC Bank USA N.A., HSBC México S.A., Banco Santander (México) S.A., JPMorgan Chase Bank N.A., Bank of America N.A., ING Bank N.V., MUFG Bank Ltd. and Mizuho Bank Ltd. The total amount is up to USD 2,000 million, maturing on October 7, 2023. However, on October 7, 2021 the amount will be reduced by USD 400 million. The drawdowns against this line of credit bear interest at the London Interbank Offered Rate (LIBOR) plus 0.95% for drawdowns made in USD, at the Canadian Dollar Offered Rate (CDOR) plus 0.95% for drawdowns made in Canadian dollars, at the Interbank Equilibrium Interest Rate (TIIE) plus 0.725% for drawdowns made in Mexican pesos, and at the Euro Interbank Offered Rate (EURIBOR) plus 0.95% for drawdowns made in euros.				
In 2020, 2019 and 2018, the Company has made drawdowns against and payments to this line of credit. During 2020, the drawdowns and payments totaled $20,500 and $20,595, respectively. As of December 31, 2020, there is no outstanding balance on this line of credit.	-	-	95	-

	FAIR VALUE	2020	2019	2018
Unsecured working capital loans – The Company occasionally enters into short-term unsecured loans to meet its working capital needs. During 2020, the drawdowns and payments totaled $12,500 and $13,270, respectively.	-	-	770	-
Other: Certain subsidiaries have entered into other direct loan contracts to meet their working capital needs. The maturity dates for such loans range from 2021 to 2027.	1,708	1,708	2,154	2,783
Debt issuance expenses	(531)	(531)	(586)	(363)
	96,031	85,229	**86,672**	**89,846**
Less:				
Current portion of non-current debt	(600)	(600)	(5,408)	(1,153)
Non-current debt	$ **95,431**	$ 84,629	$ **81,264**	$ **88,693**

An analysis of maturities of non-current debt as of December 31, 2020 is as follows:

YEAR	AMOUNT
2022	$ 16,195
2023	187
2024	16,500
2025	33
2026 and thereafter	51,714
	$ **84,629**

A reconciliation of the Company's debt at the beginning and at the end of 2020, 2019 and 2018 is as follows:

DEBT	2020	2019	2018
Beginning balance	$ 86,672	$ 89,846	$ 93,431
Proceeds from loans	34,818	22,815	8,024
Repayments of loans	(40,745)	(22,640)	(11,005)
Debt issuance expenses, net	55	(221)	71
Effects of remeasurements	4,429	(3,128)	(675)
Ending balance	$ 85,229	$ **86,672**	$ **89,846**

All international bonds and revolving committed credit lines are guaranteed by the primary subsidiaries of Grupo Bimbo. As of December 31, 2020, 2019 and 2018, the Company has complied with all of its obligations established in the loan agreements, including certain required financial ratios: leverage ratio and interest coverage ratio. Such ratios are calculated considering a Conformed EBITDA according to the provisions established in the applicable loan agreements. These ratios may differ to similar calculations used by others.

14. Other accounts payable and accrued liabilities

		2020		2019		2018
Other accounts payable:						
Other taxes payable	$	4,357	$	2,685	$	3,166
Other creditors		1,806		1,860		2,265
		6,163		4,545		5,431
Accrued liabilities:						
Employee compensation and bonuses	$	11,473	$	8,517	$	11,083
Fees and consultations		1,193		1,133		1,923
Advertising and promotion		1,682		909		1,264
Interest payable		999		954		849
Supplies and fuel		1,263		713		1,084
Insurance and guaranty bonds		594		562		545
Taxes and contributions		559		563		145
Other		975		577		731
		18,738		13,928		17,624
	$	24,901	$	18,473	$	23,055

15. Related party balances and transactions

Balances and transactions between Grupo Bimbo and its subsidiaries, which are related parties, have been eliminated in preparing the consolidated financial statements and are not disclosed in this note. Information on the Company's transactions with related parties is provided below.

a) Business transactions

An analysis of transactions carried out with related parties in the normal course of the Company's operations is as follows:

		2020		2019		2018
Purchase of raw materials						
Associates:						
Beta San Miguel, S.A. de C.V.	$	2,390	$	1,685	$	1,653
Other associates		9		8		8
Related parties:						
Frexport, S.A. de C.V.		749		669		659
Other related parties		59		38		85
Finished product purchases						
Associates:						
Fábrica de Galletas La Moderna, S.A. de C.V.	$	1,149	$	877	$	758
Mundo Dulce, S.A. de C.V.		803		833		504
Pan-Glo de México, S. de R.L. de C.V.		239		67		74
Other associates		3		2		2

		2020		2019		2018
Stationary, uniforms and other						
Associates:						
Efform, S.A. de C.V.	$	344	$	276	$	240
Uniformes y Equipo Industrial, S.A. de C.V.		186		120		137
Sociedad Industrial de Equipos y Servicios, S.A. de C.V.		112		334		482
Other associates		42		92		16
Related parties:						
Automotriz Coacalco-Vallejo, S.A.P.I de C.V.		50		82		282
Autotab, S.A. de C.V.		3		221		176
Other related parties		204		137		216
Financial services:						
Associates:						
Fin Común Servicios Financieros, S.A. de C.V.	$	893	$	810	$	766

Balances receivable due from related parties consist of unsecured accounts and are payable in cash. No guarantees have been given or received with related parties.

b) Accounts payable to related parties

Net balances payable due to related parties are as follows:

		2020		2019		2018
Associates:						
Beta San Miguel, S.A. de C.V.	$	747	$	616	$	563
Fábrica de Galletas La Moderna, S.A. de C.V.		132		129		128
Mundo Dulce, S.A. de C.V.		81		65		53
Efform, S.A. de C.V.		77		11		25
Uniformes y Equipo Industrial, S.A. de C.V.		48		30		41
Sociedad Industrial de Equipos y Servicios, S.A. de C.V.		40		87		80
Pan-Glo de México, S. de R. L. de C.V.		17		16		28
Related parties:						
Frexport, S.A. de C.V.		112		148		20
Proarce, S.A. de C.V.		37		30		22
Makymat, S.A. de C.V.		20		18		21
Automotriz Coacalco-Vallejo, S.A.P.I de C.V.		10		8		11
Other associates and related parties		**13**		**39**		**20**
	$	**1,334**	**$**	**1,197**	**$**	**1,012**

c) Compensation of key management personnel

Compensation for the Company's Board of Directors and other key management personnel for the years ended December 31, 2020, 2019 and 2018 totaled $973, $1,194 and $1,789, respectively. This compensation is determined based on the employee's performance and market trends and is approved by the Board of Directors.

16. Income Tax

INCOME TAX IN MEXICO

The income tax rate for 2020, 2019 and 2018 is 30% and will remain the same in subsequent years.

On October 30, 2019, a series of tax reforms effective as of January 1st, 2020 were approved in Mexico. The main changes are as follows:

1. The deduction of net interest is limited to 30% of the adjusted tax profit.
2. Non-deductibility of payments made to entities located in low tax jurisdictions (REFIPRES).
3. A new obligation is established for taxpayers consisting of disclosing to the tax authorities' certain transactions that are considered "Tax Schemes Subject to Reporting".
4. Modifications to certain definitions of Title VI of the Income Tax Law (REFIPRES income).

To date, the tax authorities have yet to issue rules related to the consolidated calculation of interest limitations. However, the Company followed the procedure of this provision in accordance with the Mexican Income Tax Law.

To date, the Company has complied with its obligation to disclose tax schemes subject to reporting corresponding to fiscal year 2020.

INCOME TAX IN OTHER COUNTRIES

Subsidiaries established abroad calculate income tax based on the individual performance of each subsidiary and in accordance with the regulations of each country. U.S. regulations allow the filing of a consolidated income tax return. As of 2013, Spanish regulations allow the filing of a consolidated tax return. As of 2019, French regulations allow the filing of a consolidated tax return.

Except for the subsidiaries mentioned above, each subsidiary calculates and pays income tax as an individual legal entity. The annual tax returns are filed within the six months following the end of the fiscal year. Additionally, the subsidiaries must make provisional payments during each fiscal year.

The tax rates applicable in other countries where the Company operates and the period in which tax losses may be applied, are as follows:

	STATUTORY INCOME TAX RATE					EXPIRATION OF TAX LOSS CARRYFORWARDS	
	2020		2019		2018		
Argentina	**25**	(a)	30	(a)	30	5	(b)
Brazil	**34**		34		34		(c)
Canada	**15**	(d)	15	(d)	15	20	(h)
Spain	**25**		25		25		(e)
USA	**21**	(f)	21	(f)	21		(g)
Mexico	**30**		30		30	10	

The tax losses generated by the Company are mainly in the United States, Mexico, Brazil and Spain.

(a) As of 2020, the corporate tax rate is 25%.

(b) Losses on the sale of shares or other equity investments may only be offset against income of the same nature. Tax losses from foreign sources may only be carried forward against income from foreign sources.

(c) Tax losses may be applied indefinitely, but may only be offset each year up to an amount equivalent to 30% of the net taxable profit for each year.

(d) The corporate income tax rate is a combination of the federal corporate tax rate 15%, and relevant state (provincial) corporate income tax rates where the Company has a permanent establishment. State tax rates range from 10% to 16%; therefore, the combined tax rate may range from 25% to 31%.

(e) Tax loss carryforwards have no expiration date; however, their application is limited to 25% of the net taxable profit for the year.

(f) In December 2017, a tax reform was approved in the USA, which reduced the federal corporate tax rate from 35% to 21% from 2018.

(g) As a result of the tax reform, tax loss carryforwards have no expiration date; however, their amortization is limited to 80% of the taxable profit generated for the year.

(h) The Company's tax losses may be carried back against the three prior years.

At the date of issue of these consolidated financial statements, no changes have been disclosed for the corporate tax rates in subsequent years, except in France, where the tax rate was changed from 28% in 2019 to 26.5% in 2020, and as of 2022 it will be 25%.

Operations in the USA, Canada, Uruguay, Colombia, Guatemala, Panama, Honduras, Nicaragua and Ecuador are subject to minimum income tax payments or substitutive tax.

Analysis of provisions, effective tax rate and deferred effects

a) The Company's consolidated income tax is as follows:

		2020		2019		2018
Income tax:						
Current income tax	$	**5,215**	$	3,926	$	3,510
Deferred income tax		**781**		**723**		**1,387**
		5,996		**4,649**		**4,897**
Income tax – uncertain tax positions		**196**		**84**		**-**
	$	**6,192**	**$**	**4,733**	**$**	**4,897**

b) A reconciliation of the statutory income tax rate to the effective income tax rate in Mexico expressed as a percentage of profit before income tax for the years ended December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Profit before income tax	$	16,744	$	12,108	$	11,708
Statutory income tax rate		30%		30%		30%
Income tax at statutory tax rate		5,023		**3,632**		**3,512**
Plus/(less) the tax effects of the following items:						
Inflationary effects of monetary accounts in the statement of financial position and statement of profit or loss		552		605		776
Non-deductible expenses and other		793		655		94
Non-taxable profit and tax incentives		(420)		(699)		(578)
Difference in tax rates and currency of subsidiaries in different tax jurisdictions		(220)		(53)		(331)
Effects on tax values of property, plant and equipment		(314)		(253)		(246)
Share of loss of associates		(58)		(75)		(61)
Unrecognized available tax loss carryforwards		836		921		1,731
Income tax recognized in profit or loss	$	6,192	$	**4,733**	$	**4,897**
Effective income tax rate		37.0%		**39.1%**		**41.8%**

To determine their deferred income tax as of December 31, 2020, 2019 and 2018, the Company's subsidiaries applied the income tax rate that will be in effect when the temporary differences giving rise to deferred taxes are expected to reverse.

c) The primary items that generate deferred income tax as of December 31, 2020, 2019 and 2018 are as follows:

	BALANCE AS OF DECEMBER 31, 2019	EFFECTS THROUGH PROFIT OR LOSS	EFFECTS THROUGH COMPREHENSIVE INCOME	TRANSLATION EFFECT	BUSINESS COMBINATIONS	BALANCE AS OF DECEMBER 31, 2020
Allowance for expected credit loss	$ (288)	$ 5	$ -	$ -	$ -	$ (283)
Inventories and advances	(31)	(28)	-	-	-	(59)
Property, plant and equipment	3,606	1,420	-	-	-	5,026
Intangible assets and other assets (1)	10,709	(3,059)	-	(21)	439	8,068
Other reserves and provisions	(11,430)	(2,347)	(145)	-	-	(13,922)
Current employee profit sharing	(352)	53	-	-	-	(299)
Available tax loss carryforwards	(1,381)	3,722	(2,909)	-	-	(568)
Net economic hedge	-	645	(645)	-	-	-
Lease assets and liabilities, net	(173)	(156)	-	-	-	(329)
Derivative financial instruments	(9)	526	(118)	-	-	399
Total deferred income tax liability/ (asset), net	**$ 651**	**$ 781**	**$ (3,817)**	**$ (21)**	**439**	**$ (1,967)**

(1) During 2020, the Company recognized a deferred tax asset on intangible assets of $4,270.

	BALANCE AS OF DECEMBER 31, 2018	EFFECTS THROUGH PROFIT OR LOSS	EFFECTS THROUGH COMPREHENSIVE INCOME	RECLASSIFICATIONS	TRANSLATION EFFECT	BALANCE AS OF DECEMBER 31, 2019
Allowance for expected credit loss	$ (245)	$ (43)	$	$ -	$	$ (288)
Inventories and advances	(44)	13	-	-	-	(31)
Property, plant and equipment	4,654	(1,048)	-	-	-	3,606
Intangible assets and other assets	10,367	442	-	-	(100)	10,709
Other reserves and provisions	(9,649)	(423)	(1,358)	-	-	(11,430)
Current employee profit sharing	(421)	69	-	-	-	(352)
Available tax loss carryforwards	(2,152)	1,523	-	(752)	-	(1,381)
Net economic hedge	-	(744)	744	-	-	-
Lease assets and liabilities, net	-	(173)	-	-	-	(173)
Derivative financial instruments	-	431	(440)	-	-	(9)
Other items	(676)	676	-	-	-	-
Total liability, net	**$ 1,834**	**$ 723**	**$ (1,054)**	**$ (752)**	**$ (100)**	**$ 651**

	BALANCE AS OF DECEMBER 31, 2017	EFFECTS THROUGH PROFIT OR LOSS	EFFECTS THROUGH COMPREHENSIVE INCOME	EFFECTS THROUGH RETAINED EARNINGS AND OTHER	TRANSLATION EFFECT	BUSINESS COMBINATIONS	BALANCE AS OF DECEMBER 31, 2018
Allowance for expected credit loss	$ (202)	$ (48)	$ -	$ 5	$ -	$ -	$ (245)
Inventories and advances	(92)	48	-	-	-	-	(44)
Property, plant and equipment	4,691	(37)	-	-	-	-	4,654
Intangible assets and other assets	9,075	347	-	-	-	945	10,367
Other reserves and provisions	(9,818)	(896)	1,110	(45)	-	-	(9,649)
Current employee profit sharing	(370)	(51)	-	-	-	-	(421)
Available tax loss carryforwards	(4,373)	2,221	-	-	-	-	(2,152)
Net economic hedge	-	(535)	246	-	289	-	-
Other items	(517)	338	(149)	(196)	(152)	-	(676)
Total (assets)/liabilities, net	**$ (1,606)**	**$ 1,387**	**$ 1,207**	**$ (236)**	**$ 137**	**$ 945**	**$ 1,834**

The deferred income tax assets and liabilities are presented separately in the consolidated statement of financial position, since they correspond to different taxable entities and tax authorities. An analysis is as follows:

	2020	2019	2018
Deferred income tax asset	$ (8,733)	$ (4,590)	$ (3,886)
Deferred income tax liability	6,766	5,241	5,720
Total deferred income tax (asset)/liability, net	**$ (1,967)**	**$ 651**	**$ 1,834**

The Company has determined that the undistributed earnings of its foreign subsidiaries will not be distributed in the foreseeable future. As of December 31, 2020, there are undistributed earnings for temporary differences related to investments in subsidiaries and associates for which no deferred tax liabilities have been recognized. As of December 31, 2020, the amount of undistributed earnings for temporary differences related to subsidiaries is immaterial.

As of December 31, 2020, the Company's unused tax losses have the following expiration dates:

YEAR	AMOUNT
2021	765
2022	800
2023	1,084
2024	955
2025	930
2026	86
2027	155
2028	34
2029	100
2030 and thereafter	24,280
	29,189
Unrecognized available tax loss carryforwards	(26,965)
Total	**$ 2,224**

Certain subsidiaries that have tax losses have not recognized the deferred tax asset, since they do not have sufficient taxable income or projected earnings to estimate the time for recovery of such tax losses. Unrecognized accumulated benefits of such tax losses were $7,637 in 2020, $12,515 in 2019 and $11,429 in 2018.

Some subsidiaries have unused tax losses. The unused tax losses for which a deferred tax asset has been recognized can be recovered, provided that they meet certain requirements. As of December 31, 2020, the Company expects to recover such tax losses through the reversal of temporary differences and future taxable profits.

17. Financial instruments

1. Financial instruments by category as of December 31, 2020, 2019 and 2018:

An analysis of this caption is as follows:

	2020	2019	2018	CATEGORY / HIERARCHY
Assets				
Financial assets:				
Cash and cash equivalents	$ 9,268	$ 6,251	$ 7,584	Fair value – Level 1
Trade accounts receivables and other accounts receivable, net	18,802	18,152	20,371	Amortized cost
Derivative financial instruments	871	143	106	Fair value - Level 1 and 2
Guarantee deposits for derivative financial instruments	-	325	619	Fair value - Level 1
Total current assets	**28,941**	**24,871**	**28,680**	
Other non-current assets	1,670	1,235	1,304	Amortized cost
Other non-current assets – plan asset surpluses	913	652	381	Fair value - Level 1
Derivative financial instruments	267	1,533	3,017	Fair value - Level 1 and 2
Total assets	**$ 31,791**	**$ 28,291**	**$ 33,382**	

	2020	2019	2018	CATEGORY
Liabilities				
Financial liabilities:				
Current portion of non-current debt	$ 600	$ 5,408	$ 1,153	Amortized cost
Trade accounts payable	26,679	22,972	20,971	Amortized cost
Other accounts payable	1,790	1,852	2,243	Amortized cost
Accounts payable to related parties	1,334	1,197	1,012	Amortized cost
Guarantee withdrawals for derivative financial instruments	398	-	-	Fair value - Level 1
Derivative financial instruments	1,183	673	879	Fair value - Level 1 and 2
Total current liabilities	**31,984**	**32,102**	**26,258**	
Non-current debt	84,629	81,264	88,693	Amortized cost
Derivative financial instruments	214	437	347	Fair value - Level 1 and 2
Total liabilities	**$ 116,827**	**$ 113,803**	**$ 115,298**	

2. Risk management

During the normal course of its operations, the Company is exposed to risks inherent to financial variables, as well as changes in the prices of some of its raw materials that are traded in international markets. The Company has established an orderly risk management process that assesses the nature and extent of those risks.

The primary financial risks to which the Company is exposed are as follows:

- Market risk
- Interest rate risk
- Foreign currency risk
- Commodity price risk
- Liquidity risk
- Credit risk
- Equity risk

The risk management process includes the following activities:

- Identify, evaluate and monitor external and internal risks that could have a significant impact on the Company
- Prioritize risks
- Ensure risk assignment and monitoring
- Validate bodies and/or those responsible for risk management
- Validate the progress made in the management of each prioritized risk
- Make recommendations
- Review the consistency of open positions in respect of the corporate strategy

Since the variables to which the Company is exposed are dynamic, hedging strategies are evaluated and monitored periodically. Such strategies are reported to the relevant governing body within the Company. The primary purpose of hedging strategies is to achieve a neutral and balanced position in relation to the risk exposure caused by certain financial variables.

2.1 Market risk

The Company is exposed to interest rate and foreign currency exchange risks, as well as commodity price risks. The Company occasionally uses derivative financial instruments to mitigate the potential impact of fluctuations in these variables and prices on its financial performance. The Company considers that the derivative financial instruments it enters into provide flexibility that allows for greater financial stability and better visibility and certainty regarding future costs and expenses.

Through the corresponding departments, the Company determines the target amounts and parameters of the primary positions for which the derivative financial instruments are contracted in order to minimize one or more of the risks generated by a transaction or group of transactions associated with the primary position.

The Company only enters into derivative financial instruments with financial institutions of well-known solvency and within the limits set for each institution.

The main types of derivative financial instruments used by the Company are as follows:

a) Contracts that establish a mutual obligation to exchange cash flows on pre-established future dates, at the nominal or reference value (swaps):

   1. Interest rate swaps to balance the mix of fixed and variable interest rates used for financial liabilities.
   2. Cross currency swaps, to change the currency in which both the principal and interest of a financial liability are expressed.

b) Foreign currency forwards

c) Foreign currency call options

d) Foreign currency denominated zero-cost call and put options (zero-cost collars)

e) Raw materials futures

f) Options on raw material futures

g) Commodity swaps

Market risk exposure is monitored and reported on an ongoing basis.

The Company's policy is to contract derivative financial instruments for the sole purpose of hedging its foreign currency risk. Accordingly, in order to contract a derivative financial instrument, it must necessarily be associated with a primary position that exposes the Company to a specific risk. Consequently, the notional amounts of the Company's derivative financial instruments must be consistent with the amounts of the primary positions that are being hedged. The Company does not contract derivative financial instruments to obtain earnings from premiums. If the Company decides to enter into a hedging strategy whereby options are combined, the net premiums paid/collected must represent a cash outflow.

An analysis of the Company's derivative financial instruments is as follows:

		2020		2019		2018
		BOOK VALUE	CHANGES IN OCI	BOOK VALUE	CHANGES IN OCI	BOOK VALUE	CHANGES IN OCI
Assets						
Current assets:						
Forwards	$ -	$	$ -	$ 30	$ 37	$ 4
Forwards on raw materials	-		-	-	-	(189)
Foreign exchange options	-		-	(26)	26	(88)
Unaccrued option premiums paid	-		-	-	29	-
Futures:						
Fair value of raw materials, natural gas,diesel and soy oil	871	727	143	129	14	(287)
Total current derivative financial instruments	**$ 871**	**$ 727**	**$ 143**	**$ 133**	**$ 106**	**$ (560)**
Non-current assets:						
Cross currency swap	$ 267	$ 27	$ 1,533	$ (545)	$ 3,009	$ 903
Futures:						
Fair value of raw materials, natural gas, diesel and soy oil	-	-	-	-	-	-
Forwards	-	-	-	(7)	8	8
Total non-current derivative financial instruments	**$ 267**	**$ 27**	**$ 1,533**	**$ (552)**	**$ 3,017**	**$ 911**

	2020		2019		2018	
	BOOK VALUE	CHANGES IN OCI	BOOK VALUE	CHANGES IN OCI	BOOK VALUE	CHANGES IN OCI
Liabilities						
Current liabilities:						
Swap	$ -	$	$ -	$ -	$ 12	$ 1
Foreign currency forwards	399	(170)	233	(198)	-	-
Forwards on raw materials	784	(456)	325	(256)	76	(76)
Cross currency swap	-	(26)	8	26	-	-
Futures:						
Fair value of raw materials, natural gas, diesel and soy oil	-	107	107	680	791	(563)
Total current derivative financial instruments	**$ 1,183**	**$ (545)**	**$ 673**	**$ 252**	**$ 879**	**$ (638)**
Total non-current derivative financial instruments	**$ 214**	**$ (636)**	**$ 437**	**$ (1,168)**	**$ 347**	**$ (347)**
Equity:						
Total valuation of cash flow hedges, net of accrued interest	$ (2,251)	$ (427)	$ (1,825)	$ (1,335)	$ (490)	$ (634)
Closed contracts for unused futures	24	41	(16)	(18)	2	26
	(2,227)	(386)	(1,841)	(1,353)	(488)	(608)
Deferred income tax, net	676	116	**559**	**440**	**119**	**149**
Other comprehensive (loss)/income	**$ (1,551)**	**$ (270)**	**$ (1,282)**	**$ (913)**	**$ (369)**	**$ (459)**

2.2 Management of interest rate risk

The Company is exposed to interest rate risk, mainly with respect to its financial liabilities. The risk is managed through an adequate mix of fixed and variable rates, which on occasion, is achieved by contracting derivative financial instruments, such as interest rate swaps, which are accounted for as hedging instruments when they meet with the corresponding criteria.

As a result of the COVID-19 pandemic, volatility in financial markets led to fluctuations in interest rates, particularly in short-term rates. Since most of the Company's financial liabilities bear interest at long-term fixed rates, these fluctuations did not have a material effect on the consolidated financial statements.

Company management considers that the interest rate risk related to its financial assets is limited, since they are generally current assets.

As of December 31, 2020 and 2018, the Company had no non-current debt bearing interest at variable rates. As of December 31, 2019, the Company had non-current debt bearing interest at variable rates tied to the LIBOR and TIIE rates.

2.3 Management of foreign currency risk

The Company carries out transactions in different foreign currencies and presents its consolidated financial statements in Mexican pesos. Accordingly, it is exposed to foreign currency risk (i.e. due to forecasted purchases of raw materials, contracts and monetary assets and liabilities) and foreign currency translation risk (i.e. due to net investments in foreign subsidiaries). The Company is mainly exposed to foreign currency risk associated with the performance of the Mexican peso against the U.S. dollar and the Canadian dollar, and the Canadian dollar against the USD.

As a result of the COVID-19 pandemic, volatility in financial markets led to fluctuations in exchange rates. However, the Company did not modify its foreign currency risk management strategy.

- Management of foreign currency translation risk

The Company has investments in foreign subsidiaries whose functional currency is not the Mexican peso, which exposes it to foreign currency translation risk. The Company has contracted intercompany financial assets and liabilities with those foreign subsidiaries in various currencies, which also generates foreign currency translation risks.

Foreign currency translation risk is mitigated mostly through the issuance of one or more loans denominated in currencies other than the functional currency to naturally hedge exposure to foreign currency and presented as a net investment in foreign subsidiaries.

As of December 31, 2020, 2019 and 2018, the loans in USD (described in Note 13) that have been designated as hedges on the net investment in foreign subsidiaries amount to USD 1,521 million, USD 2,550 million and USD 2,550 million, respectively. On December 28, 2020, the company discontinued the hedge accounting of the international bond due on January 25, 2022, for a notional amount of USD 797 million.

As of December 31, 2020, 2019 and 2018, the loans that have been designated as hedges on the net investment in foreign subsidiaries amount to CAD 354 million, CAD 290 million and CAD 290 million, respectively (see Note 17, 2.3 (a)).

To test hedge effectiveness, the Company compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the net investment.

As of December 31, 2020, 2019 and 2018, the amount designated as a hedge for non-current intercompany asset positions is CAD 630 million, CAD 630 million and CAD 650 million, respectively.

Management of transactional foreign currency risk

The Company's risk management policy on transactional foreign currency risk consists of hedging expected cash flows, mainly with regard to expected obligations that qualify as hedged items, represented by "highly probable" forecasted transactions for purposes of hedge accounting. When the future purchase is made, the Company adjusts the non-financial asset hedged for the gain or loss previously recognized in OCI.

Foreign currency sensitivity

The sensitivity analyses below have been determined based on balances exposed to foreign currency risk, considering both derivative and non-derivative financial instruments at the reporting date; therefore, the analyses may not be representative of the foreign currency risk for the period due to changes in the balances exposed to such risk.

A depreciation/appreciation of one Mexican peso per USD that represents management's estimate of a reasonable potential change in the parity of both currencies would result in an increase/decrease of approximately $184 in profit or loss for the year ended December 31, 2020.

A depreciation/appreciation of one Mexican peso per Canadian dollar that represents management's estimate of a reasonable potential change in the parity of both currencies would not result in an increase/decrease in profit or loss for the year ended December 31, 2020.

A depreciation/appreciation of one Mexican peso per euro that represents management's estimate of a reasonable potential change in the parity of both currencies would not result in an increase/decrease in profit or loss for the year ended December 31, 2020.

Analysis of derivative financial instruments for hedging interest rate and foreign currency risk

An analysis of the derivatives used to hedge interest rate and foreign currency risks and their fair value as of December 31, 2020, 2019 and 2018 is as follows:

a) Swaps that translate the 144A bond of USD 800 million, which matures on June 27, 2024, to Canadian dollars and change the fixed interest rate in UDS to a fixed interest rate in Canadian dollars.

							MARKET VALUE					
NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID		2020		2019		2018
270	USD	290	CAD	27-jun-2024	3.875%	4.1125%	$	-	$	976	$	1,091
270	USD	354	CAD	27-jun-2024	3.875%	3.9700%		(176)		-		-
							$	(176)	$	976	$	1,091

b) Swaps that translate the 144A bond of USD 800 million, which matures on June 27, 2024, to Mexican pesos and change the fixed interest rate in USD to a fixed interest rate in Mexican pesos.

							MARKET VALUE					
NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID		2020		2019		2018
100	USD	1,827	MXN	27-jun-2024	3.875%	8.410%	$	189	$	90	$	292
150	USD	2,744	MXN	27-jun-2024	3.875%	8.420%		-		132		434
150	USD	3,225	MXN	27-jun-2024	3.875%	7.160%		(130)		-		-
76	USD	1,392	MXN	27-jun-2024	3.875%	8.387%		143		69		222
204	USD	3,855	MXN	27-jun-2024	3.875%	8.320%		-		41		463
204	USD	4,376	MXN	27-jun-2024	3.875%	7.330%		(201)		-		-
							$	1	$	332	$	1,411

c) Swaps that translate the 144A bond of USD 500 million, which matures on June 27, 2044, to Mexican pesos and change the fixed interest rate in USD to a fixed interest rate in Mexican pesos.

							MARKET VALUE					
NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID		2020		2019		2018
100	USD	1,829	MXN	27-jun-2028	4.875%	9.8385%	$	247	$	95	$	387
100	USD	1,829	MXN	27-jun-2044	-	1.1900%		298		130		-
							$	545	$	225	$	387

d) Swaps that translate the 144A bond of USD 800 million, which matures on June 30, 2020, to Mexican pesos and change the fixed interest rate in USD to a fixed interest rate in Mexican pesos.

							MARKET VALUE		
NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	2020	2019	2018
100	USD	1,918	MXN	20-jun-2020	4.875%	9.438%	$ -	$ -	$ 120

e) Swaps that translate a portion of 144A bond of USD 600 million, maturing on September 6, 2049, to Mexican pesos and change the fixed interest rate in USD to a fixed interest rate in Mexican pesos.

							MARKET VALUE		
NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	2020	2019	2018
50	USD	1,075	MXN	06-mar-2030	4.00%	8.08%	$ (20)	$ -	$ -
50	USD	1,033	MXN	06-sep-2030	4.00%	9.81%	(89)	-	-
50	USD	1,018	MXN	06-sep-2030	4.00%	9.67%	(58)	-	-
25	USD	495	MXN	06-sep-2030	4.00%	9.37%	2	-	-
25	USD	494	MXN	06-sep-2030	4.00%	9.34%	2	-	-
							$ (163)	$ -	$ -

f) Interest rate swap that hedges the variable rate in USD (LIBOR):

					MARKET VALUE		
NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	2020	2019	2018
160	USD	30-jun-2031	Libor 3 meses	3.29%	$ 60	$ -	$ -

g) Non-current forwards for forecast transactions:

		DECEMBER 2020		DECEMBER 2019		DECEMBER 2018		MARKET VALUE		
COUNTRY	CURRENCY	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	2020	2019	2018
Mexico	USD/MXN	-	-	-	-	46	21.12	$ -	$ -	$ 8

	2020	2019	2018
Total non-current financial assets	$ 267	$ 1,533	$ 3,017

During 2020, the Company restructured the notional amounts and interest rates of some derivative financial instruments, as indicated in paragraphs a), b) and e), resulting in the collection of $2,096 corresponding to the fair value of these instruments at the time of the restructuring. The Company's risk management objectives were not modified as a result of this restructuring.

h) Non-current forwards to hedge foreign currency risk related to raw materials and other:

		DECEMBER 2020		DECEMBER 2019		DECEMBER 2018		MARKET VALUE		
COUNTRY	CURRENCY	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	2020	2019	2018
Mexico	USD/MXN	2	20.78	12	20.15	-	-	$ 1	$ 2	$ -
Canada	USD/CAD	14	1.31	8	1.32	-	-	5	2	-
								$ 6	$ 4	$ -

i) Non-current forwards to hedge forecast transactions:

		DECEMBER 2020		DECEMBER 2019		DECEMBER 2018		MARKET VALUE		
COUNTRY	CURRENCY	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	2020	2019	2018
Mexico	USD/MXN	48	24.88	58	20.85	15	22.38	$ 185	$ 37	$ 14

j) Interest rate swap that hedges the variable rate in USD (LIBOR):

NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	MARKET VALUE 2020		2019		2018	
160	USD	30-jun-2020	3-month LIBOR	3.2923%	$	-	$	-	$	151
160	USD	30-jun-2020	3-month LIBOR	3.2865%		-		377		140
60	USD	30-jun-2020	3-month LIBOR	2.9965%		-		-		6
100	USD	30-jun-2020	3-month LIBOR	2.8406%		-		-		36
					$	-	$	377	$	333

In September 2019, the Company paid $1,070 for the early settlement of the interest rate swap for a notional of USD 320 million associated with the issuance of the international bond maturing in September 2049.

On June 24, 2020, the Company extended the maturity date of its interest rate swap for a notional of USD 160 million, see (1), and settled the fair value at that date of $935. The current characteristics of this instrument are described in paragraph f). The Company's risk management objectives and strategy were not revised as a result of this restructuring.

k) Interest rate swap hedging forecasted flows related to financial leases in Italy:

NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	MARKET VALUE 2020		2019		2018	
10	EUR	03-feb-2031	3-month Euribor	1.28%	$	13	$	10	$	-
9	EUR	03-mar-2031	3-month Euribor	1.25%		10		9		-
					$	23	$	19	$	-

	2020		2019		2018	
Total non-current financial liabilities	$	**214**	$	**437**	$	**347**

FOREIGN CURRENCY HEDGES

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e. notional amount and expected payment date). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components.

As of December 31, 2020, 2019 and 2018, the Company had the following forwards to hedge forecast transactions:

		DECEMBER 2020		DECEMBER 2019		DECEMBER 2018		MARKET VALUE					
COUNTRY	CURRENCY	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	2020		2019		2018	
Mexico	MXN/CLP	1,022	35.19	1,075	39.67	898	32.53	$	6	$	(12)	$	41
Mexico	MXN/USD	273	21.72	225	20.35	130	20.49		(404)		(221)		(25)
Mexico	MXN/USD	799	19.97	-	-	-	-		2		-		-
Mexico	USD/CLP	-	-	-	-	14	655.25		-		-		16
Spain	EUR/RUB	10	92.20	-	-	-	-		(3)		-		-
France	USD/EUR	-	-	-	-	3	1.27		-		-		5
								$	(399)	$	(233)	$	37

An analysis of the maturities of these forwards as of December 31, 2020 is as follows:

	< 1 MONTH	> 1 MONTH < 3 MONTHS	> 3 MONTHS < 6 MONTHS	> 6 MONTHS < 9 MONTHS	> 9 MONTHS < 12 MONTHS	TOTAL
Mexico						
Notional amount in Mexican pesos	-	1,022	-	-	-	1,022
Average exchange rate	-	35.19	-	-	-	35.19
Mexico						
Notional amount in USD	92	44	48	61	28	273
Average exchange rate	20.33	21.54	22.12	23.03	23.04	21.72
Mexico						
Notional amount in USD	799	-	-	-	-	799
Average exchange rate	19.97	-	-	-	-	19.97
Spain						
Notional amount in euros	-	10	-	-	-	10
Average exchange rate	-	92.2	-	-	-	92.2

As of December 31, 2018, the Company had contracted the following interest rate swaps to hedge forecast flows related to finance leases in Italy:

NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	MARKET VALUE 2020		MARKET VALUE 2019		MARKET VALUE 2018	
10	EUR	03-feb-2031	3-month Euribor	1.28%	$	-	$	-	$	6
9	EUR	03-mar-2031	3-month Euribor	1.25%		-		-		6
					$	-	$	-	$	12

As of December 31, 2018, the Company had the following options:

COUNTRY	CURRENCY	DECEMBER 2020 NOTIONAL AMOUNT	DECEMBER 2020 AVERAGE EXCHANGE RATE	DECEMBER 2019 NOTIONAL AMOUNT	DECEMBER 2019 AVERAGE EXCHANGE RATE	DECEMBER 2018 NOTIONAL AMOUNT	DECEMBER 2018 AVERAGE EXCHANGE RATE	MARKET VALUE 2020		MARKET VALUE 2019		MARKET VALUE 2018	
Mexico	USD/MXN	-	-	-	-	150	21.00	$	-	$	-	$	26

As of December 31, 2019, the Company had the following cross-currency swap that translates a portion of the 144A Bond of USD 800 million to Mexican pesos. The swap matures on June 30, 2020 and changes the fixed interest rate in USD to a fixed interest rate in Mexican pesos.

NOTIONAL AMOUNT	CURRENCY	NOTIONAL AMOUNT	CURRENCY	MATURITY	RATE COLLECTED	RATE PAID	MARKET VALUE 2020		MARKET VALUE 2019		MARKET VALUE 2018	
100	USD	1,918	MXP	30-jun-2020	4.875%	9.438%	$	-	$	(8)	$	-

As of December 31, 2020, 2019 and 2018, the Company had contracted the following forwards to hedge its foreign currency risk related to raw materials and other:

		DECEMBER 2020		DECEMBER 2019		DECEMBER 2018		MARKET VALUE		
COUNTRY	CURRENCY	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	NOTIONAL AMOUNT	AVERAGE EXCHANGE RATE	2020	2019	2018
Argentina	USD/ARS	5	94.68	3	73.34	3	45.35	$ (5)	$ (7)	$ (6)
Canada	USD/CAD	98	1.33	103	1.32	65	1.30	(74)	(27)	50
Canada	CAD/USD	19	1.29	-	-	-	-	2	-	-
Chile	USD/CLP	31	779.59	32	712.84	13	645.20	(68)	31	18
Colombia	USD/COP	14	3,747.20	5	3,471.73	-	-	(23)	(4)	-
Mexico	USD/MXN	344	21.91	301	20.40	299	20.69	(586)	(306)	(143)
Mexico	USD/MXN	414	20.17	-	-	-	-	6	-	-
Peru	USD/PEN	14	3.57	8	3.39	-	-	4	(3)	-
Uruguay	USD/UYU	10	44.47	5	38.12	6	33.38	(5)	(1)	(2)
France	USD/EUR	6	1.17	7	1.15	2	1.27	(6)	2	3
Russia	EUR/RUB	-	-	7	74.35	1	79.56	-	(2)	1
Russia	USD/RUB	1	74.03	2	66.67	2	65.35	-	(8)	3
Brazil	USD/BRL	37	5.44	-	-	-	-	(29)	-	-
Brazil	BRL/USD	8	5.58	-	-	-	-	2	-	-
Mexico	EUR/MXN	3	25.34	-	-	-	-	(2)	-	-
								$ (784)	$ (325)	$ (76)

The maturities of these forwards as of December 31, 2020 are as follows:

	< 1 MONTH	> 1 MONTH < 3 MONTHS	> 3 MONTHS < 6 MONTHS	> 6 MONTHS < 9 MONTHS	> 9 MONTHS < 12 MONTHS	TOTAL
Argentina						
Notional amount in USD	2	3	-	-	-	5
Average exchange rate	90.82	97.56	-	-	-	94.68
Canada						
Notional amount in USD	8	17	30	23	20	98
Average exchange rate	1.32	1.34	1.34	1.33	1.31	1.33
Canada						
Notional amount in Canadian dollars	7	12	-	-	-	19
Average exchange rate	1.30	1.29	-	-	-	1.29
Chile						
Notional amount in USD	3	7	10	7	4	31
Average exchange rate	783.29	790.17	778.12	774.75	769.08	779.59
Colombia						
Notional amount in USD	2	3	4	3	2	14
Average exchange rate	3,730.91	3,731.41	3,752.55	3,806.28	3,676.42	3,747.20
Mexico						
Notional amount in USD	37	75	105	80	47	344
Average exchange rate	21.26	22.19	22.26	22.01	21.01	21.91

	< 1 MONTH	> 1 MONTH < 3 MONTHS	> 3 MONTHS < 6 MONTHS	> 6 MONTHS < 9 MONTHS	> 9 MONTHS < 12 MONTHS	TOTAL
Mexico						
Notional amount in Mexican pesos	158	256	-	-	-	414
Average exchange rate	20.21	20.15	-	-	-	20.17
Peru						
Notional amount in USD	2	3	5	3	1	14
Average exchange rate	3.52	3.55	3.57	3.59	3.61	3.57
Uruguay						
Notional amount in USD	1	2	3	3	1	10
Average exchange rate	43.76	43.85	44.39	45.12	45.57	44.47
France						
Notional amount in USD	-	1	1	2	2	6
Average exchange rate	1.4	1.14	1.17	1.19	1.19	1.17
Russia						
Notional amount in USD	-	-	1	-	-	1
Average exchange rate	-	-	74.39	-	-	74.03
Brazil						
Notional amount in USD	4	8	10	9	6	37
Average exchange rate	5.35	5.35	5.39	5.57	5.47	5.44
Brazil						
Notional amount in USD	8	-	-	-	-	8
Average exchange rate	5.58	-	-	-	-	5.58
Mexico						
Notional amount in euros	-	1	1	1	-	3
Average exchange rate	24.97	25.13	25.47	25.50	25.51	25.34

As of December 31, 2020, 2019 and 2018, the Company reclassified $(302), $281 and $115, respectively, to cost of sales.

2.4 Management of commodity price risk

There is an economic relationship between the hedged items and the hedging instruments as the terms of purchases of raw materials match the terms of the expected highly probable forecast transactions (i.e. notional amount and expected payment date). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the purchases of raw materials are identical to the hedged risk components.

In accordance with the Company's risk management policies, it enters into wheat, natural gas, and other commodity futures contracts to minimize the risk of variation in international prices of such commodities.

Wheat, the main commodity used by the Company, together with natural gas, are some of the commodities hedged. The transactions are carried out in well-known commodity markets and through their formal documentation, are designated as cash flow hedges of forecasted transactions. The Company performs prospective and retrospective effectiveness tests of the instruments to ensure that they mitigate the variability of cash flows from fluctuations in the price of such commodities.

As of December 31, 2020, 2019 and 2018, the Company has recognized, in other comprehensive income, closed wheat derivative contracts that have not yet been reclassified to cost of sales, since the wheat under these contracts has not been used for flour consumption.

Analysis of derivative transactions to hedge commodity price risk

As of December 31, 2020, 2019 and 2018 the principal characteristics of the Company's futures contracts are as follows:

	2020 CONTRACTS			2019 CONTRACTS			2018 CONTRACTS		
	NUMBER	MATURITY	FAIR VALUE	NUMBER	MATURITY	FAIR VALUE	NUMBER	MATURITY	FAIR VALUE
Diesel	**3,471**	**Jan-21 to Jul-22**	**$ 7**	2,210	Jan-20 to Mar-21	$ 23	-	-	$ -
Gasoline	**1,714**	**Jan-21 to Jul-22**	**54**	1,168	Jan-20 to Mar-21	33	-	-	-
Natural gas	**533**	**Jan-21 to Dec-21**	**14**	-	-	-	548	Feb-Dec-19	14
Polyethylene	**45,561**	**Jan-21 to Oct-21**	**112**	-	-	-	-	-	-
Wheat	**8,334**	**Jan-21 to Dec-21**	**601**	14,320	Feb-20 to Mar-21	58	-	-	-
Soybean oil	**678**	**Jan-21 to Dec-21**	**82**	403	Jan-20 to Dec-20	29	-	-	-
Oil	**13,650**	**Jan-21 to Dec-21**	**1**	-	-	-	-	-	-
Total current assets			**$ 871**			**$ 143**			**$ 14**
Wheat			**$ -**	-	-	$ -	12,211	Feb-Sep-19	$ 398
Soybean oil			**-**	-	-	-	1,016	Mar-Dec-19	23
Polyethylene			**-**	31,303	Jan-20 to Dec-20	63	36,575	Jan-19 to Aug-20	60
Diesel			**-**	-	-	-	2,857	Jan-19 to Aug-20	208
Gasoline			**-**	-	-	-	1,218	Jan-19 to Aug-20	102
Natural gas			**-**	1,000	Jan-20 to Jun-21	44	-		-
Total current liabilities			**$ -**			**$ 107**			**$ 791**

As of December 31, 2020, 2019 and 2018, the Company reclassified $525, $597 and $(339), respectively, to cost of sales.

The fair values of these financial instruments used to hedge the raw material price risk are considered within Level 1 of the fair value hierarchy.

Embedded derivatives - As of December 31, 2020, 2019 and 2018, the Company has not identified any embedded derivatives that require bifurcation.

Valuation techniques and assumptions applied to measure fair value

The fair value of the Company's financial assets and liabilities is calculated as follows:

The fair values of financial assets and financial liabilities with standard terms and conditions which are traded on active, liquid markets are determined based on their quoted market prices. Derivative financial instruments fall under this category; therefore, these instruments are classified within Level 1 of the fair value hierarchy described below.

The fair value of other financial assets and liabilities carried at fair value is determined in accordance with accepted pricing models, generally based on an analysis of the discounted cash flows.

As of December 31, 2020, 2019 and 2018, the carrying value of financial assets and liabilities does not vary significantly from their fair value.

These derivative financial instruments are considered within level 2 of the fair value hierarchy.

The valuation of the Company's structured notes was determined based on the market value with prices provided by Valuación Operativa y Referencias de Mercado S.A. de C.V. ("VALMER"), which is an entity supervised by the *Mexican National Banking and Securities Commission* (CNBV, Spanish acronym) that provides updated prices for financial instruments. This valuation is considered Level 1 in accordance with the hierarchy described below.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the consolidated statement of financial position are categorized within one of the following three hierarchy levels based on the data used in the valuation. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.5 Management of liquidity risk

Liquidity risk management allows the Company to determine its short-term, medium-term and long-term cash flow needs, while seeking financial flexibility. The Company maintains sufficient liquidity through an orderly management of its resources and constant monitoring of cash flows, as well as through a variety of credit lines (some of them committed) with banking institutions and proper management of working capital. These actions ensure the payment of future obligations. Due to the nature of its business, the Company considers its liquidity risk to be low.

Obligations arising from accounts payables, derivative financial instruments and debt amortization are as follows:

	< 1 YEAR	>1 YEAR < 3 YEARS	>3 YEARS < 5 YEARS	> 5 YEARS	TOTAL
Debt and interest	$ 4,974	$ 24,574	$ 22,261	$ 88,196	$ 140,005
Lease liabilities	6,147	9,000	5,830	16,628	37,605
Derivative financial instruments	1,003	1,487	735	1,186	4,411
Trade payables and accounts payable to related parties	28,013	-	-	-	28,013
Total	**$ 40,137**	**$ 35,061**	**$ 28,826**	**$ 106,010**	**$ 210,034**

2.6 Management of credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company recognizes a provision for expected credit losses for trade receivables. The Company uses a provision matrix to calculate expected credit losses for trade receivables. The provision matrix is initially based on the Company's historical credit loss experience and is subsequently adjusted for factors that are specific to the debtors, general economic conditions and an assessment of the current direction and forecast of future conditions at the reporting date, including the time value of money, when applicable.

With respect to transactions with derivative financial instruments related to interest rate and exchange rate hedges, and some commodities such as natural gas, these instruments are entered into bilaterally with counterparties of high repute that meet certain criteria mentioned below, and who maintain a significant and ongoing business relationship with the Company.

These counterparties are deemed of high repute, as they are sufficiently solvent, based on their "counterparty risk" rating from a rating agency, for current and non-current obligations in local and foreign currency.

The Company's transactions with derivative financial instruments related to raw materials are carried out in the following renowned markets:

a) Minneapolis Grain Exchange (MGE)
b) Kansas City Board of Trade (KCBOT)
c) Chicago Board of Trade (CBOT)
d) New York Mercantile Exchange (NYMEX)

The Company monitors counterparty credit risks on a monthly basis and performs the related measurements.

All derivative financial instrument transactions are performed under standardized derivatives contracts that are duly executed by the legal representatives of the Company and those of the counterparties.

The appendices and annexes to these derivative contracts establish the settlement and other relevant terms in accordance with the uses and practices of the Mexican market and the markets in which the Company operates.

Some derivative financial instrument contracts, appendices and annexes, through which bilateral derivative financial transactions are carried out, consider the establishment of a cash deposit or other securities to guarantee payment of obligations arising from such contracts. The credit limits established by the Company with its counterparties are large enough to support its current operations; however, the Company maintains cash deposits as collateral for payment of certain derivative financial instruments.

For commodities future contracts executed in well-known international markets, the Company is subject to the regulations of such markets. These regulations include, among others, establishing an initial margin call for futures contracts and subsequent margin calls required of the Company.

2.7 Management of equity structure

The Company maintains a healthy balance between debt and equity in order to maximize the shareholders' return.

An analysis of the equity structure and leverage ratio as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Debt (i)	$	85,229	$	86,672	$	89,846
Cash and cash equivalents		(9,268)		(6,251)		(7,584)
Net debt		75,961		80,421		82,262
Equity		88,011		78,311		84,575
Net debt to equity		0.86 times		**1.03 times**		**0.97 times**

(i) Debt is comprised of bank loans and current and non-current structured notes, net of unamortized issuance expenses.

18. Employee benefits

An analysis of the net liability generated by employee benefits and long-term social welfare by geographical segment as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Retirement and post-retirement benefits						
Mexico	$	5,204	$	6,180	$	2,443
USA		1,233		1,530		1,662
Canada		995		733		728
EAA and Latin America		479		330		296
Total liabilities from retirement and post-retirement benefits		7,911		**8,773**		**5,129**
Multi-employer pension plans – USA		20,343		17,319		16,217
Social welfare USA		3,754		3,184		3,310
Net plan assets presented in other assets		821		604		377
Long-term bonuses payable to employees		1,003		546		852
Total net liability	$	33,832	$	**30,426**	$	**25,885**

a) Mexico

The Company has a defined benefit pension and seniority premium plan. The Company's funding policy is to make discretionary contributions. During 2020 and 2019, the Company contributed $1,150 and $1,000, respectively, to the plan assets. During 2018, the Company did not make plan contributions.

Seniority premiums consist of a one-time payment equal to 12-days' salary for each year worked based on the employee's final monthly salary (capped at twice the legal minimum daily wage) as stipulated in the employment contracts. Such benefits are granted to employees with 15 or more years of service.

The most recent actuarial valuations of the plan assets and present value of the defined benefit obligation were performed as of December 31, 2020, 2019 and 2018 based on independent actuarial calculations.

b) USA

The Company has a defined benefit pension plan that covers eligible employees. Some of the benefits of the plan for non-unionized workers were frozen. The Company's funding policy is to make discretionary contributions. As of December 31, 2020, 2019 and 2018, the contributions made to the plan total $161, $193 and $258, respectively.

The Company has also established post-retirement social welfare plans, which cover the medical expenses of certain eligible employees. The Company has insurance and pays these expenses as incurred.

The most recent actuarial valuations of the plan assets and present value of the defined benefit obligation were performed as of December 31, 2020, 2019 and 2018 based on independent actuarial calculations.

c) Canada

The Company has a defined benefit pension plan that covers all eligible employees. Some of the benefits of the plan for non-unionized workers were frozen. The Company's funding policy is to make discretionary contributions. The contributions made to the plan in 2020, 2019 and 2018 total $172, $152 and $163, respectively.

The most recent actuarial valuations of the plan assets and present value of the defined benefit obligation were performed as of December 31, 2020, 2019 and 2018 based on independent actuarial calculations.

The Company has also established a defined contribution plan through which contributions are paid as incurred. For the years ended December 31, 2020, 2019 and 2018, the contributions made to the plans total $57, $68 and $46, respectively.

The principal assumptions used in the actuarial valuations are as follows:

	2020	2019	2018
Mexico:			
Discount rate (1)	7.68%	7.57%	10.14%
Salary increase rate	4.50%	4.50%	4.65%
Inflation rate	4.00%	3.50%	3.65%
Expected average weighted return	7.57%	10.14%	7.94%

(1) The 2.57% decrease in the discount rate in 2019 resulted in an actuarial loss of approximately $(4,434) recognized in other comprehensive income, causing a significant variance in the defined benefit obligation.

	2020	2019	2018
USA:			
Discount rate	2.30%	3.15%	4.20%
Salary increase rate	3.25%	3.25%	3.25%
Inflation rate	2.25%	2.50%	2.25%
Expected average weighted return	3.15%	4.20%	4.04%
Canada:			
Discount rate	2.50%	3.10%	3.90%
Salary increase rate	3.00%	3.00%	3.00%
Inflation rate	2.00%	2.00%	2.00%
Expected average weighted return	3.10%	3.90%	3.40%

The assumptions related to the mortality rates used in the actuarial valuations are as follows:

	2020	2019	2018
Mexico:			
Mortality table	EMSSA 2009	EMSSA 2009	EMSSA 2009
USA:			
Mortality table	MP-2020	MP-2019	MP-2018
Canada:			
Mortality table	CPM2014Priv	CPM2014Priv	CPM2014Priv

Based on the aforementioned assumptions, the retirement and post-retirement benefits to be paid in the following years are as follows:

	MEXICO	USA	CANADA
2021	$ 396	$ 1,077	$ 291
2022	448	1,119	289
2023	477	1,151	290
2024	536	1,170	291
2025	591	1,188	291
2026 to 2031	2,664	5,698	1,452
	$ 5,112	**$ 11,403**	**$ 2,904**

An analysis of the amounts recognized in profit or loss and other comprehensive income with respect to defined benefit plans is as follows:

	2020	2019	2018
Amounts recognized in profit or loss:			
Current year service cost	$ 991	$ 717	$ 986
Gain on plan settlements	(631)	-	-
Interest cost	1,851	1,618	1,656
Return on plan assets	(1,316)	(1,282)	(1,134)
	895	1,053	1,508

	2020	2019	2018
Actuarial (loss)/gain on defined benefits recognized in other comprehensive income:			
Mexico, USA and Canada:			
Actuarial (gain)/loss on estimate of obligation	-	-	7
Experience adjustments to plan obligations	1,252	164	(484)
Effect of changes in demographic assumptions	(442)	(114)	(33)
Effect of changes in financial assumptions (1)	2,705	7,659	(5,299)
Actuarial (gain)/loss on estimate of plan assets (1)	(2,926)	(2,987)	2,135
EAA and Latin America	(227)	(7)	(108)
	362	**4,715**	**(3,782)**
	$ 1,888	**$ 5,768**	**$ (2,274)**

(1) Effects in 2019 of the decrease in the discount rate in Mexico.

Of the current year service cost, $808, $567 and $714 were included in 2020, 2019 and 2018, respectively, in the consolidated statement of profit or loss as part of cost of sales and the remainder as part of general expenses. Interest costs and the expected return on plan assets are recognized as part of comprehensive finance cost.

An analysis of the amount recognized in the consolidated statement of financial position in respect of the Company's obligation regarding its defined benefits plans as of December 31, 2020, 2019 and 2018 is as follows:

	2020	2019	2018
Present value of defined benefit obligation	$ 42,386	$ 37,839	$ 30,378
Less - fair value of plan assets	34,790	29,254	25,394
	7,596	8,586	4,984
Plus - Retirement benefits for Latin America and EAA	479	330	296
Less - Current portion of retirement benefits recognized in accrued liabilities	(164)	(143)	(151)
Present value of unfunded defined benefits	$ 7,911	**$ 8,773**	**$ 5,129**

An analysis of changes in the present value of the defined benefit obligation is as follows:

		2020		2019		2018
Present value of defined benefit obligation as of January 1st	$	37,839	$	30,378	$	36,142
Current year service cost		991		717		986
Interest cost		1,851		1,618		1,656
Gains on plan settlements		(631)		-		-
Actuarial gain/(loss) on estimate of obligation		-		-		7
Experience adjustments to plan obligations		1,252		164		(484)
Effect of changes in demographic assumptions		(442)		(114)		(33)
Effect of changes in financial assumptions [1]		2,705		7,659		(5,299)
Liabilities assumed in business combinations		1		-		-
Translation effect		1,372		(756)		(550)
Benefits paid		(2,552)		(1,827)		(2,047)
Present value of defined benefit obligation as of December 31	$	42,386	**$**	**37,839**	**$**	**30,378**

An analysis of changes in the fair value of plan assets is as follows:

		2020		2019		2018
Fair value of plan assets as of January 1st	$	29,253	$	25,394	$	27,909
Return on plan assets		1,316		1,282		1,134
Actuarial (gain)/loss on estimate of plan assets [1]		2,926		2,987		(2,135)
Employer contributions		1,483		1,345		375
Translation effect		1,194		(681)		(460)
Benefits paid		(1,382)		(1,074)		(1,429)
Fair value of plan assets as of December 31	$	34,790	**$**	**29,253**	**$**	**25,394**

(1) Effects in 2019 of the decrease in the discount rate in Mexico.

Categories of plan assets:

	FAIR VALUE OF PLAN ASSETS					
		2020		2019		2018
Equity instruments	$	8,976	$	6,875	$	5,835
Debt instruments		23,136		20,225		17,515
Other		2,678		2,153		2,044
	$	34,790	**$**	**29,253**	**$**	**25,394**

The fair value of the equity and debt instruments shown above is measured based on market prices quoted in active markets.

The Company's technical committee, as well as the trust committees, are responsible for defining and monitoring the Company's investment strategy and policies on a quarterly basis in order to optimize the risk/return in the long-term.

Sensitivity analysis:

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and the expected salary increase rate. The sensitivity analyses described below consider reasonable potential changes in the respective assumptions at the end of the reporting period, with all other assumptions remaining constant.

A sensitivity analysis considering a variation of 50 basis points as of December 31, 2020 is as follows:

		MEXICO		USA		CANADA
Discount rate increase	$	(1,336)	$	(2,842)	$	(355)
Discount rate decrease		1,531		1,326		422
Salary rate increase		(682)		(173)		(33)
Salary rate decrease		739		147		41

In the sensitivity analysis described above, the present value of the defined benefit obligation is calculated using the projected unit credit method at the end of the reporting period, which is the same method applied to calculate the liability for the defined benefit obligation recognized in the consolidated statement of financial position.

There were no changes in the methods or assumptions considered in the sensitivity analyses of prior years.

Duration of the defined benefit obligation

An analysis is as follows:

	DURATION IN YEARS		
	2020	2019	2018
Mexico:			
Average duration	20.20	21.20	17.30
Active members	26.34	27.29	24.46
Retired members	9.42	9.56	7.97
USA:			
Average duration	12.83	12.27	14.03
Active members	14.48	13.89	15.87
Retired members	9.92	9.39	9.24
Deferred members	13.69	12.44	16.83
Canada:			
Average duration	13.40	13.10	12.40
Active members	17.30	16.80	15.70
Retired members	9.60	9.20	8.50
Deferred members	19.00	17.50	17.10

An analysis of the experience adjustments and other items is as follows:

	2020	2019	2018
Present value of defined benefit obligation	$ 42,386	$ 37,839	$ 30,378
Less - Fair value of plan assets	34,790	29,253	25,394
Unfunded defined benefit obligation	**$ 7,596**	**$ 8,586**	**$ 4,984**
Experience adjustments to plan obligations and actuarial loss	**$ 1,252**	**$ 164**	**$ (477)**
Experience adjustments to plan assets	**$ 2,926**	**$ 2,987**	**$ (2,135)**

The Company expects to make a contribution of $1,648 to the retirement and post-retirement benefit plans in 2021.

Multi-Employer Pension Plans (MEPP)

The Company participates in benefit plans known as MEPPs through its subsidiary BBU. A MEPP is a fund in which several unrelated employers, in the same or similar industry, make payments to fund retirement benefits for unionized employees enrolled in the plan. Usually these funds are managed by a trust that is overseen by representatives of all employers and employees.

Unless the Company determines that it is probable that it will exit the MEPP, this type of plan is measured as a defined contribution plan, since the Company does not have sufficient information to perform the related calculations due to the collective nature of the plans and the Company's limited participation in the management of the plans. The Company's obligation to make contributions to the plan is established in the collective labor agreements.

For the years ended December 31, 2020, 2019 and 2018, the contributions made to the MEPPs total $2,592, $2,705 and $2,734, respectively. The Company expects to make a contribution of $2,258 to the plan in 2021. Annual contributions are recognized in profit or loss.

If other employers exit the MEPP without satisfying the related obligations, the unpaid amount is distributed to the other active employers. Generally, the distribution of the liability resulting from the exit of the plan is based on the proportion of the Company's contributions to the plan compared to the contributions made by the other employers in the plan.

When it is probable that the Company will exit a MEPP, a provision is recognized for the present value of the estimated future cash outflows, discounted at the current rate. The Company has created a provision of $20,343 for the MEPPs, representing the estimated cost of exiting certain plans. The Company has not recognized any provision of other plans in which they do not have intention to exit.

Liabilities recognized related to MEPPs are updated annually due to changes in wages, seniority and the combination of employees within the plan and are recorded in profit or loss for the year, in addition to amounts that are contributed regularly to different MEPPs.

During 2020, 2019 and 2018, the Company recognized $2,029, $1,832 and $(663), respectively, in profit or loss as a result of the updating and restructuring of certain MEPPs, of which $390, $424 and $397, respectively, were recognized as part of comprehensive financing cost and $1,639, $1,408 and $(1,060), respectively, in other income/(expenses), net (see Note 22).

The Company proactively reviews its contingent liabilities related to MEPPs in order to mitigate potential risks.

Social welfare benefit plan in USA

The Company has a social welfare post-retirement benefit plan that qualifies as a defined contribution plan. The amounts corresponding to this obligation are recognized in profit or loss as incurred. These obligations are classified as current or long-term welfare benefit plans and the amounts are recognized in the consolidated statement of financial position. An analysis of these obligations as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Social welfare:						
Short-term [(a)]	$	448	$	413	$	409
Long-term		3,754		3,184		3,310
	$	4,202	$	3,597	$	3,719

(a) Included in other accounts payable and accrued liabilities.

19. Other non-current liabilities

The other non-current liabilities as of December 31, 2020, 2019 and 2018 are as follows:

		2020		2019		2018
Provisions	$	4,919	$	4,386	$	3,639
Liabilities for exits from multi-employer plans		2,575		2,384		2,461
Finance leases		-		-		1,982
Deferred compensation		629		836		787
Virtual power purchase agreement		213		-		-
Other		662		435		478
	$	8,998	$	8,041	$	9,347

In the other non-current liabilities caption, the Company has recognized provisions for lawsuits of different nature that arise in the normal course of its operations. The liabilities related to tax uncertainties were also recognized under the same caption. Based on this assessment, the Company has recognized the following amounts:

TYPE		2020		2019		2018
Labor	$	873	$	789	$	341
Tax		1,040		1,000		850
Civil		111		254		44
Other		1		2		629
Uncertain tax positions		2,894		2,341		1,775
Total	$	4,919	$	**4,386**	$	**3,639**

An analysis of movements in the Company's provisions and liabilities related to uncertain tax positions as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Balance as of January 1st	$	4,386	$	3,639	$	1,738
Initial recognition of IFRIC 23 (1)		-		-		2,283
Net increases		1,086		1,464		645
Payments		(337)		(554)		(761)
Effect of foreign exchange differences		(216)		(163)		(266)
Balance as of December 31	$	4,919	$	**4,386**	$	**3,639**

(1) Recognized in retained earnings.

As of December 31, 2020, the cumulative amount corresponding to tax, civil and labor lawsuits deemed as 'less than probable, but more than remote' by the Company's internal attorneys is $318. However, the Company considers that such lawsuits will not have a material effect on its consolidated financial position or operating results.

Brazil:

As a result of the purchase of property, plant and equipment and intangible assets in Brazil in connection with the Firenze brand in 2008, the Company is subject to tax liens as the presumed successor to companies that participate in these actions. As of December 31, 2020, the Company is in the process of concluding a payment agreement with the authorities. Accordingly, the Company recognized a liability of $402, of which $74 is presented in the other accounts payable and accrued liabilities and $328 is presented as part of other non-current liabilities, which will be paid in a period of up to 7 years. $292 was recognized as part of comprehensive financing cost and $110 was recognized in other expenses.

In addition, the Company has secured its labor and civil lawsuits with security deposits totaling $174, which are presented as part of other non-current assets.

Canada:

The Competition Bureau of Canada started an investigation into alleged collusion between various participants of the baked goods industry, including Canada Bread, although to date no formal accusations have been charged against the Company. The Company is cooperating with the Canadian authorities in this process. In addition, Grupo Bimbo and Canada Bread have been required in twelve class actions in connection with such investigation. Given the status of this legal process as of December 31, 2020, the Company has not recognized a provision related to this matter.

20.Equity

An analysis of the Company's equity as of December 31, 2020, 2019 and 2018 is as follows:

	2020			2019			2018		
	NO. OF SHARES		AMOUNT	NO. OF SHARES		AMOUNT	NO. OF SHARES		AMOUNT
Fixed share capital:									
Series A	4,533,758,587	$	4,074	4,703,200,000	$	4,227	4,703,200,000	$	4,227
Treasury shares	(13,419,417)		(13)	(77,195,600)		(71)	(30,628,536)		(28)
Total	4,520,339,170	$	4,061	**4,626,004,400**	**$**	**4,156**	**4,672,571,464**	**$**	**4,199**

The Company's share capital has been fully subscribed and paid in. The Company's fixed share capital is represented by series "A" shares. The variable portion of the Company's share capital cannot exceed ten times the amount of minimum fixed share capital without right of withdrawal and must be represented by common registered series "B" shares with no par value and/or shares with limited voting rights and no par value of the series to be named when they are issued. Shares with limited voting rights cannot represent more than 25% of the Company's share capital.

i) At an extraordinary shareholders' meeting held on October 19, 2020, the shareholders approved the cancellation of 169,441,413 Series "A" shares held by Treasury, resulting in a share capital reduction of $153.

ii) At a regular shareholders' meeting held on April 29, 2020, the shareholders declared dividends of $2,286, ($0.50 per share), which were paid out of the Net taxed profits account (CUFIN, by its acronym in Spanish) in cash on May 12, 2020.

iii) At a regular shareholders' meeting held on April 29, 2019, the shareholders declared dividends of $2,103 ($0.45 per share), which were paid out of the CUFIN account in cash on May 13, 2019.

iv) At a regular shareholders' meeting held on April 24, 2018, the shareholders declared dividends of $1,646 ($0.35 per share), which were paid out of the CUFIN account in cash on May 7, 2018.

v) Dividends paid to foreign individuals and corporations are subject to an additional 10% withholding tax. These tax withholdings are considered final income tax payments. Treaties to avoid double taxation may apply. The additional withholding tax is applicable to earnings generated as of January 1st, 2014.

vi) The Company's legal reserve is included in its retained earnings. In accordance with the Mexican Corporations Act, the Company is required to appropriate at least 5% of the net profit of each year to increase the legal reserve. This practice must be continued each year until the legal reserve reaches 20% of the value of the Company's share capital. The legal reserve may be capitalized but may not be distributed to the shareholders unless the Company is dissolved. Also, the legal reserve must be replenished if it is reduced for any reason. As of December 31, 2020, 2019 and 2018, the legal reserve is $500 (nominal amount).

vii) At regular shareholders' meetings held on April 29, 2020, April 29, 2019 and April 24, 2018, the shareholders agreed to increase the provision for repurchase of shares by $10,000, $4,000 and $600, respectively (nominal amounts). The Company's provision for repurchase of shares is included in its retained earnings. The approved (nominal) amount of the provision is $15,200, $5,200 and $1,200 as of December 31, 2020, 2019 and 2018, respectively. An analysis of movements in the provision is as follows:

		2020		2019		2018
Balance as of January 1st	$	2,483	$	188	$	669
Increases		10,000		4,000		600
Repurchase of shares		(3,645)		(1,705)		(1,081)
Balance as of December 31,	$	8,838	**$**	**2,483**	**$**	**188**

viii) Except for earnings distributed from the Restated contributed capital account (CUCA, by its acronym in Spanish) and the CUFIN account, dividends will be subject to the payment of corporate income tax at the statutory rate at that time. Income tax paid on dividends may be credited against income tax payable (annual or in prepayments) in the year of payment or either of the two immediately subsequent years.

ix) As of December 31, 2020, 2019 and 2018, the Company has the following tax balances:

		2020		2019		2018
Restated contributed capital account (CUCA)	$	30,834	$	29,892	$	29,073
Net taxed profits account (CUFIN)		81,722		76,438		69,284

Other equity financial instrument

On April 17, 2018, Grupo Bimbo, S.A.B. de C.V. issued a perpetual subordinated bond of USD 500 million with no maturity date. The issuer has the option to redeem the bond in full, but not partially, five years after the date of issuance. The bond bears annual interest of 5.95%, which is payable semi-annually in arrears on January 17 and July 17. Such coupons are deferrable at the Company's discretion.

This bond is subordinated to the existing and future liabilities of the Company and its subsidiaries and the coupons for the periods accrued by this instrument must be paid prior to any distribution of dividends.

The amount of this equity instrument is recognized in equity.

An analysis of the value of the equity instrument as of December 31, 2020, 2019 and 2018 is as follows:

		2020		2019		2018
Perpetual subordinated bond - principal	$	9,044	$	9,044	$	9,044
Issuance expenses		(58)		(58)		(58)
		8,986		8,986		8,986
Current income tax		1		(67)		137
Deferred income tax		9		12		15
Perpetual subordinated bond - principal	$	8,996	$	8,931	$	9,138

As of December 31, 2020, 2019 and 2018, the Company made semi-annual coupon payments of $648, $595 and $148, respectively, and recognized an income tax effect of $(194), $(178) and $(44), respectively. Therefore, retained earnings decreased by $454, $417 and $104, respectively.

21. Costs and expenses based on their nature

An analysis of cost of sales and distribution, administrative, selling and other general expenses recognized in the consolidated statement of profit or loss is as follows:

		2020		2019		2018
Cost of sales:						
Raw materials	$	97,891	$	89,112	$	87,342
Salaries and benefits		31,053		27,758		27,261
Freight, fuel and maintenance		12,583		11,447		11,472
Depreciation		6,586		6,088		5,708
Professional services and consultations		1,492		1,433		1,486
Short-term leases and leases of low value assets		1,014		1,182		1,054
Indirect tax		956		806		763
Travel expenses		64		165		164
Other production expenses		969		193		419
	$	152,608	$	138,184	$	135,669

		2020		2019		2018
Distribution, selling, administrative and other expenses:						
Salaries and benefits	$	66,521	$	57,755	$	58,210
Freight, fuel and maintenance		37,036		32,411		29,562
Advertising and promotional expenses		12,559		11,004		11,630
Professional services and consultations		9,845		7,844		7,026
Depreciation and amortization		9,665		8,285		4,292
Logistics		3,596		3,125		3,032
Remeasurement of multi-employer pension plans (MEPP)		2,494		1,762		(401)
Integration expenses		1,968		2,435		1,855
Indirect tax		1,494		1,161		1,289
Restructuring expenses		1,143		724		3,438
Short-term leases and leases of low value assets		1,003		959		5,177
Travel expenses		801		1,420		1,547
Other		4,910		4,438		8,485
	$	153,035	$	**133,323**	$	**135,142**

22. Other expenses, net

An analysis of other expenses is as follows:

		2020		2019		2018
(Gain)/loss on sale of property, plant and equipment	$	(117)	$	(28)	$	11
Impairment in goodwill		779		17		210
Impairment in trademarks and distribution rights		105		951		401
Restructuring expenses		1,143		724		3,438
Labor obligations		52		-		-
Usufruct amortization		220		220		220
Remeasurement of multi-employer pension plans (MEPP) (Note 18)		1,639		1,408		(1,060)
Provision for updating other non-current liabilities		855		354		659
Other		497		367		701
	$	5,173	$	**4,013**	$	**4,580**

23. Interest expense

An analysis of interest expense is as follows:

		2020		2019		2018
Interest on debt	$	7,407	$	6,605	$	6,608
Interest on lease liabilities		1,072		1,041		-
Net interest on pension plans		535		336		522
Other finance costs		410		579		538
	$	9,424	$	8,561	$	7,668

24. Commitments

GUARANTEES AND/OR GUARANTORS

1. Grupo Bimbo, S.A.B. de C.V. and some of its subsidiaries have issued letters of credit to guarantee certain ordinary obligations and contingent risks related to the labor obligations of some of its subsidiaries. As of December 31, 2020, 2019 and 2018, the value of such letters of credit is USD248, USD286 and USD307 million, respectively.

2. As of September 2019, the Company acts as guarantor in voluntary payment program in North America between the suppliers and Bank of America, under which the suppliers discount their invoices. As of December 31, 2020 and 2019, the balance of $1,521 and $764, respectively, under this program is presented as part of trade payables.

3. Company has created a trust that allows suppliers of its subsidiaries in Mexico to obtain financing through a factoring program operated by Nacional Financiera, S.N.C. (Nafinsa). As of December 31, 2020, 2019 and 2018, the liability payable to Nafinsa under this program totals $1,152, $908 and $963, respectively.

4. The Company entered into an energy self-supply contract which requires it to acquire certain amounts of renewable energy at a fixed price that will be updated based the National Consumer Price Index (NCPI). Although the contracts have the characteristics of a derivative financial instrument, they fall within the exception of "own-use"; therefore, they are recognized in the consolidated financial statements as the consumption of energy occurs. An analysis of the main characteristics of these contracts is as follows:

COUNTRY	CONTRACTING DATE	START DATE	TERM	ENERGY COMMITMENTS 2021
Mexico	02/12/2008	01/11/2012	18 years	311 MXN
Peru	05/08/2019	01/09/2019	3 years	0.15 USD
Argentina	05/09/2019	01/01/2020	15 years	1.8 USD

5. On March 30, 2018, the Company, through BBU, entered into a virtual wind energy supply agreement in the United States for a term of 12 years, which is recognized as a financial asset measured at fair value through profit or loss, net of the related deferred gain, which will accrue over the term of the agreement.

   As of December 31, 2020 and 2019, the net financial (liability)/asset of $(213) and $47, respectively, is recognized as part of other non-current (liabilities)/assets. In 2020 and 2019, the Company recognized $(71) and $27, respectively, under finance (costs)/income corresponding to the amortization of the liability, and $345 and $(49), respectively, for changes in the fair value of assets/(liabilities).

25.Segment information

The information used by Company management for purposes of resource allocation and assessment of segment performance is focused on four geographical areas: Mexico, North America, Latin America and EAA.

The Company considers that the qualitative and quantitative aspects considered for grouping of operating segments described above have a similar nature for all of the periods presented and show a similar performance in the long-term. The key factors evaluated for the appropriate aggregation of the operating segments include, but are not limited to: (i) similar customer base, (ii) |similar product nature, (iii) production and distribution process characteristics, (iv) similar governments, (v) inflation trends and (vi) monetary trends.

An analysis of the primary data by geographical area in which the Company operates for the years ended December 31, 2020, 2019 and 2018 is as follows:

	2020											
		MEXICO		NORTH AMERICA		LATIN AMERICA		EAA		ELIMINATED ON CONSOLIDATION		TOTAL
Net sales	$	104,593	$	176,395	$	29,081	$	30,029	$	(9,047)	$	331,051
Sales between segments	$	(8,711)	$	(247)	$	(24)	$	(65)	$	9,047	$	-
Consolidated net sales	$	95,882	$	176,148	$	29,057	$	29,964	$	-	$	331,051
Operating profit (*)	$	14,976	$	11,195	$	(402)	$	168	$	(529)	$	25,408
Depreciation and amortization	$	3,819	$	9,006	$	1,554	$	1,872	$	-	$	16,251
Impairment of non-current assets	$	598	$	(1)	$	223	$	255	$	-	$	1,075
Other items not affecting cash flows	$	(228)	$	2,494	$	53	$	-	$	140	$	2,459
Adjusted EBITDA (*) (**)	$	19,165	$	22,694	$	1,428	$	2,295	$	(389)	$	45,193
Net profit - Equity holders of the parent	$	9,211	$	4,039	$	(2,132)	$	(498)	$	(1,509)	$	9,111
Income tax	$	4,874	$	974	$	237	$	107	$	-	$	6,192
Interest income	$	652	$	83	$	59	$	76	$	(483)	$	387
Interest expense (***)	$	6,838	$	2,268	$	715	$	86	$	(483)	$	9,424
Total assets	$	72,528	$	186,298	$	24,586	$	42,089	$	(17,850)	$	307,651
Total liabilities	$	115,668	$	81,790	$	11,764	$	11,447	$	(1,029)	$	219,640

2019	MEXICO	NORTH AMERICA	LATIN AMERICA	EAA	ELIMINATED ON CONSOLIDATION	TOTAL
Net sales	$ 102,688	$ 144,005	$ 27,144	$ 26,655	$ (8,566)	$ 291,926
Sales between segments	$ (7,746)	$ (651)	$ (19)	$ (150)	$ 8,566	$ -
Consolidated net sales	$ 94,942	$ 143,354	$ 27,125	$ 26,505	$	$ 291,926
Operating profit (*)	$ 15,966	$ 6,094	$ (1,337)	$ 136	$ (440)	$ 20,419
Depreciation and amortization	$ 3,622	$ 7,679	$ 1,569	$ 1,503	$ -	$ 14,373
Impairment of non-current assets	$ 248	$ 683	$ 359	$ 28	$ -	$ 1,318
Other items not affecting cash flows	$ 3	$ 1,760	$ 1	$ 1	$ (1)	$ 1,764
Adjusted EBITDA (*) (**)	$ 19,839	$ 16,216	$ 592	$ 1,668	$ (441)	$ 37,874
Net profit - Equity holders of the parent	$ 6,780	$ 501	$ (3,048)	$ (914)	$ 3,000	$ 6,319
Income tax	$ 4,172	$ 29	$ 208	$ 324	$ -	$ 4,733
Interest income	$ 685	$ 125	$ 179	$ 47	$ (476)	$ 560
Interest expense (***)	$ 6,503	$ 1,884	$ 567	$ 83	$ (476)	$ 8,561
Total assets	$ 68,556	$ 153,634	$ 23,494	$ 35,072	$ (1,675)	$ 279,081
Total liabilities	$ 115,749	$ 64,830	$ 10,993	$ 10,107	$ (909)	$ 200,770

2018	MEXICO	NORTH AMERICA	LATIN AMERICA	EAA	ELIMINATED ON CONSOLIDATION	TOTAL
Net sales	$ 100,327	$ 143,968	$ 28,341	$ 25,899	$ (9,215)	$ 289,320
Sales between segments	$ (8,225)	$ (668)	$ (78)	$ (244)	$ 9,215	$ -
Consolidated net sales	$ 92,102	$ 143,300	$ 28,263	$ 25,665	$ -	$ 289,320
Operating profit (*)	$ 15,750	$ 5,100	$ (529)	$ (1,481)	$ (331)	$ 18,509
Depreciation and amortization	$ 2,200	$ 5,307	$ 1,173	$ 1,320	$ -	$ 10,000
Impairment of non-current assets	$ 25	$ 607	$ 19	$ 256	$ -	$ 907
Other items not affecting cash flows	$ 225	$ 1,980	$ 69	$ 10	$ 5	$ 2,289
Adjusted EBITDA (*) (**)	$ 18,200	$ 12,994	$ 732	$ 105	$ (326)	$ 31,705
Net profit - Equity holders of the parent	$ 8,310	$ 1,081	$ (2,422)	$ (2,954)	$ 1,793	$ 5,808
Income tax	$ 3,993	$ (119)	$ 118	$ 905	$ -	$ 4,897
Interest income	$ 623	$ 130	$ 35	$ 48	$ (450)	$ 386
Interest expense	$ 6,224	$ 1,447	$ 378	$ 69	$ (450)	$ 7,668
Total assets	$ 63,569	$ 142,161	$ 22,387	$ 36,468	$ (1,269)	$ 263,316
Total liabilities	$ 109,854	$ 50,100	$ 8,776	$ 10,485	$ (474)	$ 178,741

(*) Does not include intercompany royalties.
(**) The Company determines Adjusted EBITDA as operating profit plus depreciation, amortization, impairment and other items not affecting cash flows. Adjusted EBITDA differs from Conformed EBITDA mentioned in Note 13.
(***) Includes monetary position gains and losses.

For the years ended December 31, 2020, 2019 and 2018, sales to the Company's largest customer represent 13.24%, 12.47% and 12.55%, respectively, of the consolidated net sales of the Company, which correspond mainly to the Mexico, USA and Canada regions. There are no other customers whose sales exceed 10% of the Company's total consolidated sales.

26. Subsequent Events

a) Purchase agreement

On January 12, 2021, the Company, through a subsidiary, entered into an agreement to acquire the Siro Medina, S.A.U. plant in Valladolid, Spain, which produces confectionary products and pastries. This acquisition is subject to the authorization from the National Commission for Markets and Competition.

b) Brazil - other non-current liabilities

On January 19, 2021, the Company entered into a payment agreement with the Brazilian authorities related to the contingent liability mentioned in Note 19.

c) Business combination

On February 15, 2021, the Company acquired Modern Foods Enterprises Private Limited, an Indian company that produces sweet and sour bread products.

27. Authorization of the Consolidated Financial Statements

On March 23, 2021, the accompanying consolidated financial statements and these notes were authorized by the Company's Chief Executive Officer, Daniel Servitje Montull, and the Board of Directors, for their issue and subsequent approval by the shareholders, who have the authority to modify the Company's consolidated financial statements in accordance with the Mexican Corporations Act.

STAKEHOLDER information

(GRI 102-1, 102-3, 102-4, 102-5, 102-53)

STOCK EXCHANGE
Bolsa Mexicana de valores (BMV)

BMV TICKER
BIMBO

ADR LEVEL 1 TICKER
BMBOY

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