

IT INSPIRES US

—
**A FUTURE
TOGETHER**
—



Integrated
Report

2018

Presence in our Strategic Region [GRI 102-4] [GRI 102-7]

Distribution and sales

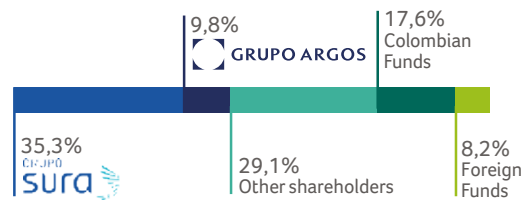


SHAREHOLDER COMPOSITION

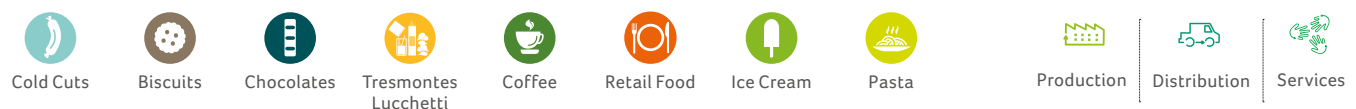
Source: Deceval

11.288

Shareholders



LEYEND



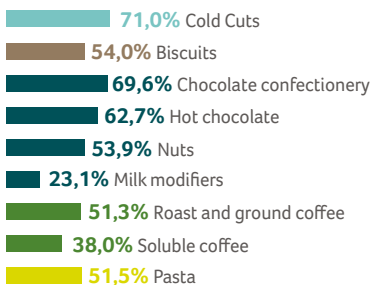
Market Share

Source: Nielsen

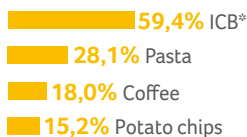
In Colombia

59,2%

Consolidated market share in Colombia



In Chile



In Mexico



*Instant Cold Beverages

#1 In Hamburgers and Steakhouse categories in Colombia
In ice cream shops in Costa Rica and the Dominican Republic

Differentiators of our Business Model



Our people

We promote participative environments, the development of skills focused on both being and doing, the acknowledgment of achievements, the construction of a leading brand, and a balanced lifestyle for our people.



Our brands

Our brands are leaders in the markets where we participate as they are widely recognized and cherished; they nourish, generate well-being and have become a part of people's daily lifestyle, with an excellent price-value ratio.



Our distribution networks

Our wide distribution network and our market reach capabilities, which are organized by channels and segments and include specialized service teams, allows us to have an excellent product availability in terms of frequency, as well as a close relationship with our customers.

Business Structure [GRI 102-24]



Comercial nutresa



NOVAVENTA



La Receta



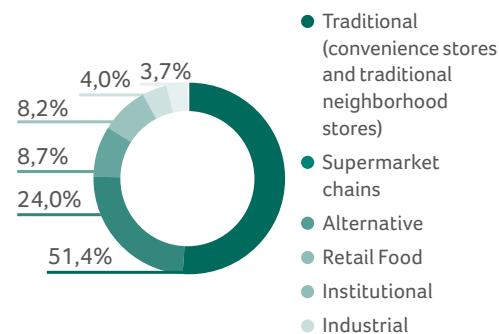
International sales and distribution network



Servicios nutresa



Grupo Nutresa's Sales by Channel



EMPLOYEES:

44.999
Colombia: **72,6%**
Abroad: **27,4%**

(Direct employees, indirect employees and apprentices)

Men: **63,8%**

Women: **36,2%**

(Direct employees and apprentices)

POINTS OF SALE:

1.415.838

Sales Team: **9.202**

NOVAVENTA NETWORK:

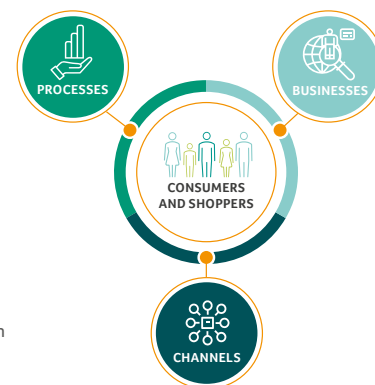
171.333

Mom-entrepreneurs

Digital Strategy

For Grupo Nutresa, digital transformation is an essential part of an assertive, proactive and innovative corporate model aimed at building a Future Together.

We continually develop key initiatives, which enable us to evolve on three dimensions: processes, channels and businesses, with the premise of offering better experiences to both shoppers and consumers.



Main Risks of our Business Model



Volatility in commodities prices and exchanges rates.



Changes in regulations related to both nutrition and health in the countries where we operate.



Business disruption due to a highly competitive environment.

Our Long-Term Commitment



Our goal: between **12%** and **14%** of the EBITDA margin

To achieve this goal, we offer our consumers food products and experiences from highly recognized and valued brands. Our products nourish, generate well-being and pleasure, have the best price-value ratio, are widely available in our strategic region, and are managed by talented, innovative, committed and responsible people who contribute to a comprehensive sustainable development.

FOR MORE INFORMATION: 2018report.gruponutresa.com

The information included in this executive summary is consistent with the information contained in the Grupo Nutresa S.A. Integrated Report, which is available at: http://2018report.gruponutresa.com/pdf/integrated-report_2018.pdf

With the purpose of forming a broader and deeper opinion on the actions carried out and the results obtained by Grupo Nutresa S.A. in relation to its economic, social and environmental performance, please read the Grupo Nutresa S.A. Integrated Report as well.

The scope and the results of our work are described in the assurance report, which can be found at this website: http://2018report.gruponutresa.com/pdf/verification_report.pdf

KPMG Advisory Services S.A.S. | March 2019

For more information



2018 Results

Of Our Strategic Goals for 2020



Acting with integrity

Employees trained in the Corporate Governance Code
+16.000

Employees from our strategic region trained in risk, crisis and business continuity management
+2.000

Awareness and training of employees in ML/TF (Money laundering and terrorist financing)
+15.800

16 Workshops on risk management and business continuity



Promoting a healthy lifestyle

Products with GDA labeling
2018: 86,4%
2017: 86,3% ▲

Products processed in certified centers
2018: 84,6%
2017: 79,2% ▲

Volume of sales that meets Nutresa's nutritional profile
2018: 68,2%
2017: 63,6% ▲

3.072 Products adjusted to the Nutresa nutritional profile



Building a better society

Capabilities-development projects
2018: 879
2017: 789 ▲

Employees with any type of disability
2018: 199*
2017: 288 ▼

20 Human Rights discussion sessions

Investment in communities
2018: 70.972
2017: 62.367 ▲
COP Million

* During 2018, Grupo Nutresa modified the way to measure disability, this year report only includes those individuals who were hired with this condition.



Fostering profitable growth and effective innovation

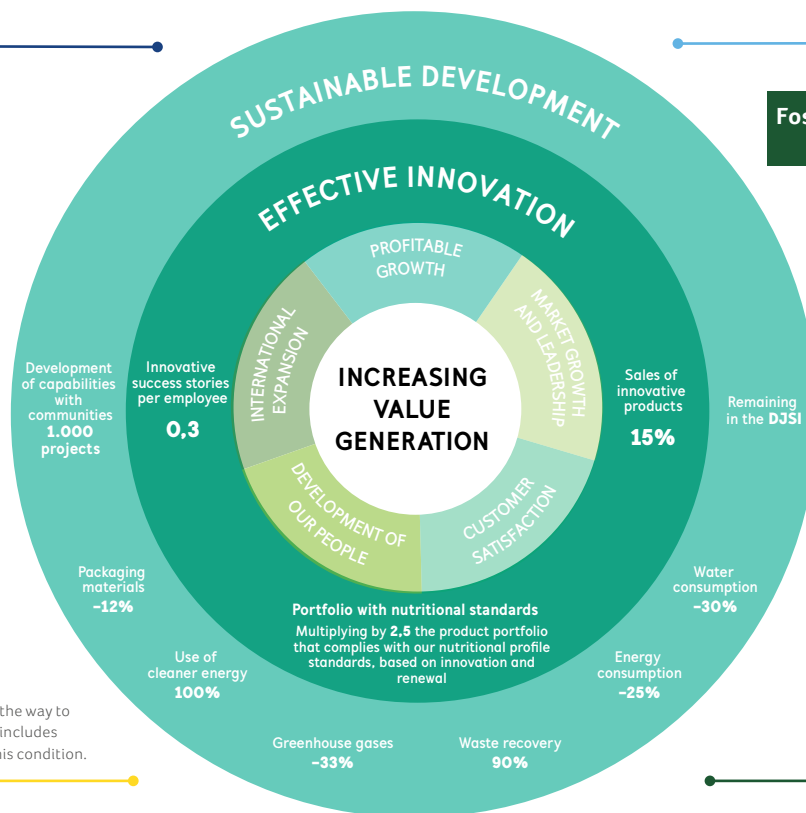
Variation in productivity
2018: 3,2%
2017: 0,7% ▲

Innovative success stories per employee
2018: 0,21
2017: 0,22 ▼

New products sales*
2018: 21,5%
2017: 20,2% ▲

Brands with sales over USD 50 Million
2018: 18
2017: 18 =

* Sales of innovative products, measurement of the last three years



Managing the value chain responsibly

Accident frequency rate
2018: 1,53
2017: 2,02 ▲

Customer satisfaction indicator in Colombia
2018: 89,0%
2017: 88,3% ▲

Investment in quality of life, training and work aids
2018: 104.389
2017: 101.814 ▲
COP Million

Sourcing from local suppliers
2018: 83,0%
2017: 80,0% ▲

Organizational climate
2018: 83,0%
2017: 83,3% ▼



Reducing the environmental impact of the operations and products

Energy consumption reduction*
2018: -20,4%
2017: -17,3% ▲

Greenhouse gas emission reduction*¹
2018: -43,7%
2017: -41,4% ▲

Water consumption reduction*
2018: -29,2%
2017: -28,1% ▲

Packaging materials reduction*
2018: -0,7%
2017: -2,4% ▼

Investment in environmental management in Colombia
COP Million
2018: 30.078
2017: 27.022 ▲

Base 2010 *Per ton of food produced in Colombia
¹ Reduction due to the procurement of certified green electricity, considered zero emissions.

MEMBER OF

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM



"The Issuers Recognition - IR granted by the Colombian Stock Exchange is not a certification about the quality of the securities listed at the BVC nor the solvency of the issuer".

Profitable Growth [GRI 102-7]

Growth
 Decreased



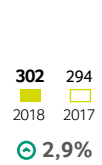
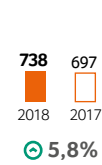
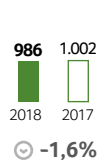
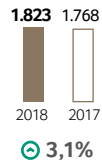
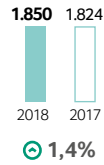
Total sales

COP Billion

9.016

2017: 8.696

Growth **3,7%**



EBITDA

COP Billion

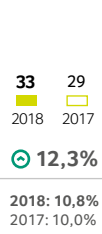
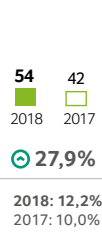
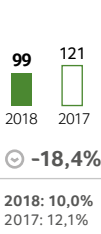
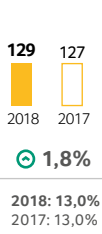
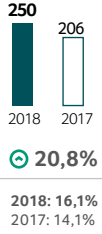
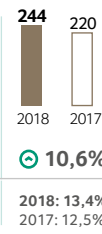
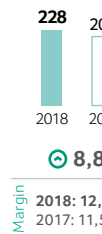
1.126

2017: 1.044

Growth **7,9%***

Margin 2018 **12,5%**

Margin 2017 **12,0%**



Sales in Colombia

COP Billion

5.737

2017: 5.495

Percentage of total sales **63,6%**

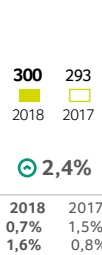
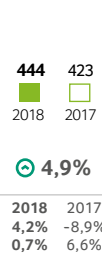
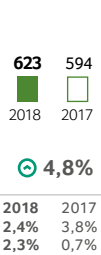
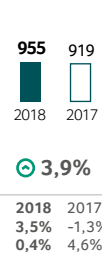
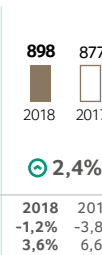
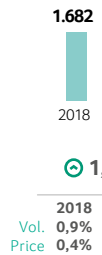
Growth **4,4%**

Volume 2018 **2,1%**

Price 2018* **2,0%**

Volume 2017 **-2,6%**

Price 2017* **5,2%**



International sales

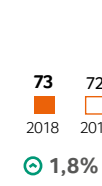
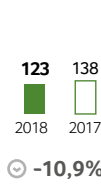
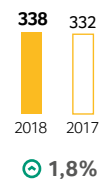
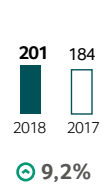
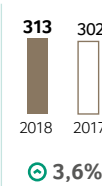
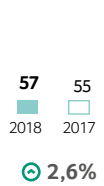
USD Million

1.109

2017: 1.084

Percentage of total sales **36,4%**

Growth **2,3%**



*Variation doesn't include Retail Food

New products sales

(Percentage of total sales)

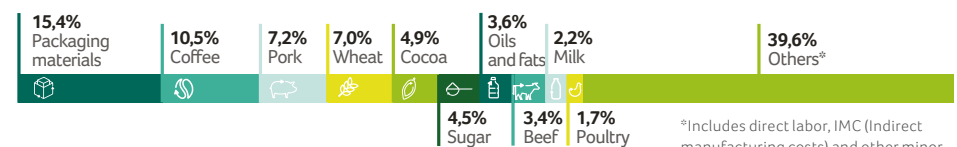


21,5%

2017: 20,2%

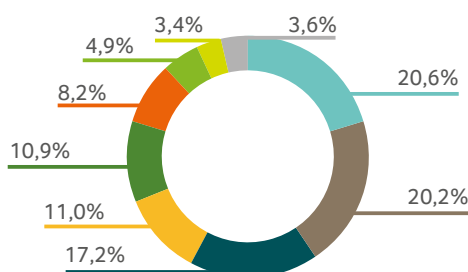
Diversification of commodities

Production cost %

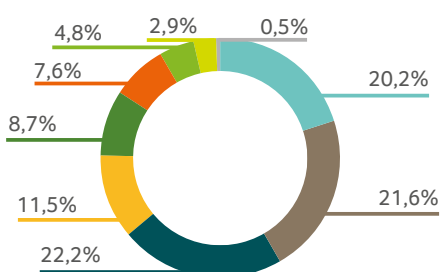


*Includes direct labor, IMC (Indirect manufacturing costs) and other minor commodities.

Percentage of sales by business unit



Percentage of EBITDA by business unit





Coffee landscape, Colombia.

Grupo Nutresa highlights through this Report, the life and work of its stakeholders, who enrich and contribute to the Group's vision and projects. We pay homage to the inspiring lives of those who work hand in hand with the Organization to build A Future Together.



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ABOUT THIS INTEGRATED REPORT

Grupo Nutresa has prepared its Integrated Report 2018 [GRI 102-1] [GRI 102-50] with the purpose of illustrating for its stakeholders how it manages the risks and opportunities related to the matters that have a materially deeper impact on its ability to create value for the society.

The entire report contains details of the strategy, future outlook and main progress and success stories related to the matters associated with the six strategic priorities regarding sustainability: Acting with integrity, Fostering profitable growth and effective innovation, Promoting a healthy lifestyle, Managing the value chain responsibly, Building a better society, and Reducing the environmental impact of the operations and products. Additionally, it contains information on the progress related to the fulfillment of the ten principles of the Global Compact, thus representing the tenth progress report submitted to the United Nations. [GRI 102-12]

This report was prepared in accordance with the GRI standard (Comprehensive option), and with the food sector supplement of the G4 guide [GRI 102-54]. In addition, it incorporates the principles and elements of the International Integrated Reporting Council's framework (IIRC), and it covers 21 relevant matters from the social, environmental and economic dimensions from all the countries where Grupo Nutresa has significant operations, except for Venezuela, for which only the financial data and the number of employees were included (GRI 103-1). The report also includes indicators that reflect how the Organization contributes to the fulfillment of the Sustainable Development Goals (SDGs). [GRI 102-12]

For this report, the data of the indicators [GRI 302-1] were restated by changing the caloric power of the biomass use in the Tresmontes Lucchetti Business and

[GRI 305-7] by correcting the particulate matter emission factors, Sulfur dioxide and nitrogen oxides [GRI 102-48] [GRI 102-49]. In 2018, the way to measure disability was modified, this year report only includes those individuals who were hired with this condition, without considering those who obtained the condition within the Company. This Report does not include information of the Retail Food Business regarding reliable food, responsible sourcing, nutrition and healthy lifestyle.

The financial information of Grupo Nutresa and its subordinated companies is prepared in accordance with the International Financial Reporting Standards (IFRS) approved in Colombia and with all other legal provisions issued by the surveillance and control agencies. The companies follow the accounting practices and policies that the Parent Company has adopted, which for the subordinate companies located outside Colombia do not substantially differ from the accounting practices used in the countries of origin or their practices and policies have been standardized in the case of those that have a significant impact on the consolidated financial statements. All this information has been audited by PricewaterhouseCoopers [GRI 102-56].

The non-financial information is verified by KPMG Advisory Tax & Legal [GRI 102-56], an independent auditing firm that abides by the guidelines of the ISAE 3000 international standard, whose report has concluded that the information is presented in accordance with the Comprehensive option of the GRI standards. Likewise, KPMG has conducted an analysis of the consistency between the information described in the chapter about the "Self-diagnosis" of the Incorporation of the Integrated Reporting Principles and Elements, which is available on the report's website.



For the sake of clarity and an easier reading experience, a specific format has been defined with the purpose of enabling a clear identification of the basic GRI contents in relation to each material matter and the Sustainable Development Goals with which they are connected. This report is available in its entirety on the website 2018report.gruponutresa.com, both in English and Spanish.

Guía de lectura:

- General contents, for example: [GRI 101-2]
- Material matters, for instance: [GRI 301-1] [G4 FP1]
- Sustainable Development Goals, for example: [SDG 16]



Coffee landscape, Colombia.



Coffee buying process in the Farallones Benefit Central, Colombia.

ENGAGEMENT MODEL

[GRI 102-21] [GRI 102-40] [GRI 102-42] [GRI 102-43]

Grupo Nutresa incorporates practices related to relevant engagement, discussion and continuous feedback, which are adapted to each stakeholder group.

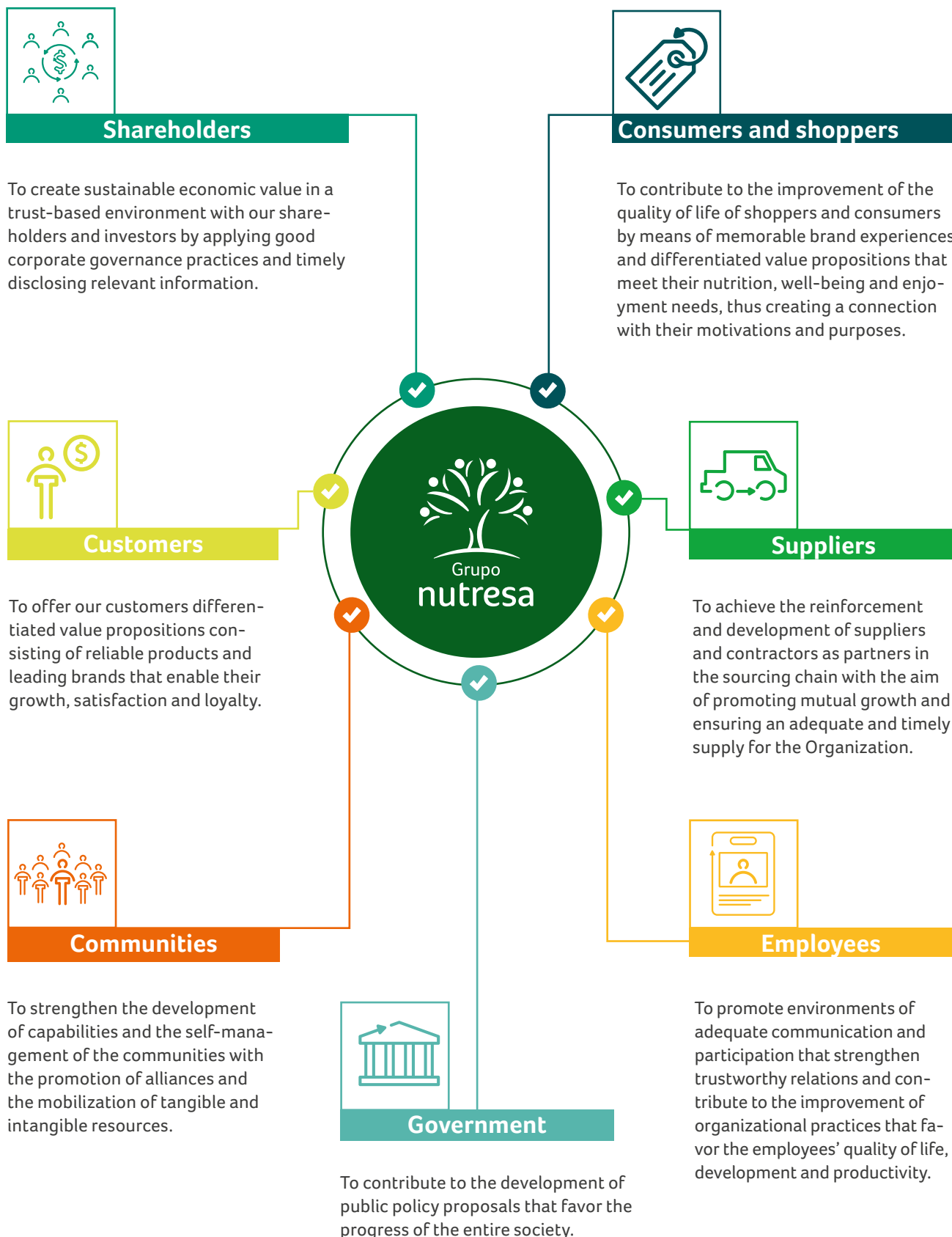
In 2018, Grupo Nutresa designed the Engagement Model with the aim of enhancing the materiality; strengthening the capabilities that allow the identification, prioritization and the effective engagement with the stakeholders; and promoting a constructive and participative communication with them.

Based on this model, the Organization will seek the consolidation of the results from the engagement with the stakeholders, thus enabling to review the current relevance of the materiality matrix and the work plans of the Businesses.

Stages of the model



Engagement Purpose



MATERIALITY ANALYSIS

[GRI 102-46] [GRI 102-47]

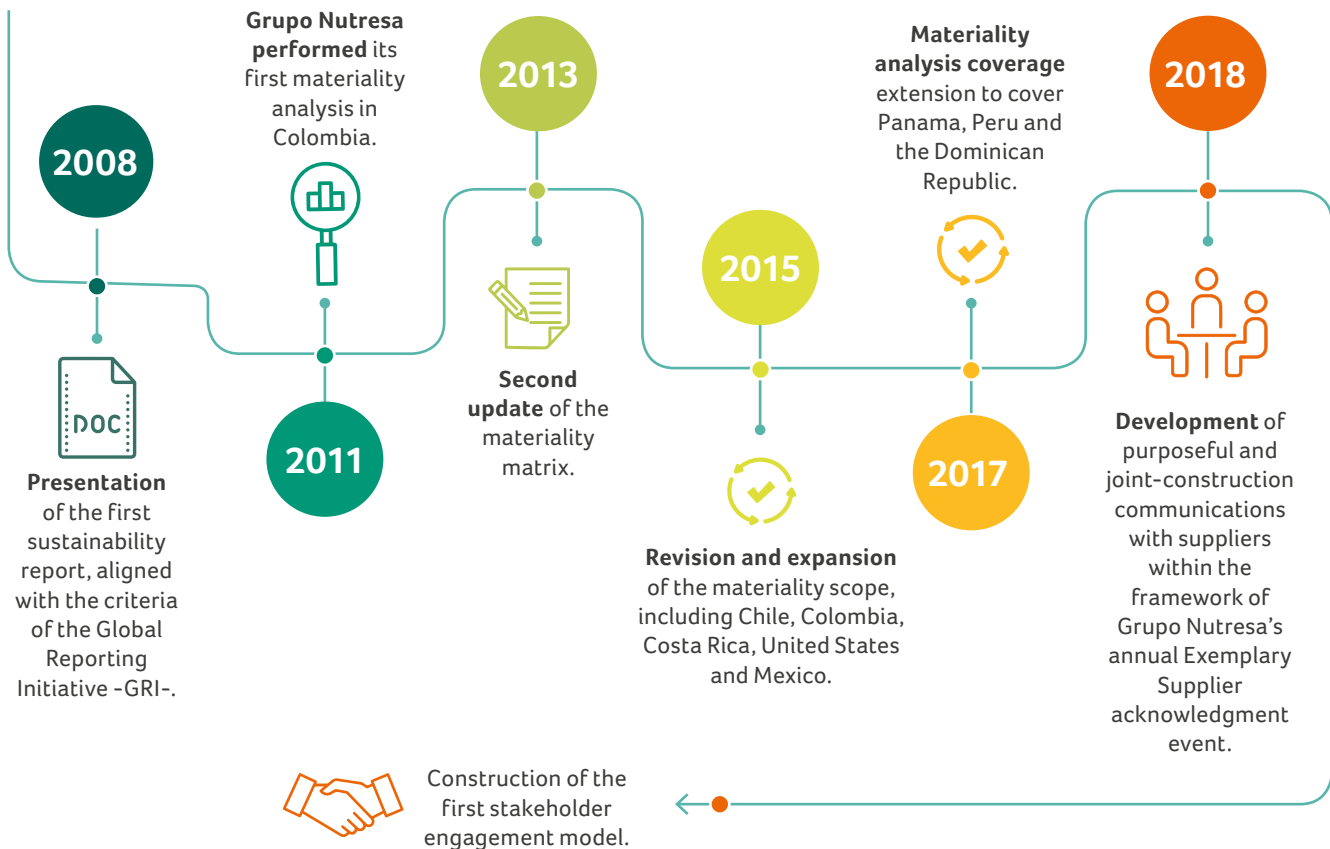
Grupo Nutresa performs its materiality analysis with the purpose of identifying the matters that contribute the most to its ability to create value in the short, medium and long term.

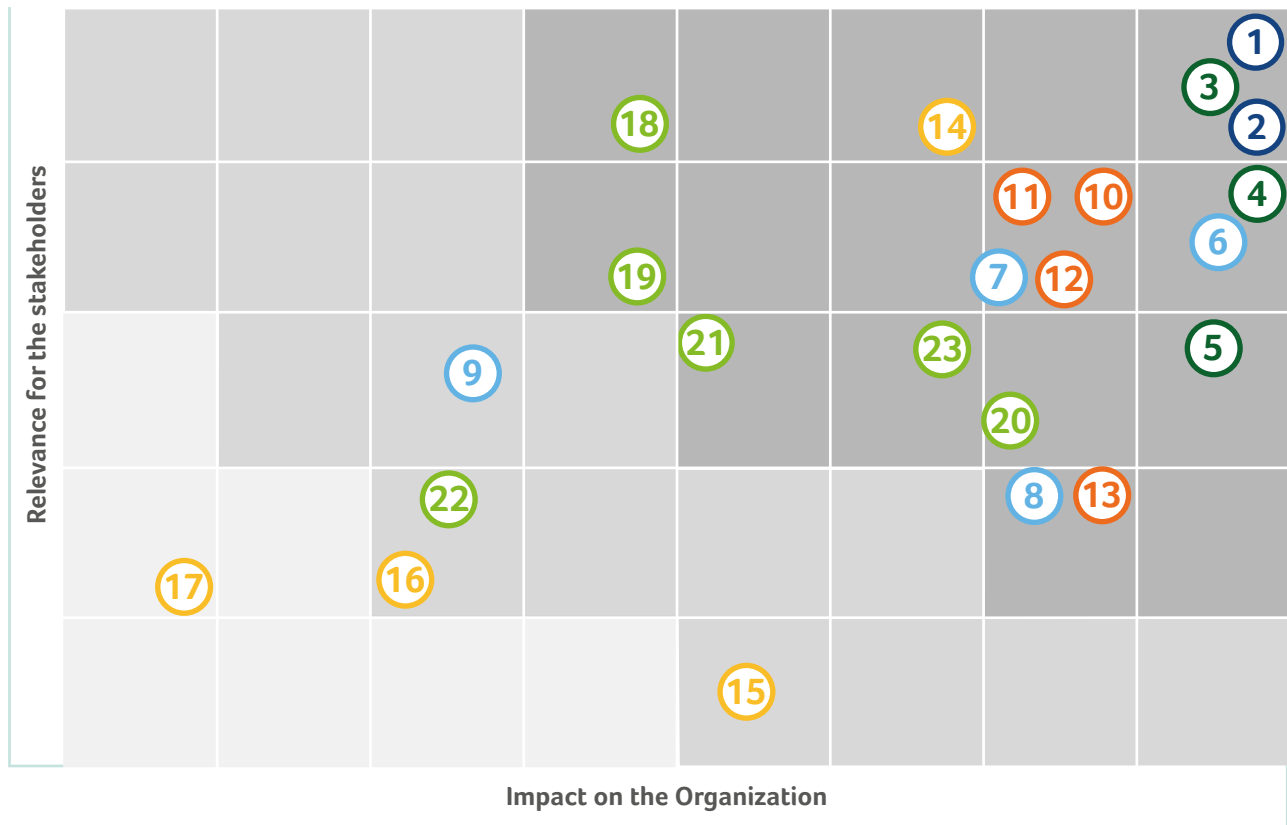
The Organization has been performing this analysis since 2011 and it considers the opinions of its most relevant stakeholders, as well as the global risks and the emerging trends from the food and restaurants sector and from companies with omni-channel models. Additionally, a reference study was conducted based on international industry peers and on the assessment criteria established by multiple sustainability monitoring and ranking agents.

Twenty-three relevant matters were identified through said analysis, 18 of which were classified as high-impact or material topics. For said classification, the following aspects were assessed:

- **Impact on the Organization:** based on the strategy, the strategic goals for 2020, the corporate risks and the business differentiators, among other.
- **Importance for the stakeholders:** based on discussion sessions, surveys and interviews conducted with the stakeholders in eight countries: Chile, Colombia, Costa Rica, United States, Mexico, Panama, Peru and Dominican Republic.

Grupo Nutresa has been focusing its operations and projects within the sustainability management framework for over a decade. This framework is based on the Organization’s materiality analysis, which actively includes insights from all the stakeholders. The following are main milestones reached:





Acting with integrity

- 1 Corporate governance
- 2 Risk and compliance

Fostering profitable growth and effective innovation

- 3 Profitable growth in the markets
- 4 Reliable brands with an excellent price-value ratio
- 5 Effective innovation

Promoting a healthy lifestyle

- 6 Nutrition and healthy lifestyle
- 7 Responsible marketing
- 8 Reliable food
- 9 Food security

Managing the value chain responsibly

- 10 Development of our people
- 11 Quality of life
- 12 Responsible sourcing
- 13 Responsible sales

Building a better society

- 14 Human Rights
- 15 Development of collaborative proposals for public policies
- 16 Quality of education
- 17 Externalities

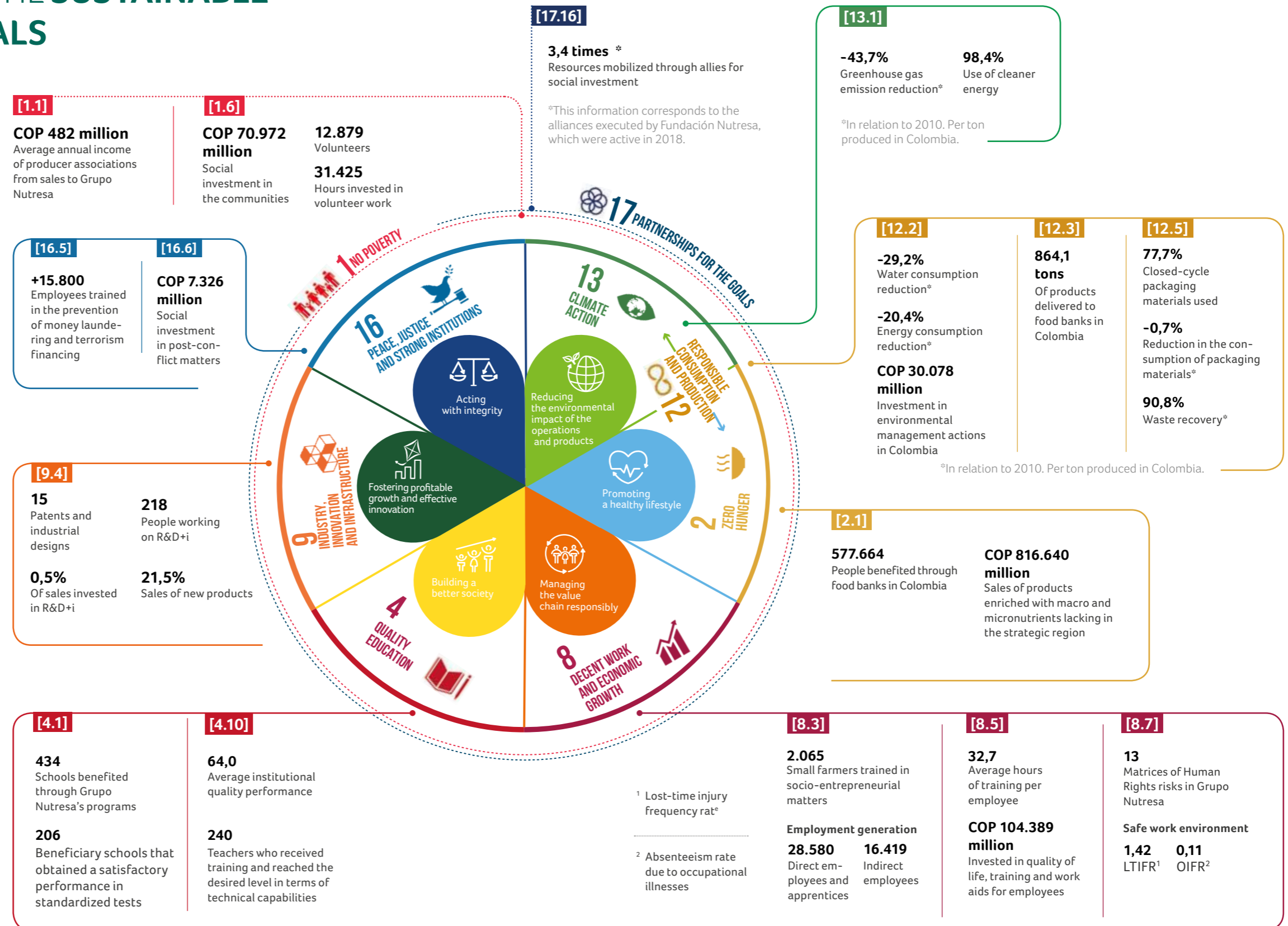
Reducing the environmental impact of the operations and products

- 18 Management of water resources
- 19 Energy
- 20 Climate change
- 21 Air quality
- 22 Waste management
- 23 Packaging and post-consumption

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The adoption of the Sustainable Development Goals established by the United Nations is a priority in the global work agenda, and even more so for Latin America. Therefore, countries such as Colombia, Mexico and Ecuador submitted national reports on the implementation progress in 2018. Over the upcoming years, the challenge for the governments will be the improvement of the statistical systems at the country level, so that the development plans of each country can be aligned with the SDGs. Moreover, for the organizations the challenge will consist in aligning their accountability systems with the corresponding parameters of each country.

In this regard, Grupo Nutresa has identified in all its strategic priorities how it can contribute in a more effective way to the achievement of the SDGs. Additionally, the Company has selected the following indicators to report its progress in relation to the attainment of the objectives established in the agenda for 2030.



For an easier understanding, the numbers of the goals and objectives related to the indicators have been included as follows: **[1.1]**



MARÍA ELENA UPEGUI MEJÍA

is the Director of *Vidarium*, Grupo Nutresa's center for scientific research on nourishment, health and nutrition. This is an institution where researchers and scientists generate, manage and contribute knowledge for the society and the Organization.

Generating knowledge to contribute to nutrition

Time, teamwork and creating ally networks in Colombia and around the world are some of the necessary conditions for innovating, transforming and enhancing Grupo Nutresa's product portfolio. Vidarium studies aspects related to epidemiology in the strategic region, producing knowledge for the benefit of the entire society.



“Our research consists in understanding the value of nourishment and ensuring the production of nutritious and safe food.”

María Elena Upegui Mejía, Vidarium Director.

Thus, this team of professionals strive to identify how food can help to reduce problems such as cardiovascular risks, obesity and gastrointestinal disorders. With their research at the cell and metabolic levels, these specialists contribute to the construction of a scientific community that transcends the Colombian territory and connects with the world.

Vidarium produces and manages scientific knowledge on nourishment, health and nutrition. In 2018, the research center broadened its knowledge on Colombians' intestinal flora and on multiple related important substances, which can be modulated through nourishment with the purpose of contributing to people's health.



MANAGEMENT REPORT

[GRI 102-10] [GRI 102-14] [GRI 102-54]

IT INSPIRES US

Sustainability

Grupo Nutresa contributes to the development of humanity by acting consciously and transcendently, with the ultimate goal of being an Organization centered around people.

The opportunity to be part of the life of millions of consumers through the products and experiences we offer challenges and drives us to propose solutions that acknowledge and meet the needs and aspirations of our stakeholders.

Our Group is managed by a talented team based on a dynamic and sustainable business model, which relies on a portfolio of brands that generate value for the communities of our strategic region.

Carlos Ignacio Gallego Palacio,
President Grupo Nutresa,
in the opening of the first Cocoa
Tree Nursery for Peace of Grupo
Nutresa, Colombia.



In 2018, we continued to work with our corporate performance framework of Sustainable Development, installing processes and capabilities that, combined with the application of new technologies, will enable us to keep making progress towards our goal of increasing value over time.

This year, we continued to strengthen our corporate pillars with a portfolio of leading and innovative brands, and we actively invested in the development of the distribution channels to make them more efficient and competitive. All of this was possible thanks to the work of an agile and motivated team that is deeply committed to the progress of our Organization. Additionally, we executed a disciplined transformation and productivity agenda that will allow us to be more competent when reaching our markets and in the interpretation and adaptation to a changing environment.

Our commitment to corporate sustainability allowed us to be included, for the eighth consecutive year, in the Dow Jones Sustainability Index –DJSI–, ranking second in the global food sector. We also continued to be part of the Dow Jones Sustainability Emerging Markets Indices and the MILA Pacific Alliance Index, and we received SAM’s Silver Award for the fifth consecutive year in its most recent Sustainability Yearbook.



Today more than ever we are strongly linked to the global sustainable development agenda. The adoption of commitments regarding climate change in the Conference of the Parties, COP 21, held in Paris; the United Nations Sustainable Development Goals for 2030; and the standards established by the Organisation for Economic Co-operation and Development –OECD–, demand significant transformations in our business models, which we duly promote, support and manage.

To take on these challenges, we work on the generation of internal knowledge and capabilities that enable us to understand them and ensure their contribution to making us a better company. Likewise, we create and strengthen different alliances to manage them because the scale of these challenges demands the combination of multiple efforts in order to address them effectively.

We have built a culture focused on innovation and continuous improvement, particularly in terms of



IT INSPIRES US

Health and nutrition

Through our health and nutrition strategy, we have already adjusted **3.072 products** to the Nutresa nutritional profile, reaching 97,8% of our 2020 goal.

sustainability. We recognize the progress, but we are also aware of the required improvements. Therefore, we work consistently on identifying our gaps through a systemic benchmarking process, an adequate reading of our setting, the monitoring of both trends and risks, and active communication with our stakeholders in order to build plans and actions aligned with the future we envision.

Comprehensive and transparent accountability is an integral part of our value promise, which is why the results presented in this Integrated Report have been prepared in accordance with the framework of the International Integrated Reporting Council (IIRC) and with the GRI standard (comprehensive option). This means that this report has been prepared according to globally accepted reporting guidelines, and it has also been developed based on our materiality matrix, considering the most relevant matters for the Organization and our Stakeholders.

We invite you to review in full the document and the supplementary information available on our website <https://www.gruponutresa.com/en/>

INCREASING VALUE GENERATION

Our financial results are supported on the continuous improvement of our brands' value proposition. We believe that strong brands with differentiated products and experiences translate into value for customers, shoppers and consumers, contribute to the leadership and preference of our portfolio and, consequently, to the profitable, increasing and sustainable growth of our Organization.

Over the term, Grupo Nutresa sustained a positive sales dynamic both locally and internationally, with COP 9,0 trillion in consolidated sales, which represents a 3,7% year-on-year growth. The sales in Colombia totaled COP 5,7 trillion, exhibiting a growth of 4,4% with regard to 2017, and representing 63,6% of Grupo Nutresa's consolidated sales. The international sales, in Colombian pesos, were 2,5% higher than those recorded in 2017 and amounted to COP 3,3 trillion, which represents 36,4% of the total sales. In dollars, these revenues totaled USD 1.109 million, 2,3% higher than the previous year.

The gross profit for the period, which amounted to COP 4,0 trillion, grew by 5,4% when compared to 2017, reflecting the effect of the increase in sales, along with a productivity strategy and a more efficient procurement of commodities managed through a flexible and competitive global sourcing model.

SALES

Grupo Nutresa

36,4%

International Sales

63,6%

Sales in Colombia



3,7%

Total Sales
COP 9,0 trillion

4,4%

Sales in Colombia
COP 5,7 trillion

2,3%

International Sales
USD 1.109 million

The operating profit amounted to COP 849.296 million, with a 9,7% year-on-year increase. This growth was achieved through a cautious expenses management and by means of programs and efforts focused on improving the Organization's profitability. In turn, Grupo Nutresa reports a consolidated ebitda of COP 1,13 trillion, with a sales margin of 12,5% and a 7,9% growth compared to 2017.

The net post-operative expenses, which amounted to COP 145.081 million, were 42,3% lower than in 2017. This reduction is mainly explained by the significant decrease in the financial expenses as a result from a good cash flow—which allowed us to cut down Grupo Nutresa's debt—and by lower interest rates in the main markets where the Organization operates.

Finally, the Company reports a consolidated net profit of COP 505.308 million, a 20,3% growth based on the net profit recorded in 2017. This year's combined net profit represents 5,6% of the consolidated sales.

In the Statement of Financial Position, we report assets that amount to COP 13,5 trillion, with a reduction of 5,5% in relation to 2017. This reduction is explained mainly by the lower market value of our investments over the term, which decreased along the same line of the lower dynamic of the local stock exchange.

In terms of liabilities, we report a 3,2% contraction, amounting to COP 5,2 trillion, mainly due to an 8% decline in Grupo Nutresa's total debt over the year.

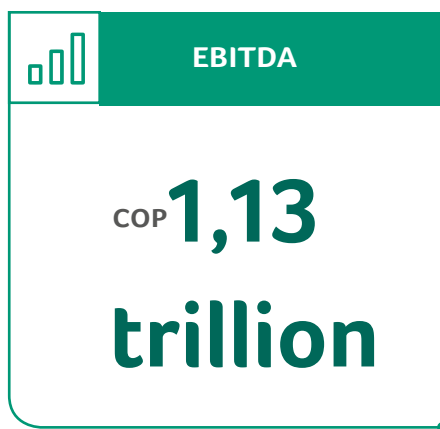
Total equity reached COP 8,3 trillion, which represents a decrease of 6,9% compared to the previous year.

In 2018, we advanced in an integral way towards our goals, delivering satisfactory results with a more agile, innovative and competitive Organization, and we consolidated an organizational productivity agenda that allows us to report a tangible improvement in the return on invested capital for our shareholders.

GRUPO NUTRESA S.A. INDIVIDUAL RESULTS

In compliance with the Colombian regulations, Grupo Nutresa S.A. reports its individual results: COP 515.387 million in operating revenues, from which COP 457.738

million correspond to the profit obtained through the equity method of our investments in food companies, and COP 57.649 million correspond to dividends from the investment portfolio. The net profit totaled COP 510.161 million.



INNOVATION AND OTHER RELEVANT PROJECTS

Grupo Nutresa has been preparing itself to experience innovation through a culture that enables the design of dynamic business models that create profitable growth opportunities.

Over the term, we worked on making adjustments to our Imagix innovation model in search for a higher degree of articulation in our processes, developing more capabilities among the employees, structuring more ambitious and innovative portfolios, and strengthening our culture at all levels of the Organization.

Our innovation is dynamic, it involves all the business areas and incorporates a digital strategy supported on eight concrete competences that enable us to manage incremental and radical innovation projects across processes, channels and businesses.

Furthermore, with the aim of proactively evolving with our environment and the multiple agents of the ecosystem, we have created Nutresa Ventures, a venture-driven fund aimed to search for external capabilities that provide agility, knowledge and differentiation in the long term.



We report that Grupo Nutresa's innovation-driven sales in 2018 represented 21,5% of total sales, a result that allowed us to go beyond the targeted goal of 15% we had established for 2020.

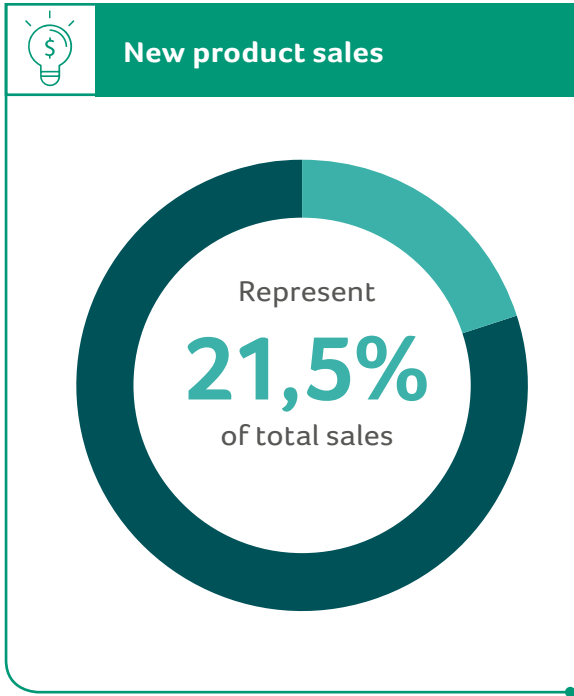
Among the relevant projects, we highlight the expansion of the nuts and chocolate confectionery categories to Central America, the Caribbean and South America, as well as the expansion of our brand B net into vitamin capsules that focus on supplementing and improving the nutrition of our consumers. It is also important to report the acquisition of a majority interest in the company Productos Naturela, which produces and commercializes healthy and functional food products. This investment reinforces Grupo Nutresa's presence in the healthy snacks market, a fast-growing category that is aligned with our purpose of expanding towards healthy and nutritional products.

NUTRITION, HEALTH AND WELL-BEING

The increase of chronic diseases in the population continues to raise concerns among communities and government institutions throughout the world. In this regard, the food sector has the opportunity to contribute with a response to said concerns by leading initiatives, and offering alternatives designed to improve people's health.



Consumer well-being is a fundamental pillar of Grupo Nutresa's strategy, which is why we are convinced that contributing to the solution of health issues with our behavior as an organization is an essential part of achieving and maintaining a transformational leadership.

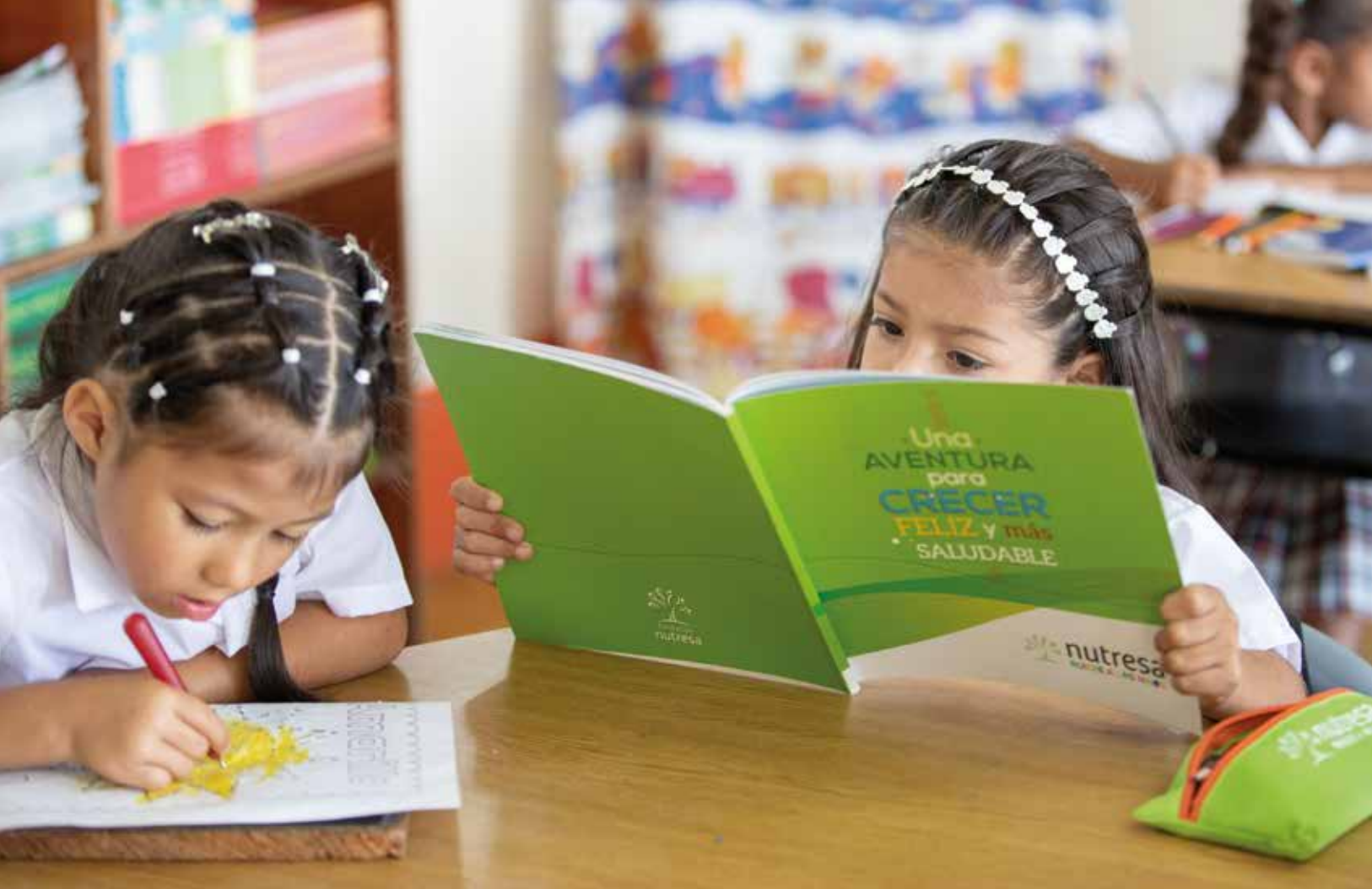


This firm belief has led us to use research and effective innovation as tools for formulating solutions based on products and experiences that foster the adoption of healthy lifestyles and improve the quality of life of our consumers. *Sello Rojo Vive*, *Pietr n* without added nitrites, *Veggie Burger* and *Veggie Bites*, as well as *B net* vitamins and other food supplements, are some examples of new products that offer specialized and convenient nutritional alternatives with proven benefits for people's health.

In addition, we continued to improve our portfolio and to make changes to specific nutrient contents with the aim of finding nutritional profiles that are more beneficial to our health.

With the management actions carried out in 2018, we consolidated a total of 3.072 products adjusted to the Nutresa nutritional profile, achieving 97,8% of the goal set for 2020. Moreover, progress was also made in the commitment of presenting detailed nutritional information on the front panel of our products, currently covering 86,4% of the product portfolio. We also continued self-regulating ourselves in terms of advertising targeted to children under 12, with an adjustment to 98,3% of our content based on social responsibility principles.

All these actions contribute to raising awareness in this regard, with the purpose of encouraging changes in people's health and nutrition habits, and reaffirming our commitment to continue developing alternatives and leading actions and initiatives that promote people's well-being.



“Nutresa Quiere a los Niños” (Nutresa cares for children) Program in Titiribí, Colombia.



IT INSPIRES US

Global agenda

Grupo Nutresa focuses its management activities on nine SDGs, contributing to their achievement by means of the Organization’s **strategic priorities in terms of sustainability** and by working jointly with its stakeholders.

NATURAL CAPITAL

Climate change, the loss of biodiversity and the accumulation of plastic in the oceans, are not problems unrelated to the food sector. As an organization, we are aware of the importance of carrying out our productive processes in harmony and balance with the environment, while generating value for our stakeholders.

Therefore, we should highlight the work performed in 2018 regarding circular economy, the reduction of our water footprint and the environmental management across the supply chain. Along the same line, throughout the year we consolidated an interdisciplinary team that is in charge of the research and development of more sustainable packaging material alternatives, as well as the identification of and participation in multi-sector alliances focused on recovering and utilizing these materials.

Likewise, progress was made in the implementation of our Food Loss and Waste Reduction Policy, understanding our impact and enhancing internal capabilities focused on reducing food losses and waste, and making the best use out of them.



In alignment with the Sustainable Development Goals, we have set a goal of achieving a reduction of 50% in waste and 30% in losses in our operations by 2030.



Coffee seedbed nursery
in the Farallones Benefit
Central, Colombia.

Over the year, we continued to identify the sustainability risks and trends regarding our main commodities, and we consolidated our water treatment systems, which are intended to reduce our overall water footprint.

The adoption of good environmental management practices was strengthened in the operations throughout our strategic region, achieving significant progress in our corporate goals for 2020 in terms of reduction in resource consumption and carbon emissions: water by 29,2%; energy by 20,4%; and CO₂ emissions by 43,7%.

SOCIAL CAPITAL

Humanity faces great challenges in terms of the planet's sustainability and the construction of a thriving society. The countries where we operate require an inclusive high-quality education that facilitates the access to opportunities for everyone, with sufficient availability of qualified teachers and school training habits based on a sustainable philosophy, which promotes adequate nutrition and healthy lifestyles.

In the matter of the promotion of food security, the challenge in our strategic region is to encourage food production through methods that protect the ecosystem, adapt to climate change and help reducing food waste in the production and distribution chain.



In this context, we continued fostering actions for the development of capabilities in the communities in pursuit of better basic and middle education results in Colombia through programs such as “Líderes Siglo XXI” (21st Century Leaders), “Oriéntate” (Find your way) and “Nutresa Quiere a los Niños” (Nutresa cares for children), benefiting 341.783 people from the school communities.

We promoted entrepreneurship, productivity and sustainability in low-income populations from our value chain by means of the development of inclusive businesses and the organizational and productive strengthening of 455.597 clients and supplier associations.

Across the entire strategic region, we contributed to the reduction of undernutrition, the promotion of healthy lifestyles in the communities and the development of capabilities in the food banks. Along the same line, key practices related to healthy diets, hygiene and physical activity were reinforced in school communities in Colombia, Chile and Mexico. In terms of food security challenges, we promoted the self-supply of healthy food in urban and rural communities through our “Germinar” program.

A social investment of COP 70.972 million was made in 2018, benefiting 2.745.347 people and contributing to the construction of more sustainable territories with the support from 12.879 volunteers, who have joined this big network and put their capabilities and resources to use for achieving these results.

Moreover, the progress of our society also requires the development of our people's talent, therefore this continues to be one of our priority goals as an Organization. In this regard in 2018, we materialized practices focused on strengthening the skills of our leaders, the talent planning and development of our employees, the monitoring of their commitment, and the organizational working climate. Grupo Nutresa also worked on reinforcing its performance management, improving employee productivity, and enhancing its organizational capabilities.



In 2018, Grupo Nutresa was acknowledged by Merco Talento as the best company to work for in Colombia, achieving a high level of recognition in terms of the quality of life and the personal and professional development opportunities it offers to its employees. This acknowledgment was also based on the principles and values demonstrated by those who lead and collaborate in the multiple areas of the Organization.

Additionally, Tresmontes Lucchetti was acknowledged by Chile’s “Sociedad de Fomento Fabril” (Manufacturing Promotion Society or Sofofa) with the 2018 Business Evolution Index Award, a recognition of its contribution to the construction of a climate of mutual trust with all agents of society.

In order to keep facing the implicit challenges of attracting and retaining the best talent, we will keep contributing to the development of our employees through training programs focused on personal development, effective innovation, sustainability, leadership, the enhancement of digital capabilities and analytics, among others. We are convinced that these initiatives contribute to the integral development of our people and to their commitment to the Organization’s higher purpose of building a better world where sustainable development is for everyone.

BUSINESS GROUP SPECIAL REPORT

By the end of 2018, the Nutresa Business Group was formed by 71 companies, clustered as follows for administrative purposes: eight food Businesses and their production platforms in Colombia and abroad; an international distribution network; three local distribution companies; and four companies that render administrative, logistical and transport services, which provide the corresponding support to the Group’s companies.

In compliance with the provisions of the Colombian laws, particularly Article 29 of Act 222 of 1995, Grupo Nutresa S.A., as the parent company of the Business Group, received from its subordinates for the sales of

goods and services the sum of COP 2.073 million, and the amount of COP 283.660 million as dividends. In 2018, Grupo Nutresa S. A. did not endorse financial obligations of its subordinates, which did not carry out operations for third parties by influence or in the interest of the parent company.

Moreover, in 2018, Grupo Nutresa S. A. did not make or stopped making decisions to address the interest or by influence of any of its subordinate companies, and none of them made or stopped making decisions to address the interest or by influence of Grupo Nutresa S. A.

LEGAL PROVISIONS

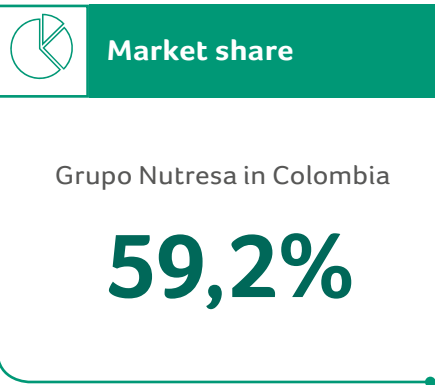
Grupo Nutresa and its subordinates strictly complied with all intellectual property and copyright regulations, their trademarks are duly registered, and they all own the respective licenses of the software installed at all facilities and keep the corresponding evidence that allows to verify such compliance.

In 2018, the Organization did not receive any notices of lawsuits and there were no judicial rulings that could affect its financial condition. No fines or significant penalties were imposed on Grupo Nutresa’s companies or their executive managers.

Note 17 of Grupo Nutresa’s separate financial statements, which are published on our website, contains all the details of the operations with shareholders and the persons addressed in Article 47 of Act 222 of 1995 and other concordant regulations. All such operations were carried out under market conditions.

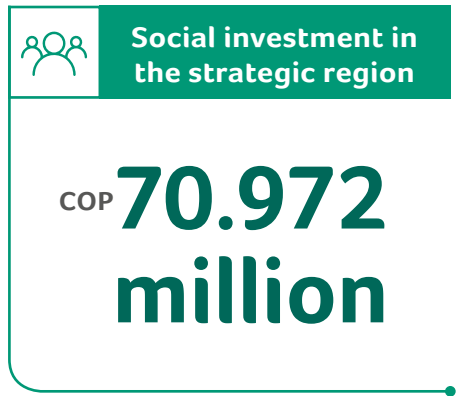
The Company declares that it did not hinder the free circulation of invoices issued by the

Business Group’s vendors or suppliers. Additionally, the Company certifies that the financial statements and other relevant reports do not contain any flaws, inaccuracies or errors that would impede finding out the true equity situation of the Company, pursuant to the provisions of Article 46 from Act 964 of 2005.





Projects that supply the Coffee Business, Colombia.



IT INSPIRES US

Integrity

As part of the *I act with integrity (Actúo Íntegramente)* strategy, we trained more than **16.000 employees**, promoting an ethical, transparent and integral acting.

ASSESSMENT OF THE FINANCIAL INFORMATION DISCLOSURE AND CONTROL SYSTEMS

Grupo Nutresa's internal control system includes the necessary resources to guarantee the accuracy and reliability of the information required to plan, direct, control and measure the performance of its businesses, and to ensure an adequate disclosure of information to its shareholders, the market and the general public.

Comprehensive risk management processes, accountability systems, control plans and programs, budget and cost tools, chart of accounts, standardized policies and procedures, integrated information systems and templates for documenting and recording operations, and dashboards that allow the Administration to continuously monitor the processes are some of the internal control resources Grupo Nutresa uses.

The Internal Audit Department, through an independent and comprehensive assurance management work based on the international framework for the professional practice established by The Institute of Internal Auditors –IIA Global–, verifies the fulfillment of the Company's goals and objectives in all processes and watches over the adequate protection, use and conservation of the assets. The Tax Auditor is responsible for verifying and certifying relevant aspects such as the Company's compliance with legal, statutory and administrative standards, the reasonableness of its financial statements and the information disclosed therein.



Hidrosogamoso dam, Colombia.

The results of the Administration's continuous monitoring activities and of the assessments carried out by the Internal Audit Department and by the Tax Auditor were disclosed in a timely manner to the corresponding authorities, including the Finance, Audit and Risks Committee. This disclosure allowed to confirm that the financial information disclosure and control systems of the Company and its Businesses are adequate.

These systems ensure the adequate and timely delivery of such information, which must be verifiable through accounting methods, as it refers to operations that due to their nature must be acknowledged and disclosed in the financial statements, or in accordance with the expectations, projections, cash flows or budgets in the case of business initiatives or projects. All of this must be done within the restrictions imposed by the law or by the confidentiality agreements related to the disclosure of this type of operations.

Based on the aforementioned activities, there were no significant deficiencies in the design and operation of the internal control measures that could have kept the Company from adequately recording, processing, summarizing and presenting the financial information of the corresponding term or cases of fraud with an effect on the quality of such information. There were no changes in the financial information assessment methodology either.

Mauricio Reina Echeverri
Chairman of the Board of Directors

David Emilio Bojanini García
Gonzalo Alberto Pérez Rojas
María Clara Aristizábal Restrepo
Jaime Alberto Palacio Botero
Antonio Mario Celia Martínez-Aparicio
Cipriano López González

Carlos Ignacio Gallego Palacio
CEO of Grupo Nutresa

OUTLOOK

For Grupo Nutresa, 2018 was a year of consolidation and evolution. The Organization continued to build a better portfolio of products and experiences for clients, shoppers and consumers. We also implemented productivity improvements that enabled us to become a more competent organization and reaffirm our corporate values of integrity and transparency across all levels of the Company. At the same time, we evolved the way we operate, developing new channel alternatives with the aim of improving our dynamism and efficiency in the market, and we integrated new avenues of growth into our portfolio.

These new capabilities, in addition to those that we improve on a daily basis in the Organization, enable us to take on this new year with hope.

For this reason, 2019 will be a year for maintaining the execution of our strategy in a consistent and responsible way, managing bigger and better opportunities for growth, development, and value generation for the Organization and our stakeholders.

ACKNOWLEDGMENTS

The results we report as a holding are possible thanks to a talented team that is deeply devoted and committed to fulfilling Grupo Nutresa's goals. We would like to express our profound gratitude to our employees for their involvement in the construction of a better Organization, that is more human, conscious, and competitive.

We would also like to thank our suppliers for their solid and committed support; our clients, shoppers and consumers for their preference and trust in our work; and our shareholders for supporting our vision of building a future where sustainable development is for everyone.

BEATRIZ ELENA JARAMILLO GAÑAN, is one of the beneficiaries of Grupo Nutresa's *Germinar* program, which fosters capabilities related to the sustainable consumption in rural communities in Colombia. In her productive garden, Beatriz grows products that enable her to enrich her diet, her kitchen and the relations with her neighbors.



Sowing good habits

In the rural population called Alto de los Jaramillo, located in the Colombian municipality of Ciudad Bolívar, Beatriz, Leonel and their two children grow, tend to and harvest vegetables such as lettuce, carrots, onions and coriander as part of Grupo Nutresa's *Germinar* program. These seeds of life reach their table as an alternative for their nourishment, economic sustainability and access to new flavors, recipes and organic practices that help them to take care of both their health and our planet's future.

These productive gardens, grown with their own hands and shared knowledge, also represent an opportunity to bond with their neighbors and exchange perishable produce. Beatriz and other women from the rural population maintain constant communication, talk about the produce they have for exchanging, and meet to trade them and share stories. This is an exercise that motivates them to share and learn with the aim of enhancing their life in the countryside.



“I enjoy growing my own food, spending time with my family, saving money, preventing illnesses and bonding with other people.”

Beatriz Elena Jaramillo Gañan,
beneficiary of the *Germinar* program



Germinar, a program developed by Grupo Nutresa, promotes productive systems with organic practices. It contributes to food security, to fostering healthy lifestyles and to the well-being of families from populations that are part of the value chain in Colombia. The program started in 2012 with communities that grow cocoa beans in the state of Chocó. Now, it benefits communities from the states of Bolívar, Córdoba, Magdalena, Meta and Sucre in Colombia.

BOARD OF DIRECTORS

[GRI 102-18] [GRI 102-22]



MAURICIO REINA ECHEVERRI
2007*

Finance, Audit and Risks Committee.
Appointment and Remuneration Committee.
Corporate Governance and Board Matters Committee.
Strategic Planning and Sustainability Committee.

Associate Researcher, Fedesarrollo

➤ **PRIOR EXPERIENCE**
Associate Director, Fedesarrollo. Colombian Vice-Minister of Foreign Trade.

➤ **ACADEMIC BACKGROUND**
Degree in Economics, Universidad de los Andes.
Master's degree in Economics, Universidad de los Andes.
Master's degree in International Relations, Johns Hopkins University.

➤ **OTHER BOARDS**
OCENSA – Oleoducto Central S. A.



JAIME ALBERTO PALACIO BOTERO
2005*

Finance, Audit and Risks Committee.
Corporate Governance and Board Matters Committee.

CEO, Coldeplast S.A.S. and Microplast S.A.S.

➤ **PRIOR EXPERIENCE**
Associate Executive Director, Microplast S.A.

➤ **ACADEMIC BACKGROUND**
Degree in Business Administration, Universidad Eafit.
Management studies focused on marketing at Wharton, University of Pennsylvania.
Advanced training in packaging at the JICA, Japan.

➤ **OTHER BOARDS**
Acoplásticos – Colombian Association of Plastic Industries.



CIPRIANO LÓPEZ GONZÁLEZ
2016*

Finance, Audit and Risks Committee.

Self-employed

➤ **PRIOR EXPERIENCE**
CEO, Industrias Haceb
Chief Commercial Operations Manager, Industrias Haceb.
Sales and Negotiation Executive Director, Bavaria S.A.
Negotiation Director, Danone.
Chief Planning and Control Director, IMUSA.

➤ **ACADEMIC BACKGROUND**
Master's degree in Business Administration, Bordeaux Business School.
Degree in Mechanical Engineering, Universidad Pontificia Bolivariana.
Senior Management and Strategic Leadership, Universidad de los Andes.
Advanced studies at Dartmouth College, Stanford University, Harvard University, Notre Dame University, Wharton, University of Pennsylvania, Johns Hopkins University and Singularity University.

➤ **OTHER BOARDS**
Tuya S.A., National Business Association of Colombia's Chamber of Electrical Appliances, National Business Association of Colombia's Antioquia Branch, Proantioquia, Eafit's High Council.

Average years on the Board: 9,7

1. Mauricio Reina Echeverri
2. Jaime Alberto Palacio Botero
3. Cipriano López González
4. Antonio Mario Celia Martínez-Aparicio
5. María Clara Aristizábal Restrepo
6. David Emilio Bojanini García
7. Gonzalo Alberto Pérez Rojas

1 | 2 | 3 | 4 | 7
Finance, Audit and Risks Committee

1 | 4 | 6
Appointment and Remuneration Committee

1 | 2 | 4 | 6
Corporate Governance and Board Matters Committee

1 | 4 | 5 | 6
Strategic Planning and Sustainability Committee

● **Independent Members**

● **Non-Independent Members**

* Year in which the Member joined the Board of Directors.



ANTONIO MARIO CELIA MARTÍNEZ-APARICIO
2005*

Finance, Audit and Risks Committee.
Appointment and Remuneration Committee.
Corporate Governance and Board Matters Committee.
Strategic Planning and Sustainability Committee.

Visiting Professor in practice,
London School of Economics

➤ **PRIOR EXPERIENCE**

CEO, Promigas S.A.
CFO, Promigas S.A.
Executive Manager, Terpel del Norte.

➤ **ACADEMIC BACKGROUND**

Degree in Engineering, Worcester Polytechnic Institute.
Executive studies at the MIT, Wharton, University of Pennsylvania, Universidad de Los Andes and London School of Economics.

➤ **OTHER BOARDS**

Universidad del Norte Foundation, Entrepreneurs for the Education ExE Foundation, La Cueva Foundation, Foundation for the Higher Education and Development, Ideas for Peace Foundation.



MARÍA CLARA ARISTIZÁBAL RESTREPO
2013*

Strategic Planning and Sustainability Committee.

Head Real Estate Business,
Grupo Argos S.A.

➤ **PRIOR EXPERIENCE**

Corporate Strategy Executive Manager, Grupo Argos S.A.
Investor Relations Executive Director, Grupo Argos S.A.
Economic Research Executive Director, Bolsa y Renta S.A.

➤ **ACADEMIC BACKGROUND**

Master's degree in Business Administration, New York University.
Specialized studies in Finance and Law, New York University.
Specialized studies in Finance, Universidad Eafit.
Degree in Economics focused on Mathematical Economics, Universidad Eafit.

➤ **OTHER BOARDS**

Pactia S.A.S., Eafit's High Council.



DAVID EMILIO BOJANINI GARCÍA
2005*

Appointment and Remuneration Committee.
Corporate Governance and Board Matters Committee.
Strategic Planning and Sustainability Committee.

CEO, Grupo de Inversiones Suramericana S.A.

➤ **PRIOR EXPERIENCE**

CEO, Fondo de Pensiones y Cesantías Protección S.A.
Actuarial Manager, Suramericana de Seguros S.A.

➤ **ACADEMIC BACKGROUND**

Degree in Industrial Engineering, Universidad de los Andes.
Master's degree in Management focused on Actuarial Studies, University of Michigan.

➤ **OTHER BOARDS**

Bancolombia S.A., Sura Asset Management S.A., Suramericana S.A., Grupo Argos S.A.

➤ **ADVISORY BOARDS**

Proantioquia, CPC (Private Competitiveness Council), CCI (International Colombia Corporation), ExE (Entrepreneurs for the Education), El Cinco Foundation.



GONZALO ALBERTO PÉREZ ROJAS
2007*

Finance, Audit and Risks Committee.

CEO, Suramericana S.A.

➤ **PRIOR EXPERIENCE**

Insurance and Capitalization Executive Director, Suramericana de Seguros S.A.
Corporate Business Executive Director, Suramericana de Seguros S.A.

➤ **ACADEMIC BACKGROUND**

Law Degree, Universidad de Medellín.
Specialized insurance studies, Swiss Re.

➤ **OTHER BOARDS**

Bancolombia S.A., Celsia S.A.

MANAGEMENT TEAM

[GRI 102-18] [GRI 102-19] [GRI 102-20]

The Management Team ensures the **Organization's capabilities** to guarantee a sustainable and profitable growth.

Corporate team



**CARLOS IGNACIO
GALLEGO PALACIO**
Chief Executive Officer

Prior Experience

- President, Chocolates Business.
- Vice President, South Strategic Region.
- President, Servicios Nutresa
- General Director, Fundación Nutresa
- Industrial Vice President, Compañía Nacional de Chocolates S.A.

Academic Background

- Degree in Civil Engineering, Universidad Eafit.
- Master's degree in Business Administration, Universidad Eafit.



**JOSÉ DOMINGO
PENAGOS VÁSQUEZ**
Chief Financial Officer

Prior Experience

- Chief Financial Officer, Banca de Inversión Bancolombia.
- Chief Planning Director, Confecciones Colombia (Everfit).

Academic Background

- Degree in Administrative Engineering, Escuela de Ingeniería de Antioquia.
- Specialized studies in Corporate Finance and Capital Market, Universidad Pontificia Bolivariana.



JAIRO GONZÁLEZ GÓMEZ
Vice President, Corporate Secretary
General Counsel

Prior Experience

- Founder and Chairman, González Gómez Abogados.
- External Legal Adviser, Grupo Nutresa.
- Law firm member, Ignacio Sanín Bernal & Cia.

Academic Background

- Degree in Law and Political Sciences, Universidad Pontificia Bolivariana.
- Specialized studies in Commercial Law, Universidad Pontificia Bolivariana.

Transverse Units Team



SOL BEATRIZ ARANGO MESA
President, Servicios Nutresa
Vice President, Sustainable Development;
General Director, Fundación Nutresa

Prior Experience

- President, Chocolates Business.
- Vice President, South Strategic Region.
- Vice President Corporate Planning, Grupo Nacional de Chocolates S.A.
- Vice President Finance and Systems, Industrias Alimenticias Noel S.A.
- Industrial and Financial Manager, Susaeta Ediciones S.A.

Academic Background

- Degree in Production Engineering, Universidad Eafit.
- Specialized studies in Finance, Universidad Eafit.
- Specialized studies in Strategic Management, Pace University (New York).

Business Units Team



DIEGO MEDINA LEAL
President, Cold Cuts Business
Vice President, Logistics

Prior Experience

- Vice President Finance, Inveralimenticias Noel S.A.
- Financial Engineering Manager, Corfinsura S.A.
- Cali Region Manager, Corfinsura S.A.

Academic Background

- Degree in Electrical Engineering, Universidad Tecnológica de Pereira.
- Specialized studies in Finance, Universidad Eafit.



ALBERTO HOYOS LOPERA
President, Biscuits Business
International Vice President

Prior Experience

- Chief Executive Officer, Compañía de Galletas Pozuelo DCR S.A.
- International Business Manager, Compañía de Galletas Noel S.A.
- Procurement Manager, Compañía de Galletas Noel S.A.

Academic Background

- Degree in Mechanical Engineering, Universidad Pontificia Bolivariana.
- Master's degree in Business Administration focused on International Business, Universidad Eafit.



JUAN FERNANDO CASTAÑEDA PRADA
President, Chocolates Business
Vice President, Marketing and Sales - Commercial Networks

Prior Experience

- Marketing Manager, Compañía de Galletas Noel S.A.
- Marketing Director, Procter & Gamble, Latin America.
- Manufacturing and Operations Manager, Procter & Gamble, Brazil.

Academic Background

- Degree in Production Engineering, Universidad Eafit.



JUSTO GARCÍA GAMBOA
President, Tresmontes Lucchetti
Vice President, Chile and Mexico Strategic Region

Prior Experience

- Chief Executive Officer, Tresmontes Lucchetti.
- Commercial Department Leader, Tresmontes Lucchetti.

Academic Background

- Degree in Commercial Engineering, School of Economics, Universidad Adolfo Ibáñez.
- Degree in Administration, Universidad Federico Santa María.



MIGUEL MORENO MÚNERA
President, Coffee Business

Prior Experience

- Chief Executive Officer, Fehr Foods.
- Chief Business Development Director, Fehr Foods.
- Financial Manager, Compañía de Galletas Noel.
- Corporate Finance Director, Grupo Nutresa.

Academic Background

- Degree in Business Administration, Universidad Eafit.
- Master's degree in Finance, EADA (Spain).



JUAN CHUSÁN ANDRADE
President, Retail Food Business

Prior Experience

- Chief Executive Officer, NegociosInternacionales Gastronomía y Negocios (GyN).
- New Business Director and CEO, Brazil YUM Brands.
- Consultant, McKinsey & Co.

Academic Background

- Degree in Mechanical Engineering, University of California, Los Angeles (UCLA).
- Master's degree in Business Administration focused on Strategy and International Business, Anderson School, UCLA.



MARIO ALBERTO NIÑO TORRES
President, Ice Cream Business
Vice President, Innovation and Nutrition

Prior Experience

- President, Meals de Colombia S.A.
- Financial Manager, Meals de Colombia S.A.
- Marketing Manager, Meals de Colombia S.A.

Academic Background

- Degree in Business Administration, Universidad de La Sabana.
- Specialized studies in Strategic Marketing, Colegio de Estudios Superiores de Administración, CESA.



FABIÁN ANDRÉS RESTREPO ZAMBRANO
President, Pasta Business

Prior Experience

- Special Commercial Project Manager, Servicios Nutresa.
- General Manager, Pastas Comarrico.
- Customer Development Coordinator, Compañía Nacional de Chocolates S.A.

Academic Background

- Degree in Systems Engineering, Universidad Eafit.
- Specialized studies in Systems and Database Management, Universidad de Antioquia.
- Master's degree in Business Administration focused on E-Commerce, Tecnológico de Monterrey.

STRATEGY FOR OUR FIRST CENTURY 1920-2020

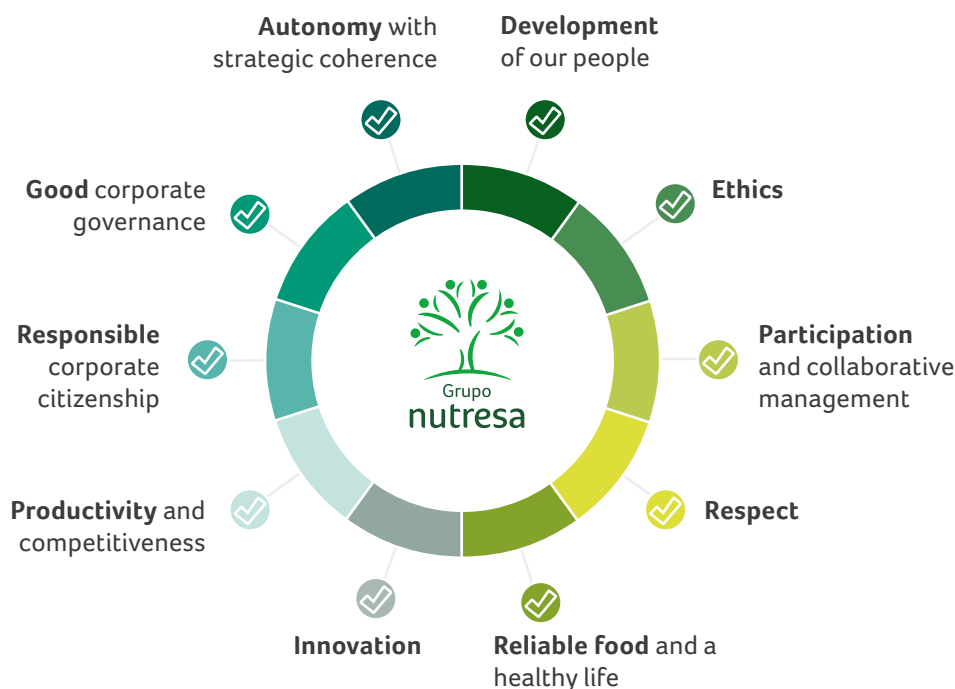
“Our centenarian strategy is aimed at **doubling our 2013 sales by 2020**, with a profitability maintained between 12% and 14% of the EBITDA margin.

To achieve this goal, we offer our consumers **food products and experiences from highly recognized and valued brands**. Our products nourish, generate well-being and pleasure, have the best pricevalue ratio, are widely available in our strategic region, and are managed by talented, innovative, committed and responsible people who contribute to a comprehensive sustainable development.

2 x \$5,9 trillion =
\$11,8 trillion



Corporate philosophy and performance [GRI 102-16]



Differentiators of our business model



OUR PEOPLE

We promote participative environments, the development of skills focused on both being and doing, the acknowledgement of achievements, the construction of a leading brand, and a balanced lifestyle for our people.



Organizational climate at a level of excellence: **83,0%**



OUR BRANDS

Our brands are leaders in the markets where we participate as they are widely recognized and cherished; they nourish, generate well-being and have become a part of people's daily lifestyle, with an excellent price-value ratio.



18 brands
with sales over USD 50 million



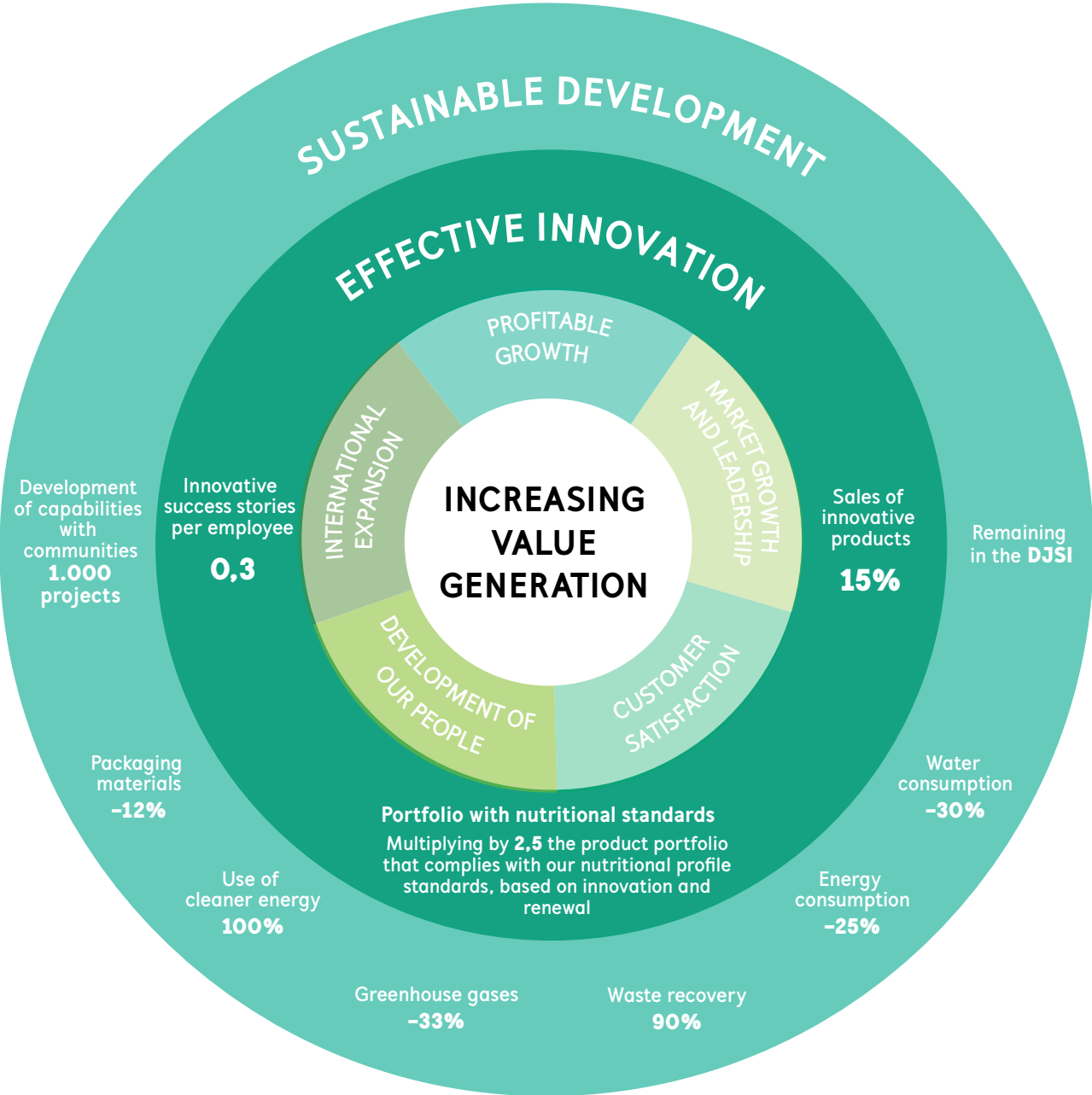
OUR DISTRIBUTION NETWORKS

Our wide distribution network and our market reach capabilities, which are organized by channels and segments and include specialized service teams, allows us to have an excellent product availability in terms of frequency, as well as a close relationship with our customers.



1.415.838
points of sale

STRATEGIC GOALS FOR 2020



The following are the results for 2018, the goals for 2019, and the objectives for 2020:



ECONOMIC DIMENSION



Doubling the 2013 sales by 2020 (COP trillion)

2020: 11,8
2018: 9,0



Sales of innovative products:

2020: 15%
2018: 21,5%



Multiplying by 2,5 the product portfolio that complies with Grupo Nutresa's nutritional profile.

2020: 3.140 SKUs
2018: 3.072 SKUs



Sales abroad (USD million)

2020: 2.000
2018: 1.109



Innovative success stories per employee:

2020: 0,3
2018: 0,21



Level of customer satisfaction

2020: Maintaining the level of excellence
2018: Colombia 89,0
Strategic region 91,9



EBITDA margin

2020: between 12% and 14%
2018: 12,5%



Productivity (kg/Hdl)

2020: +5% per year
2018: 3,2%



SOCIAL DIMENSION



Accident frequency rate

2020: 1,4
2018: 1,53
2019: 1,47



Organizational climate

2020: 83,3% 2018: 83,0%
2019: Maintaining the level of excellence



Capability-development projects

2020: 1.000
2018: 879
2019: 955



ENVIRONMENTAL DIMENSION



Water consumption (m3/t.p.)

2020: -30%
2018: -29,2%
2019: -30%



Waste generation

2020: -20%
2018: -8,0%
2019: -8,0%



Packaging materials (kg of P.M./t.p.)

2020: -12%
2018: -0,7%
2019: -3,3%



Waste recovery

2020: 90%
2018: 90,8%
2019: 90%



Use of cleaner energy

2020: 100%
2018: 98,4%
2019: 99%



Energy consumption (kWh/t.p.)

2020: -25%
2018: -20,4%
2019: -20,1%



Greenhouse gases (CO2e/t.p.)

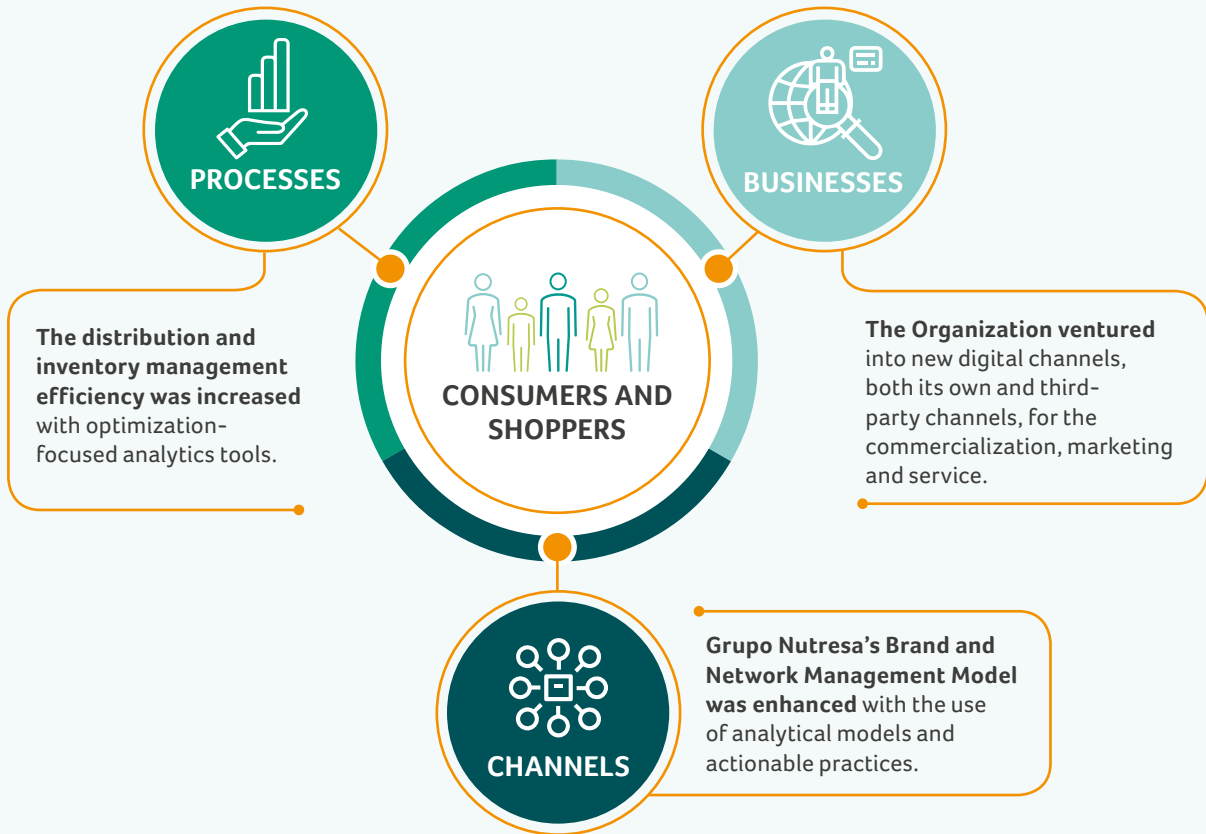
2020: -33%
2018: -43,7%*
2019: -33%

*Reduction due to the procurement of certified green electricity, considered zero emissions.

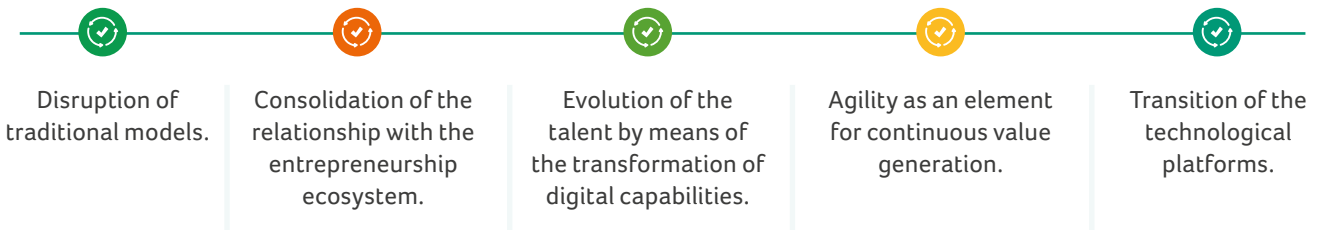
DIGITAL STRATEGY

Grupo Nutresa is advancing in its digital transformation process through the development of key initiatives, which enable us to evolve on three dimensions: processes, channels and businesses, with the premise of offering better experiences to both shoppers and consumers.

**In 2018, we work on the three dimensions of the model.
Among others, we advance in:**



In this regard, Grupo Nutresa will continue to reinforce the main strategic drivers:





INTEGRATED RISK MANAGEMENT AND MAIN BUSINESS RISKS

RISK ASSESSMENT

In 2018, Grupo Nutresa started adopting a new model for the analysis and management of trends and risks by its Board of Directors and Corporate Committee in its strategic planning processes.

In addition, the Company performs analysis exercises on the influence produced by the emerging risks and trends on the Businesses, risk assessments in the projects and workshops across the entire Organization in Colombia and abroad. For this purpose, the current 24 corporate risks were taken into account, as well as the catalog of associated tactical risks.

Workshops on risk management and business continuity	120 ↻ 33,3%
Assessments of risks at the strategic, tactical and operative levels	22.309 ↻ 27,5%
Employees trained	2.003 ↻ 100,3%

Variations with respect to 2017.

MAIN RISKS

Volatility in commodity prices and exchange rates.

Negative impact of a highly competitive environment on the Businesses.

Regulatory environment with regard to nutrition and health, which has a negative impact on the business.

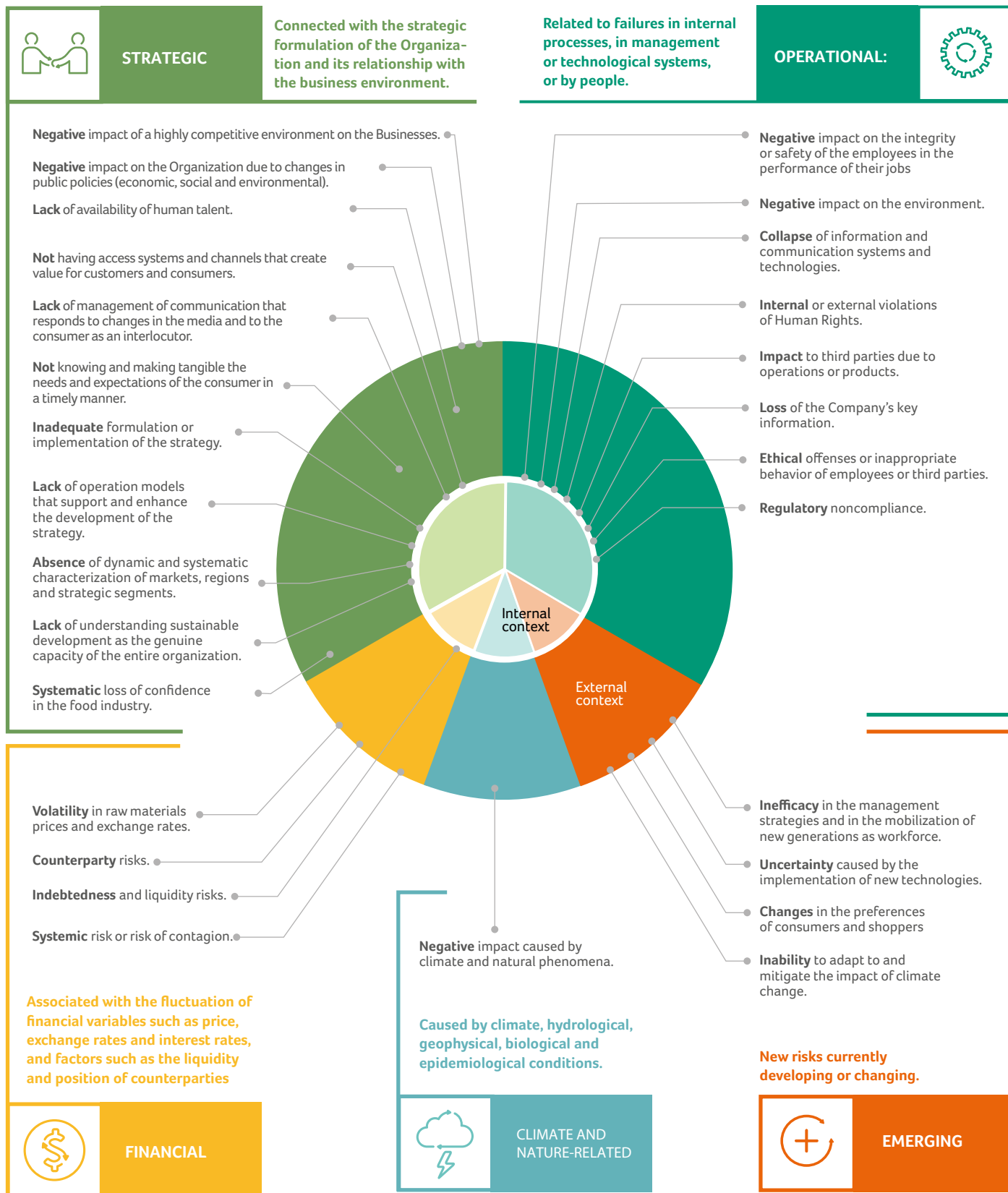
MITIGATING ACTIONS

- **Coverage policies** with defined risk levels, aligned with the market dynamics.
- **Process** management by a specialized committee, with permanent auditing by internal and external bodies.
- **A highly** trained team dedicated to monitoring and negotiating supplies.
- **Search** for new opportunities and models for an efficient and competitive commodities sourcing at a worldwide scale.
- **Diversification** of commodities, geographies and businesses.
- **Risk** analytics applied to the quantification of impacts in complex scenarios.

- **Development** and enhancement of organizational capabilities focused on the market needs.
- **Reinforcement** of the talent defined as “passion about customers, consumers and shoppers.”
- **Identification** of opportunities and threats caused by cultural changes.
- **Brands** and Networks Management Model based on the deep and integrated understanding of the market.
- **Leading** brands that are highly recognized and appreciated.
- **High-value** innovation and portfolio differentiation.
- **Profitable** market development based on consumer segmentation.
- **Broad** distribution network with value propositions differentiated by customer segment.
- **Attractive** propositions with an excellent price-value ratio.
- **High** levels of customer satisfaction and loyalty.

- **Adoption** of the defined Nutrition Policy.
- **Understanding** of the needs of the communities and their health and nutrition issues with the aim of contributing to the definition of solution alternatives.
- **Compliance** with the regulations in force and monitoring of the setting, focusing on identifying regulatory changes and getting prepared for their incorporation.
- **Involvement** in the discussion and formulation of public policies.
- **Development** of health and nutrition research that allows to improve the quality of life of the population through innovative food propositions.
- **Support** to and participation in programs that promote healthy lifestyles.
- **Vidarium:** nutrition, health and well-being research center.

CORPORATE RISKS



BUSINESS MODEL [GRI 102-6] [GRI 102-9] [GRI 102-15]

INPUT



Financial capital

- Working capital
- Funding
- Capital from investors



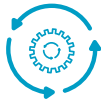
Industrial capital

- Ports
- Roads
- Infrastructure for public utilities
- Points of sale



Human capital

- Proficient people



Intellectual capital

- Patents
- Knowledge (associations, protocols and standards)



Natural capital

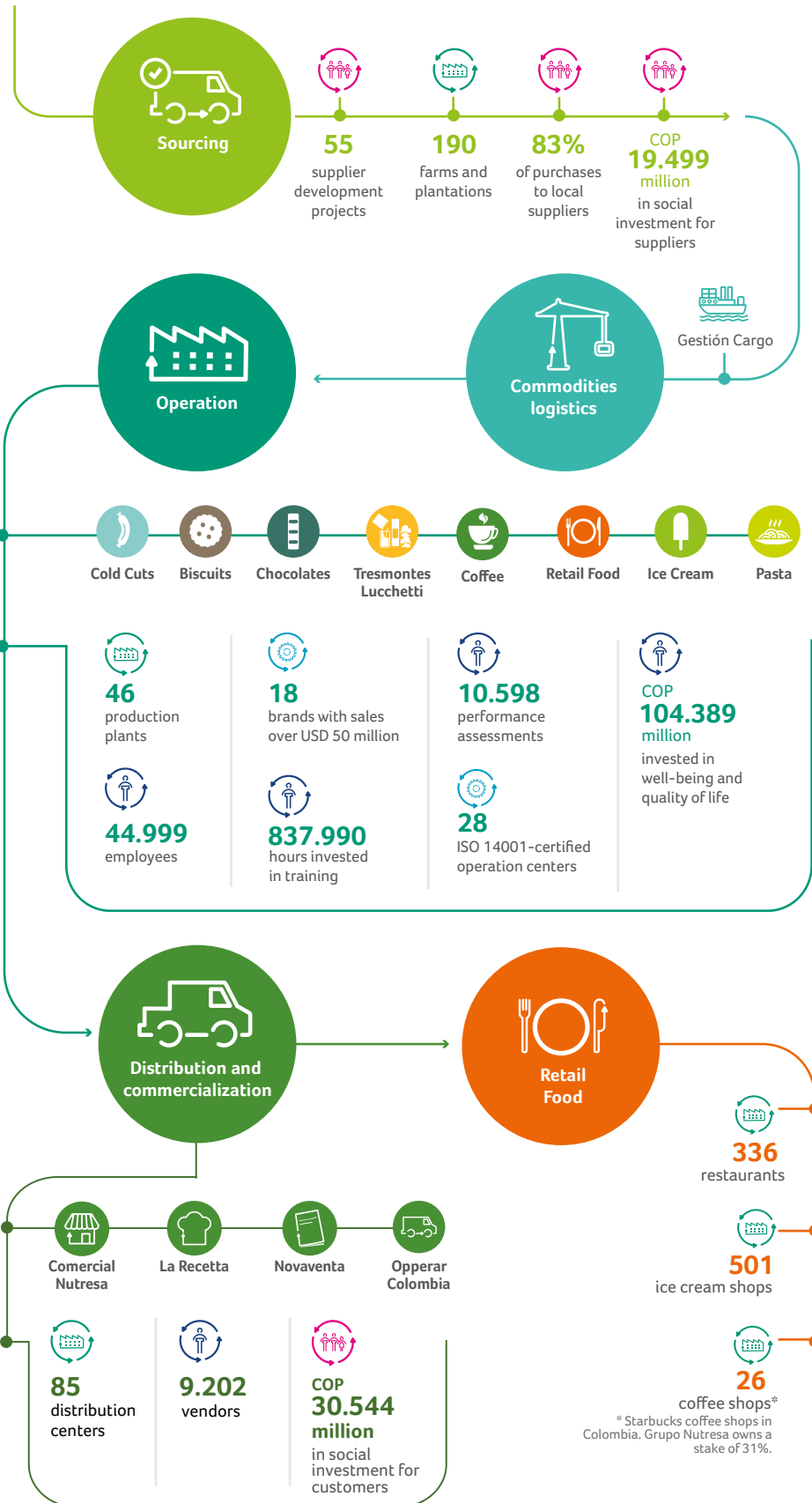
- Energy
- Water
- Commodities



Social capital

- Communities
- Customers
- Consumers
- Suppliers

VALUE CHAIN



STRATEGIC SUSTAINABILITY PRIORITIES

Work on promoting healthy lifestyles, producing nutritious and safe food, and ensuring an adequate communication that builds trust and allows to make conscious and informed decisions. Grupo Nutresa also promotes initiatives focused on the mitigation of hunger, creating possibilities of nutrition and healthy lifestyles.

Comprehensive development of its employees to improve their productivity and quality of life, incorporating social and environmental variables in the sourcing chain and strengthening the distribution network with sales channels that enable an adequate offer of its products in the market.

Enhancement of the capabilities of the communities with which the Organization interacts in order to promote their growth and development. Additionally, the Organization fosters the respect for Human Rights among its stakeholders.

Management of the eco-efficiency in the supply chain and reduction in the environmental impact of the products throughout their life cycle by means of an adequate water management, the reduction in emissions, a responsible energy consumption and the innovation related to packaging materials.

A general behavior based on ethics and good conduct, on the design and implementation of clear procedures for identifying and addressing risks, and on a continuous work on the assurance of the compliance with the regulations and standards that govern its operation.

Design and creation of a differentiated offer of products, brands and experiences in its multiple market segments, based on an innovative culture in terms of processes, products and business models.

RESULTS

- 3,072** product items fulfill the nutritional profile
- 25,6%** of sales correspond to products with reduced critical components
- 1,0%** Products with reduced critical components
- 83,0%** organizational climate score
- 42,5 kg/Hmod** productivity
- 456.732** Customers trained
- 2.065** small farmers trained in socio-entrepreneurial matters
- 879** Proyectos de desarrollo de capacidades 2013-2018
- 20,4%** energy consumption reduction*
- 29,2%** water consumption reduction*
- 43,7%** greenhouse gas emission reduction*
*Reduction in relation to the 2010 baseline.
- Eighth** consecutive year in the DJSI World.
- Sixth** consecutive year being awarded the Investor Relations "IR" acknowledgment.
- COP 9.016 billion** in sales
- COP 1.126 billion** ebitda
- 59,2%** market share in Colombia
- 9,5%** ROIC

OUTPUT

Food production*

996.948,5 tons produced*

2,1 thousand m³ of water consumed*

743,5 GWh of energy consumed*

109.751,1 tCO₂e of GHG emitted**

- Meat byproducts
- Vegetable products
- Milk modifiers
- Chocolate bars
- Nuts and trail mixes
- Coated cookies
- Cereal bars
- Cookies
- Biscuits and crackers
- Vegetable protein
- Baked snacks
- Ice cream products
- Ice pops
- Fruit beverages
- Coffee
- Instant mix products
- Classic pasta products
- Stuffed pasta products
- Flavored pasta products and specialties
- Pasta with sauce or instant pasta products
- Instant mix products
- Nectars
- Soups, cream-style soups and broths
- Fried snacks

*Datos de Colombia, México, Costa Rica, Perú, Chile, República Dominicana y Panamá.

Commercialization

109,9 GWh Energy consumption in distribution operations:*

50.884 tCO₂e GHG emissions from distribution operations*

- Storage
- Distribution
- Sales

** Includes the distribution performed by both the Organization itself and third parties

Retail Food

33.333.280,0 Platos principales vendidos****

158,6 miles de m³ Consumo de Agua****

57,9 GWh Consumo de energía****

9.454 tCO₂e Emisiones de GEI****

- Burger bars
- Pizzerias
- Coffee shops
- Steakhouses
- Ice cream shops

**** Data from Colombia



MARÍA ELENA TOBÓN VÁSQUEZ is a coffee grower from Ciudad Bolívar who is part of the De los Andes Cooperative organization. Her work is supported by the Farallones coffee benefit plant, which was built by the cooperative organization and Colcafé. The benefit plant is the place where the coffee beans are pulped, washed, dried and selected. This has enabled her to improve her quality of life, saving both resources and time.

Building to improve productivity and quality of life



María Elena Tobón Vásquez describes herself as a hardworking coffee grower. From her very first memories, she remembers the scent of the coffee plantations and her father's hard work in a process that is as ordinary and commonplace as it is laborious and painstaking: picking, pulping, washing, drying, selecting and selling the coffee beans. María Elena has kept her legacy alive and, since the Farallones coffee benefit plant was built by the De los Andes cooperative organization and Colcafé in Ciudad Bolívar, Antioquia, she just has to pick the coffee beans and take them to the delivery station to sell her harvest. This lets her improve her quality of life, saving resources and time, and gives her the chance to rest and spend more time with her family, and to focus on new ideas and solutions to increase the productivity of her plantation.



María Elena's work ends when she delivers her coffee beans in bulk or in sacks. This is when the work of the benefit plant starts with the process standardization, which has the aim of offering high quality and better flavor to the end consumers. This methodology also contributes to the protection of the environment by reducing water and energy consumption, and guaranteeing a higher level of transparency in the pricing stage. The objective of this project is to transform the processing plant partners and the new generations of coffee growers into entrepreneurs who take care and develop their farms in order to contribute to building a better future and to the conservation of the coffee growing legacy.

“Coffee fills me with energy and illusion to enjoy life”.

María Elena Tobón Vásquez, coffee grower from Ciudad Bolívar, Antioquia, who has benefited from the coffee benefit plant.

The Farallones coffee benefit plant improves the living conditions of the community, generates savings, increases the coffee growers' income and reduces the impact on the environment. In addition, it has allowed to cut the processing costs down for the entire cycle: pulping, washing, drying and selecting. The consistency in the quality of the coffee has also been improved and training programs have been established for coffee growers and their families.



CORPORATE GOVERNANCE

To establish a framework of transparent behavior, integrity and ethics for Grupo Nutresa by developing management, information disclosure and control policies, which are aligned with the highest international standards of corporate governance, thus having a positive impact on the company's reputation for the benefit of shareholders and other stakeholders.

Employees from the Novanta Operations Center in Antioquia, Colombia.

STRATEGY**[GRI 103-2]**

Updating the Organization's corporate governance measures.

Socializing the good governance measures and raising awareness among all employees.

Watching over the compliance with the governance practices incorporated by the Company.

Strengthening the reporting mechanisms for matters related to ethics and conduct.

PROGRESS 2018**[GRI 103-3]**

- **Formulation** of a communication and training strategy titled "Actúo Íntegramente" (I act with integrity) as part of the Business Ethics program that was implemented in 2017. Its purpose is to foster and promote principles of ethics, transparency and integrity in the Organization to generate a positive impact on the employees, customers, consumers, suppliers and related third parties.
- **Approval** by the Board of Directors of the measures devised to ensure the compliance with Official Notice 24 of 2010, which guarantees the equitable treatment of the shareholders.
- **Organization** and execution of five virtual and in-person courses as part of the "Actúo Íntegramente" (I act with integrity) strategy. More than 16.000 employees from Grupo Nutresa's companies in Colombia and abroad received training through the courses. Additionally, eight comic strips dealing with subjects of interest and good corporate governance were published, with all of Grupo Nutresa's employees as their target audience.
- **More** than 16.000 employees received training related to the Code of Corporate Governance with the purpose of ensuring ethical conduct and transparency.
- **More** than 700 cases of possible conflicts of interest and transparency-related matters were reported. The cases were addressed by the Committee of Ethics, Transparency and Conflicts of Interest, which defined criteria aligned with transparency, integrity and Code of Corporate Governance compliance.
- **Promotion** of the use of the complaints mechanisms for reporting any conduct that breaches the guidelines contained in the Code of Corporate Governance. This promotion included the publication of eight comic strips under the "Actúo Íntegramente" (I act with integrity) strategy and the 20 discussion conferences on Human Rights.
- **Creation** of a form that has the purpose of informing the Committee of Ethics, Transparency and Conflicts of Interest about the events of possible cases that may occur in this regard. The form was duly integrated into the Success Factors tool.

The Organization solidifies its **corporate values among employees and third parties**, emphasizing ethical conduct and self-control.

RISKS AND OPPORTUNITIES

[GRI 103-1]

As part of the fulfillment of its commitment to its stakeholders, Grupo Nutresa has established that one of its main objectives is to maintain the corporate governance aligned with the highest worldwide standards in this regard. The purpose of such objective is to guarantee that the actions of its governance bodies and its management are executed based on the values and moral principles that shape an ethical behavior focused on transparency and integrity.

The implementation of policies, programs and guidelines that foster the ethical behavior, intended for the governance bodies, employees, customers, suppliers and shareholders, remains an essential tool for the fulfillment of the strategic goals and the generation of value through the products and services, resulting in benefits for the multiple stakeholders.

The main risk related to corporate governance is the weakening of Grupo Nutresa's reputation as a result of the materialization of corruption. That is why the constant disclosure of the corporate policies, the awareness-raising activities and training constitute mechanisms that preserve the trust of all the stakeholders. Moreover, the execution of recurring audits allows identifying opportunities to strengthen the multiple processes and to react in a timely manner in the event of non-fulfillment in terms of the Organization's conduct guidelines.

OUTLOOK

The corporate governance regulatory framework has been streamlined over the past 15 years, promoting global practices focused on ethics, transparency and integrity, which have a positive impact on the efficiency of the companies and, most importantly, build trust in the market. Grupo Nutresa, being committed to building trust and generating value, has supported these practices through the adoption, implementation and disclosure of its good governance policies and guidelines, which have been deployed for all the members of the Company.

In the short-term, the Organization has the objective of solidifying the corporate values among employees and third parties, underpinning ethical conduct and self-control, as well as enhancing the conviction about the virtues of the corporate governance, without neglecting the effective application of the policies and the verification of their fulfillment. In addition, Grupo Nutresa will continue to incorporate the recommendations of best corporate practices from the Colombian "Código País" guide and, in particular, the ones related to information disclosure and to relations with investors.

In the medium and long term, the corporate governance practices included in the Code of Corporate Governance and in all the policies emerging from it will be updated, implemented and disclosed with the aim of keeping the Organization's alignment with the highest international transparency standards in order to further solidify the relations with its stakeholders.

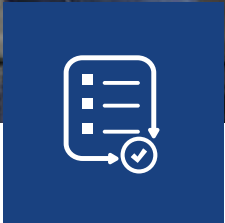


Employees from the Coffee Business in the soluble coffee extraction area, Medellín, Colombia.

SUCCESS STORIES AND ACKNOWLEDGMENTS [GRI 103-3]

For the sixth consecutive year, Grupo Nutresa received the Investor Relations (IR) acknowledgment, which is awarded by the Colombian Stock Exchange to the companies with the best practices in terms of information disclosure and relations with investors. In addition, the Organization was selected as Leading Company in the categories (i) IR issuers with the highest content standards, and (ii) IR issuers with the highest corporate governance standards.

The Colombian President's Transparency Secretariat acknowledged Grupo Nutresa for having high standards in the field of the fight against corruption based on the criteria of the Active Anti-Corruption Company Management Committee (EAA) - Businesses with Principles. In the light of this acknowledgment, the Company was included in the registry of Active Anti-Corruption Companies.



RISK AND COMPLIANCE

Employees from the Chocolates Business in Medellín, Colombia.

Supporting the decision-making process and guiding the implementation of prevention, risk mitigation and crisis management actions which, along with the activities of compliance, are aimed at protecting the resources, the corporate reputation, the continuity of the operations, the legal and regulatory compliance, the safety of all employees, and the generation of trust and two-way communication with the stakeholders.

STRATEGY**[GRI 103-2]**

Integrating risk management into the corporate strategy.

Strengthening the Organization's risk management culture.

Increasing the organizational resilience.

Monitoring and ensuring the legal and regulatory compliance.

PROGRESS 2018**[GRI 103-3]**

- **Implementation** of the trend and risk management methodology as part of the strategic planning process in the Board of Directors and in Grupo Nutresa's Corporate Committee.
 - **Update** of the risk maps of both the Businesses and the holding company. Additionally, the risk assessment was extended in the tactical level to all the operation facilities.
 - **Execution** of a global trends impact analysis and identification of associated emerging risks.
 - **Consolidation** of the Reputation Management Committee with the purpose of managing the Organization's reputational risk through an agenda developed in four work sessions over the year.
-
- **More** than 2.000 employees received training in risk, crisis and continuity management.
 - **Appropriation** of the risk application software as a management tool, with more than 22.300 assessments.
-
- **Increase** in the degree of maturity of the business continuity management system and its expansion to companies in Chile, Costa Rica and Colombia.
 - **Dissemination** of the crisis management manual in Colombia and in international platforms.
-
- **Certification** of the Business Ethics Program. **[SDG 16.5] [SDG 16.6]**
 - **Implementación** del proyecto de vigilancia legal de alimentos para las compañías de Colombia.
 - **Progress** in bridging gaps within the implementation of the self-control and management system for the prevention of the risk associated with money laundering and terrorism financing in Colombia; update of the methodology for the assessment of this risk; development of more than 16 workshops and awareness-raising activities; and provision of training for 121 auditors of the system and for more than 19.500 employees and third parties. **[GRI 205-2]**

More than **22.300 risk assessments** were conducted by means of the Organization's application software.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Achieving the alignment of the risk management with the corporate strategy and ensuring that it facilitates the decision-making process are both priorities for Grupo Nutresa. That is why it is fundamental for the Organization to have a standardized methodology that is ahead of the curve regarding any changes introduced to the international standards.

Furthermore, it is essential to adequately and timely identify the trends that help to understand how the setting is transforming, with the purpose of detecting opportunities and posing strategies that generate value.

The foregoing observation entails opportunities such as the need to strengthen the risk awareness culture at all levels, the development of setting monitoring and surveillance capabilities, and the management work related to the emerging risks.

As to the management of the reputational risks Grupo Nutresa faces due to the execution of its operations, it becomes imperative to have suitable tools and competent human talent for being able to respond to crisis situations. Likewise, it becomes necessary to reinforce the Reputation Management Committee in order to adequately monitor sensitive matters in the corporate context.

Finally, important or significant risks in terms of reputation and competitiveness may arise from the regulatory compliance, which is why the Company develops legal surveillance activities focused on the effective management and mitigation, including the strengthening of the self-control and management system for the prevention of the risks associated with money laundering and terrorism financing.

OUTLOOK

The priority work fronts in the comprehensive risk management will comprise the consolidation of the new model for managing current and emerging risks, and of the trends and opportunities based on the recent update of the ISO 31000 standard.

Moreover, the Organization will focus on the implementation of key risk indicators and a reporting framework that will facilitate monitoring and overseeing them. This includes the follow-up to the behavior of said risks in relation to the levels of appetite and tolerance established for Grupo Nutresa.

In terms of the business continuity system, the Company will consolidate its geographic expansion and work on the creation of a model focused on promoting the development of the necessary capabilities for this management endeavor in the sourcing chain. Based on the management of the reputation and its associated risks, the Organization will continue to foster effective communication and engagement with stakeholders, abiding by the guidance of the Reputation Management Committee.

In the subject of regulatory compliance, Grupo Nutresa pretends to expand, in the short term, the coverage of the legal surveillance project to issues additional to labeling, and to apply the methodology for monitoring the environmental regulations.

Finally, regarding the management actions related to the risk of money laundering and terrorism financing, the Company will strive to ensure the appropriation of monitoring tools that allow to improve the efficiency and reliability of the system, supported on analytics-based models. In addition, the role of the companies' compliance officers will be reinforced.



Employees from the Coffee Business in the distribution center of the production plant in Medellín, Colombia.

SUCCESS STORIES AND ACKNOWLEDGMENTS [GRI 103-3]

For the sixth consecutive year, the risk and crisis management practice was acknowledged in the Dow Jones Sustainability Index as one of the best in the world in the food category. Within this practice, the governance model and the promotion of the risk management culture stood out.

The Colombian Financial Information and Analysis Unit (Uiaf) acknowledged Grupo Nutresa for the high quality of its reports related to the management of the risk associated with money laundering and terrorism financing, which were issued for such agency and stood out above the sector average.

Furthermore, the Organization was once again acknowledged as the second company with the best reputation in Colombia and the top one in the food sector based on the criteria established by the corporate monitor “Merco Empresas Colombia”, representing a highly positive reputational balance.



GLORIA BARRERA ZAPATA is one of Novaventa's entrepreneur leaders. Through her work, she empowers a team of women who have found in catalog sales a possibility to earn additional income, thus supporting their household economy.



Collaborating to thrive

Gloria Barrera Zapata never considered living off sales before. It all started when she showed Grupo Nutresa's Novaventa catalog to her family and a few months later, without even realizing it, that had become her main source of income. In Novaventa's catalog, Gloria found a job with many benefits: it allowed her to work on her own schedule and to be with her family, and it enabled her to think strategically and, most of all, to feel empowered and become a leader.

Gloria is part of a group of women who are constantly enhancing their capabilities as individual entrepreneurs. They meet every week to figure out ways of reaching more families with Grupo Nutresa's products, which have brought so much well-being to them.

Novaventa's catalog sales channel is a program devised to generate well-being for the individual entrepreneurs through economic independence and by means of tools that enable them to adequately manage their households.



"I do my job with passion. Every day I wake up believing that this is a great opportunity, and that is what I always try to pass on. I am convinced that if I believe it, my colleagues will also believe it".

Gloria Barrera Zapata, Novaventa Individual Entrepreneur.



COLD CUTS nutresa



Diego Medina Leal

President

Part of Grupo Nutresa since 1997

57 years old

Relevant aspects from 2018

We carried out activities to increase the flexibility in the production models and the agility in our response to the market needs.

We executed an effective management of the portfolio of brands and products in Colombia. *Zenú* shapes and leads the growth of the category; *Ranchera* generates experiences centered on "Mundo Ranchera" (Ranchera world); *Pietrán* provides healthy alternatives; and *Rica* and *Cúnit* offer accessible options with a good cost-benefit ratio.

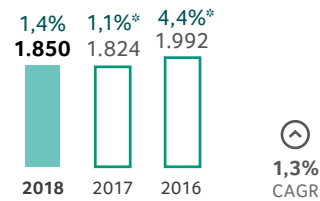
We increased the beef exports from Colombia by 16% in terms of total tons exported. Based on a study conducted by *Kantar*, our *Blue Ribbon* and *Berard* brands in Panama were classified by the consumers as number one and two, accordingly. Additionally, we expanded our distribution, directly reaching 5.500 customers.

We continued to work on the update of the *Go to Market* model with the aim of maintaining the excellent customer service levels, fully completing its implementation in Colombia.

We analyzed the meat sourcing chain jointly with the World Wildlife Fund (WWF), including the identification of risks, improvement opportunities and tools to manage and deal with them.

Sales COP billion

Total Sales



Growth percentage

*Excluding Venezuela since October of 2016

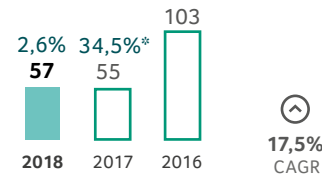
The Cold Cuts Business represents

20,6%

of Grupo Nutresa's total sales

International Sales

USD million



Growth percentage

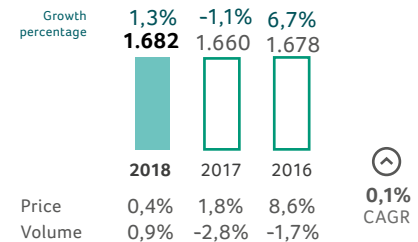
*Excluding Venezuela since October of 2016

The international sales represent

9,1%

of the total business unit sales

Sales in Colombia

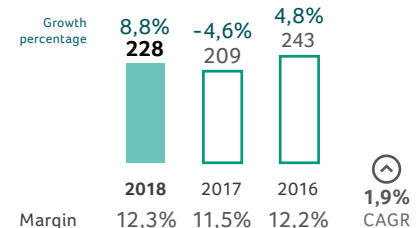


The sales in Colombia represent

90,9%

of the total business unit sales

EBITDA COP billion



The Cold Cuts Business represents

20,2%

of Grupo Nutresa's ebitda.

Most innovative product

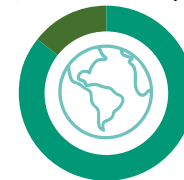


Pietrán's Veggie Burger and Veggie

Bites. Products with a high level of innovation in relation to other products of vegetable origin in the market. Within three months after being launched, these products accomplished a market share of 53% in the category of vegetable-protein products.

Employees

International 13,1% Local 86,9%



8.913

TOTAL

(Direct employees, indirect employees and apprentices)



Women 24,5%

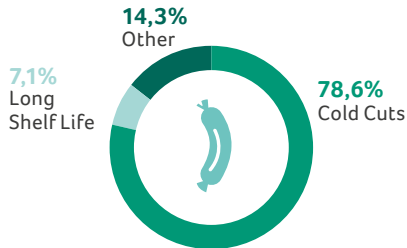


Men 75,5%

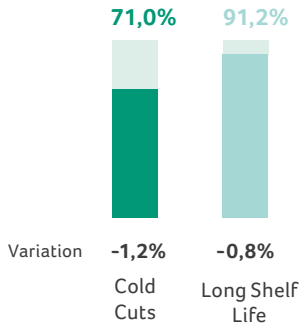
(Direct employees and apprentices)

Main categories

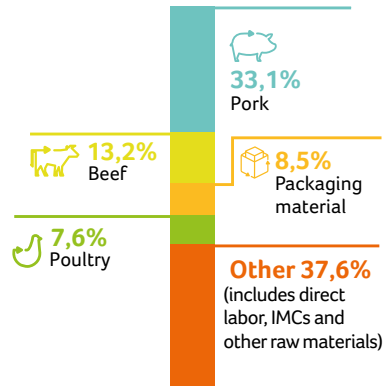
(% of total sales)



Market share in Colombia



Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million

Direct presence in **3** countries

Central America

- 6,2%
- 1

Other countries

- 2,9%

Colombia

- 90,9%
- 9

- Zenú
- Ranchero
- Rica
- Piñón
- Cunit

Venezuela

- 1

Outlook for 2019

Maintaining a competitive position by looking for efficiencies and improvements to the processes across the entire supply chain, incorporating a demand-driven operating model.

Implementing the handbook of good sustainability practices in our beef and pork sourcing processes.

Continue strengthening our brands by developing more vegetable protein alternatives and healthy solutions, and by creating new portfolio alternatives for each one of the consumer moments.

Increasing our presence in international markets with the strengthening of our brands in Panama, the export of mushrooms to Central America and the Caribbean, and the export of fresh meats to the Middle East and Russia.



Alberto Hoyos Lopera

President

Part of Grupo Nutresa since 1993

54 years old

Relevant aspects from 2018

A solid revenue dynamic was achieved, with an effective management of operating costs and expenses, in addition to the improvement in both productivity and growth in the profit margin.

We executed the divestment of our interests in the companies Litoempaquas and Logypack with the aim of ensuring a higher level of concentration in the Biscuits and Healthy Snacks businesses.

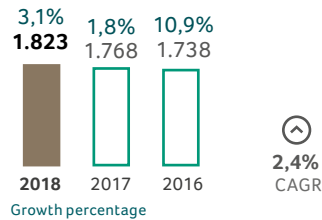
Grupo Nutresa's Brand and Network Management Model was implemented, generating efficiencies and improving the impact on consumers. The portfolio was streamlined, going from 30 brands in 2017 to 23 brands in 2018.

We consolidated the formalization of our first two invention patents: one related to baking efficiency with a scope for Colombia, and one related to the production of healthy snacks with a scope for the strategic region.

We built Tosh's higher purpose: "To be the brand that fosters living in harmony with yourself and your world." We also obtained its Carbon Neutral certification. In addition, we made progress in the process focused on expanding the healthy snacks portfolio with the launch of a value proposition adapted to the local market in Costa Rica.

Sales COP billion

Total Sales



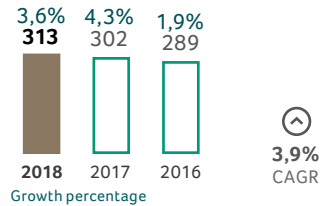
The Biscuits Business represents



of Grupo Nutresa's total sales

International Sales

USD million

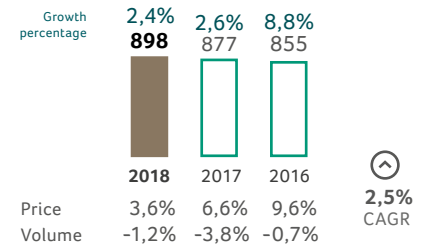


The international sales represent



of the total business unit sales

Sales in Colombia

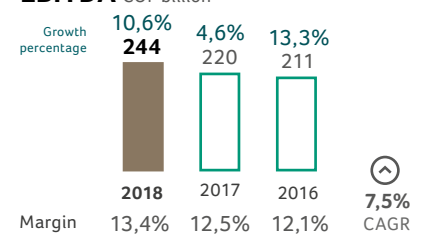


The sales in Colombia represent

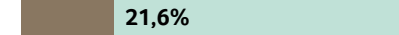


of the total business unit sales

EBITDA COP billion



The Biscuits Business represents



of Grupo Nutresa's ebitda

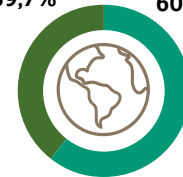
Most innovative Product



Tosh Wafer. A multi-grain wafer biscuit with natural fruit chunks, without added sugar and naturally sweetened with Stevia in two flavor presentations: kiwifruit and coconut. This new product is focused on fulfilling the needs of our consumers and the healthy diet trends.

Employees

International 39,7% Local 60,3%



5.373

TOTAL

(Direct employees, indirect employees and apprentices)



Women 26,4%

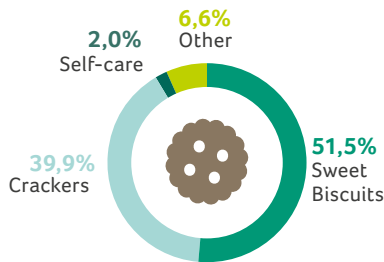


Men 73,6%

(Direct employees and apprentices)

Main categories

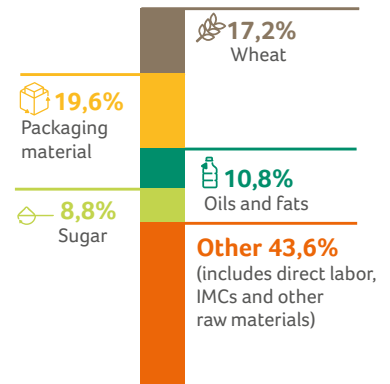
(% of total sales)



Market share in Colombia

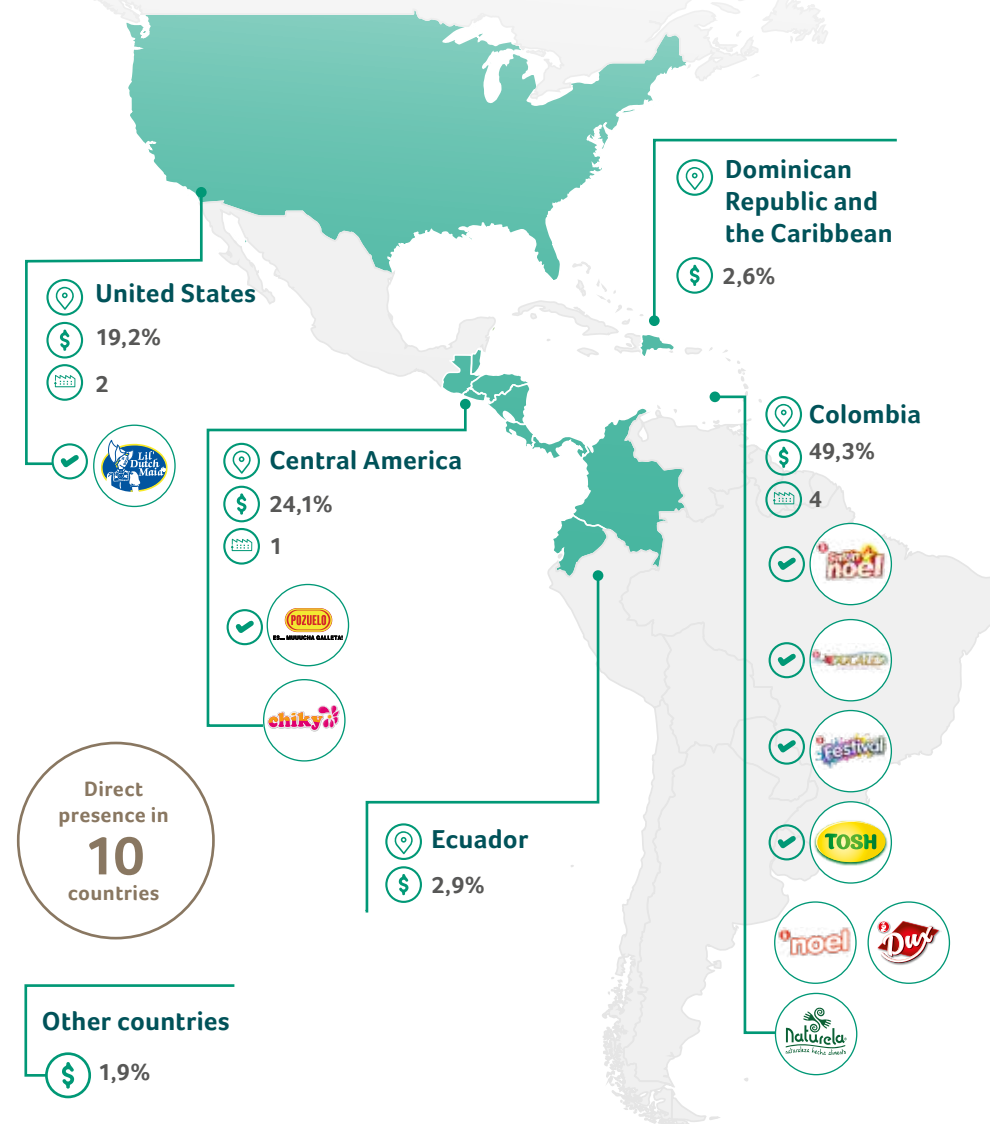


Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million



Direct presence in **10** countries

Other countries **1,9%**

Outlook for 2019

Maintaining the productivity and efficiency plans for the productive platforms in Colombia, Costa Rica and the United States, as well as the leveraging of the advantages provided by the sourcing and global procurement process.

Incorporating Naturela's knowledge with the aim of enhancing our nutrition and wellness portfolio, and including new sources of protein and natural ingredients.

Maintaining our market share in Colombia and Central America through innovation, the strengthening of the power of the brands, and the active participation in all the channels in both geographies.

Broadening the portfolios of the LDM and Tru-Blu brands based on the growth of our channels in the United States.

Venturing into retail chains specialized in health and wellness in the United States by means of organic and non-GMO value propositions.

CHOCOLATES nutresa



Juan Fernando Castañeda Prada

President

Part of Grupo Nutresa since 2011

51 years old

Relevant aspects from 2018

We carried out a notable management in relation to the purchase of raw materials, productivity and increased value innovation with a positive impact on the Business's margins.

We strengthened the presence of the Granuts brand in 19 countries in the region, entering strategic markets such as Mexico and Brazil, with a growth of 81%.

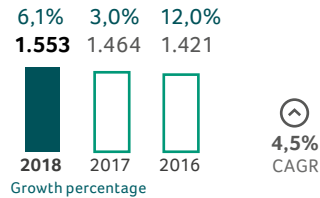
Progress was made in the industrial business category, with presence in 11 countries and the launch of the *Cordillera* brand in the United States, Mexico and Ecuador.

We were acknowledged by the Andi Foundation with the Inclusion-Oriented Company seal in the category of Inclusion-Oriented Linkages for our work with Colombian cocoa bean producers.

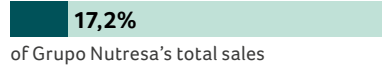
We inaugurated the first Cocoa Tree Nursery for Peace in Colombia, which has a delivery capacity of 1,2 million seedlings per year with the aim of promoting the development of these plantations in the Caribbean.

Sales COP billion

Total Sales



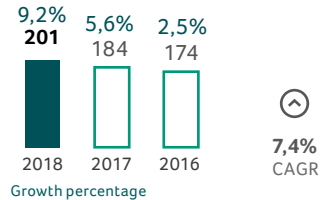
The Chocolates Business represents



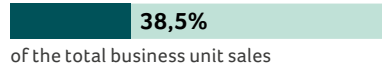
of Grupo Nutresa's total sales

International Sales

USD million

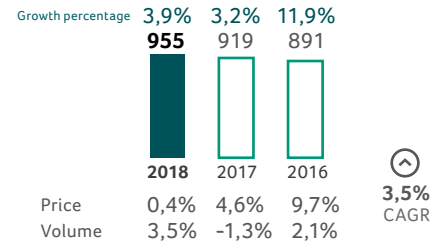


The international sales represent

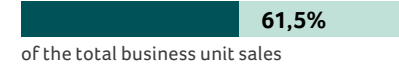


of the total business unit sales

Sales in Colombia

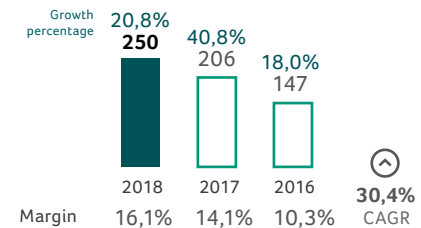


The sales in Colombia represent

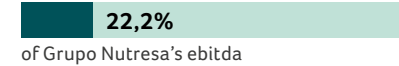


of the total business unit sales

EBITDA COP billion



The Chocolates Business represents



of Grupo Nutresa's EBITDA

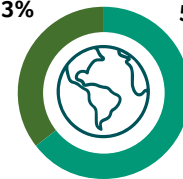
Most innovative product



Chocotera, automatic hot chocolate pot: It is the result of a co-creation exercise carried out with *Haceb*, leading domestic appliance brand in Colombia. It was developed with the aim of facilitating the preparation of hot chocolate and increasing its consumption per capita in the household.

Employees

International 41,3% Local 58,7%



3.878

TOTAL

(Direct employees, indirect employees and apprentices)



Women 35,8%

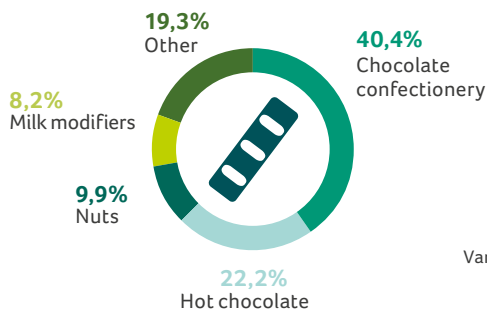


Men 64,2%

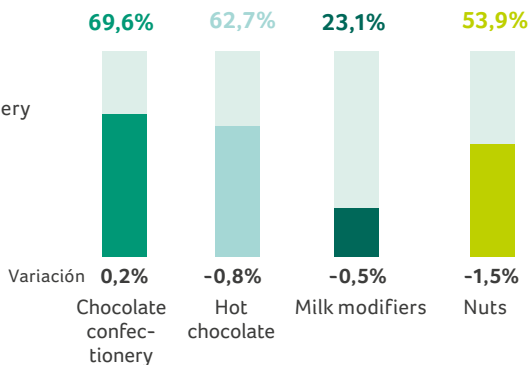
(Direct employees and apprentices)

Main categories

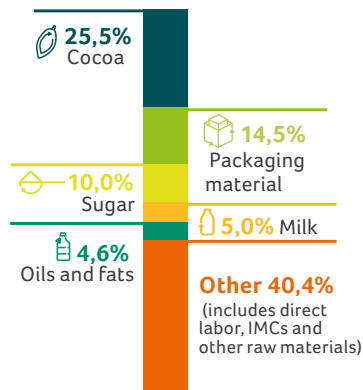
(% of total sales)



Market share in Colombia



Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million



Outlook for 2019

Making progress in the productivity projects and managing the purchase of raw materials to maintain our competitiveness in the strategic region.

Maintaining the development of a portfolio with nutritional standards that address the nutrition, functionality and health trends.

Keep developing our categories in the strategic region through differentiated value propositions and communication and innovation plans suited to our consumers and supported on our regional brand strategy.

Continue positioning the *Cordillera* brand in the industrial product market in the strategic region, focusing on the United States in the bakery industrial segment with a value proposition leveraged on service agility and product solution flexibility.

Maintaining our cocoa sustainability program and its role as alternative agricultural solution within the context of the post-conflict era in Colombia.



TRESMONTES LUCCHETTI



Justo García Gamboa

President

Part of Grupo Nutresa since 2013

56 years old

Relevant aspects from 2018

Chile

Tresmontes Lucchetti entered the chocolate candy category under the *Muibon* brand with a broad and novel proposal, enjoying a good level of acceptance in the market.

The profitability of the Business was boosted by focusing on the main categories that had the highest levels of profitability and by adequately managing the channels that presented a special progress in terms of distribution to major retail chains.

Progress was made in the implementation of our efficiency and productivity model, with a particular emphasis on expenditure.

Progress was made in the formation and the results of our Food Service department.

We received the Business Evolution Award, given by Manufacturing Promotion Society in Chile. This accolade was awarded for being the most outstanding company in terms of the adoption of good business practices in sustainability.

Mexico

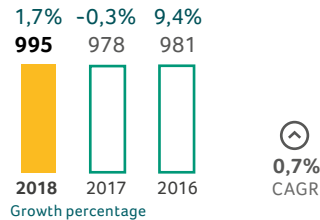
Progress was made in the instant cold beverage market with *Zuko* and we worked on our innovation effort by launching the *Livean* brand with a new value proposition.

The industrial area of pasta products was reinforced, guiding the staff team and allocating resources for the development in the local business.

The operation profitability enhancement was continued through price management, effective marketing and expenditure productivity. In addition, the working capital was optimized by using the sales and operations planning tool.

Sales COP billion

Total Sales

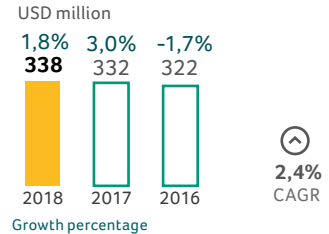


Tresmontes Lucchetti represents

11,0%

of Grupo Nutresa's total sales

International Sales

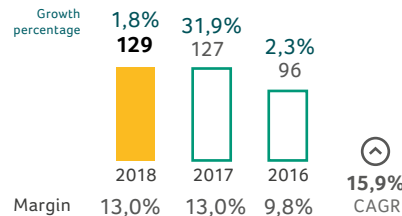


The international sales represent

100%

of the total business unit sales

EBITDA COP billion



Tresmontes Lucchetti represents

11,5%

of Grupo Nutresa's ebitda

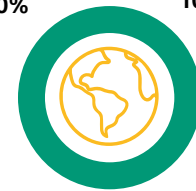
Most innovative product



MUIBON. Venture into the chocolate confectionery market in Chile with the launch of the Muibon portfolio, with 13 product references that participate in four market segments. The Muibon products are offered in individual and family-size presentations, which are sold through both the supermarket and traditional channels.

Employees

Local **0%** International* **100%**



4.643

TOTAL
(Direct employees, indirect employees and apprentices)



Women **32,9%**



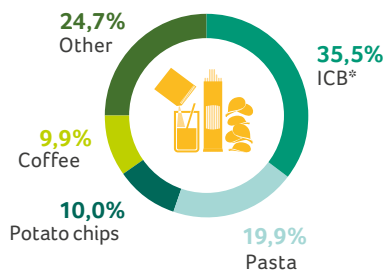
Men **67,1%**

(Direct employees and apprentices)

*It includes employees from Mexico and Chile

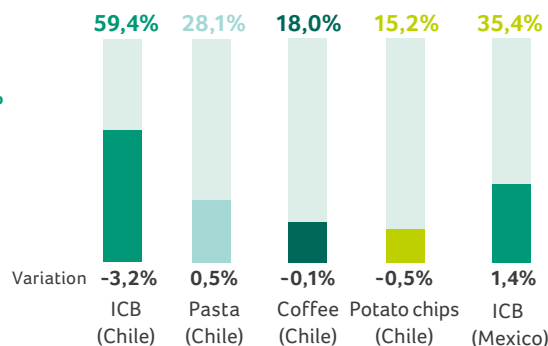
Main categories

(% of total sales)

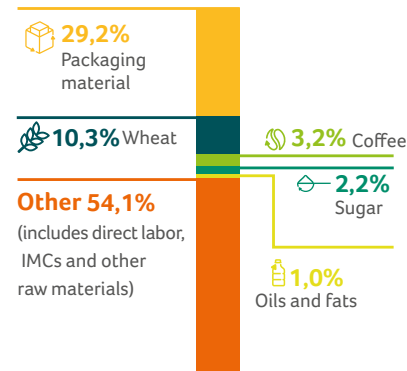


*Instant Cold Beverages

Market share



Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million



Outlook for 2019

- Chile**
 - Entering** a new Grupo Nutresa category.
 - Advancing** with new *Muibon* proposals in order to consolidate our participation in the chocolate candy category.
 - Promoting** comprehensive plans in the instant cold beverage category with the aim of fostering the growth of the market share, focusing on the renewal of value propositions in the portfolio.
 - Concentrating** the development on coffee and snacks categories to boost their performance.
 - Consolidating** the specialized distribution strategy in the multiple channels served by the Business.
 - Developing** productivity plans in all the cost and expenditure variables, and making progress in the Brands and Networks Management Model.
- Mexico**
 - Keep** boosting the instant cold beverage category with *Zuko* and *Livean* through a plan that enhances their prominence and closeness to the consumers.
 - Implementing** the transaction and management system integration project.



Miguel Moreno Múnera

President

Part of Grupo Nutresa since 2003

41 years old

Relevant aspects from 2018

We underwent a decline in profitability, mainly due to the combination of higher costs of commodities in Colombia and lower prices of products in the international markets.

Our market share grew and our brands were strengthened in Colombia. Additionally, we had a challenging year in terms of our instant black coffee due to the price differentials with regard to other market players.

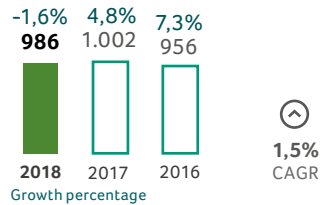
We recorded a positive growth in the alternative-channel sales, combining the vending machine sales and the catalog sales.

We expanded the coverage of our brands abroad, particularly in Ecuador, Panama and Costa Rica, with the portfolio segmentation strategy based on the characteristics of each market.

We underwent a reduction in sales to international customers due to tender processes and changes in their business models.

Sales COP billion

Total Sales



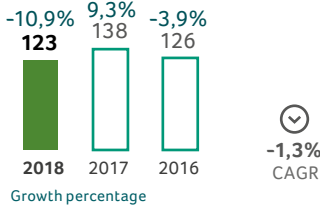
The Coffee Business represents



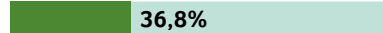
of Grupo Nutresa's total sales

International Sales

USD million

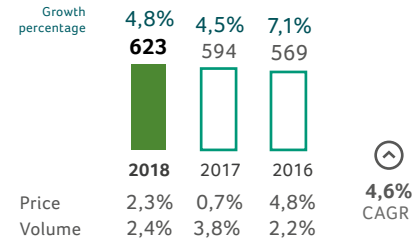


The international sales represent



of the total business unit sales

Sales in Colombia

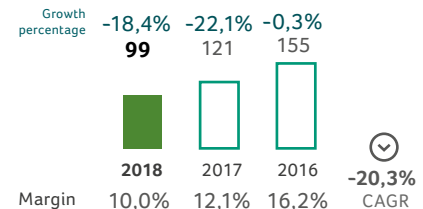


The sales in Colombia represent



of the total business unit sales

EBITDA COP billion



The Coffee Business represents



of Grupo Nutresa's ebitda

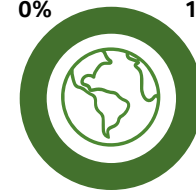
Most innovative product



Sello Rojo Vive. This is a 100% natural, additive-free coffee that contains four times more antioxidants than traditional coffee products. It helps to prevent heart diseases and it has been endorsed by the Colombian Heart Foundation.

Employees

International 0% Local 100%



1.885

TOTAL

(Direct employees, indirect employees and apprentices)



Women 17,6%

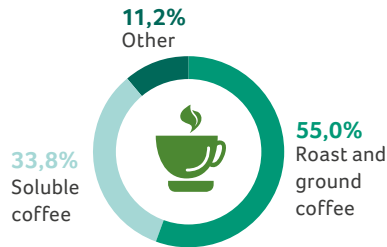


Men 82,4%

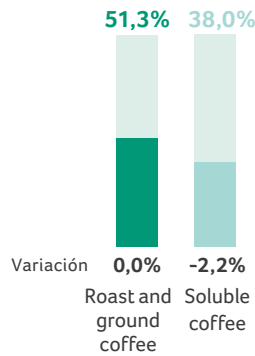
(Direct employees and apprentices)

Main categories

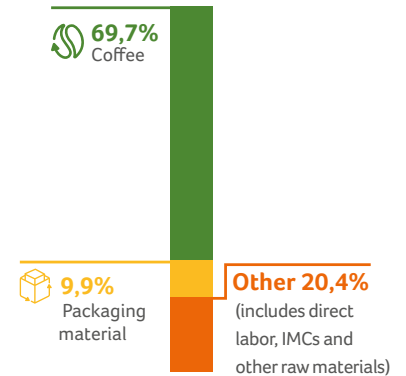
(% of total sales)



Market share in Colombia

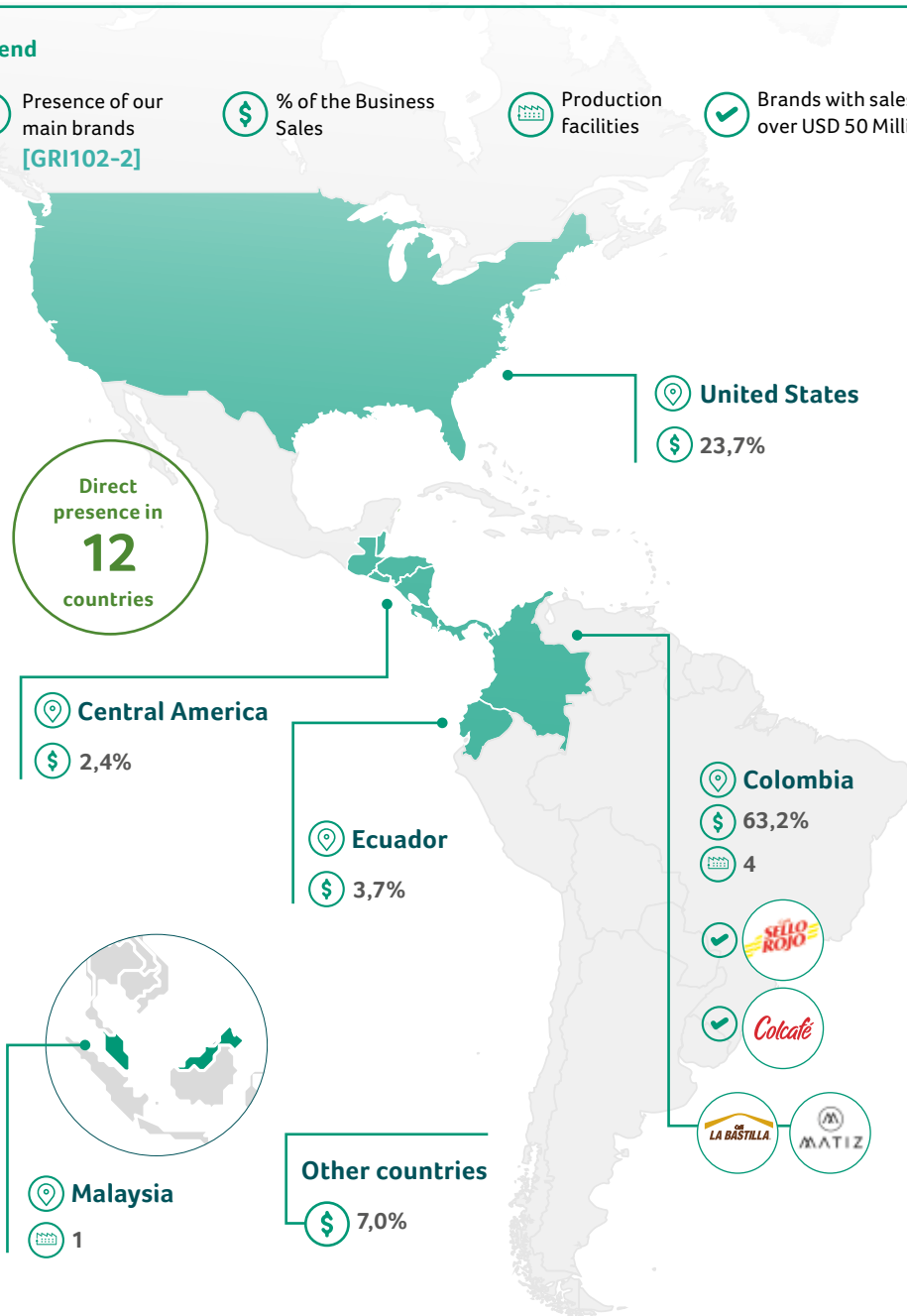


Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million



Outlook for 2019

Continue working on a commodities purchase strategy that ensures an adequate coverage of risks and guarantees the fulfillment of our competitiveness and consumer preference goals.

Maintaining the positioning dynamics of our brands in Colombia and improving the performance of the soluble coffee products with comprehensive brand strategies.

Keep focusing on innovation to ensure increasing the value of coffee as a fundamental pillar for profitable growth.

Executing an international customer plan focused on strategic collaboration in order to achieve growth in our B2B business.

Executing the strategy supported on the best talent and focused on a culture that relies on maximum performance, agility and flexibility.

Keep developing the strategy based on sustainability with the execution of chain support plans that contribute to improving productivity.



RETAIL FOOD



Juan Chusán Andrade

President

Part of Grupo Nutresa since 2013

54 years old

Relevant aspects from 2018

We continued to improve the consumer experience by renovating our *El Corral* and *Leños & Carbón* restaurants.

We focused our strategy on our own brands and on the expansion of the *Papa Johns* franchise to new markets.

We continued strengthening the connection of the *Bon* ice cream shops with their consumers by means of campaigns centered around the local culture, and we ventured into the Trinidad and Tobago market.

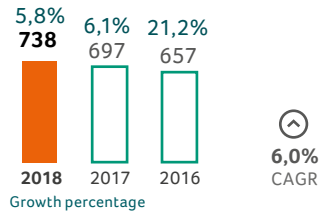
The **Junior Menu** strategy was launched in the Pops ice cream shops with the purpose of consolidating the transactions and the productivity projects in the field of operations and logistics.

We kept consolidating the food delivery channel through the use of third-party platforms to effectively reach the consumers.

We created the “Un Solo Equipo” (We’re all one team) culture across the entire Business and in all of our brands to consolidate the sense of belonging among the employees.

Sales COP billion

Total Sales



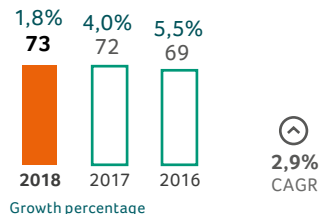
The Retail Food Business represents



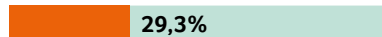
of Grupo Nutresa's total sales

International Sales

USD million

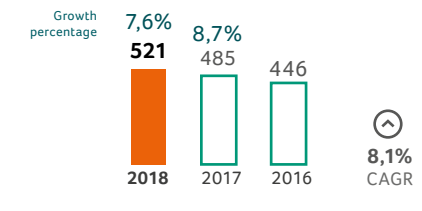


The international sales represent



of the total business unit sales

Sales in Colombia

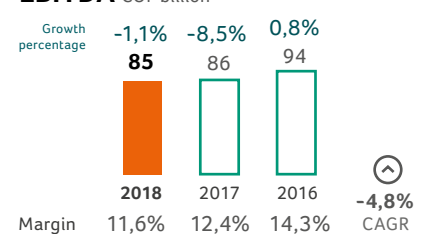


The sales in Colombia represent



of the total business unit sales

EBITDA COP billion



The Retail Food Business represents



of Grupo Nutresa's ebitda

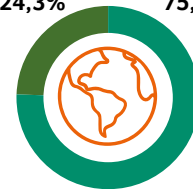
Most innovative Product



Lettuce wrap and Wholemeal wrap, options for people who want to take care of themselves without missing out on Hamburguesas El Corral's original recipe. They can have any hamburger or sandwich with any of these two options instead of bread.

Employees

International 24,3% Local 75,7%



7.341 TOTAL

(Direct employees, indirect employees and apprentices)



Women 58,3%



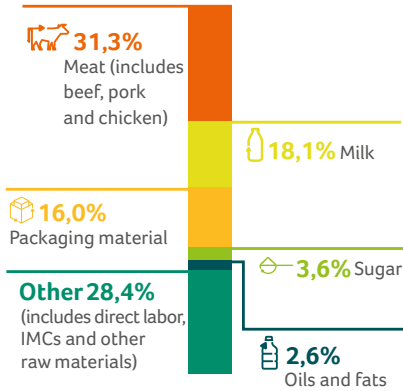
Men 41,7%

(Direct employees and apprentices)

Market share

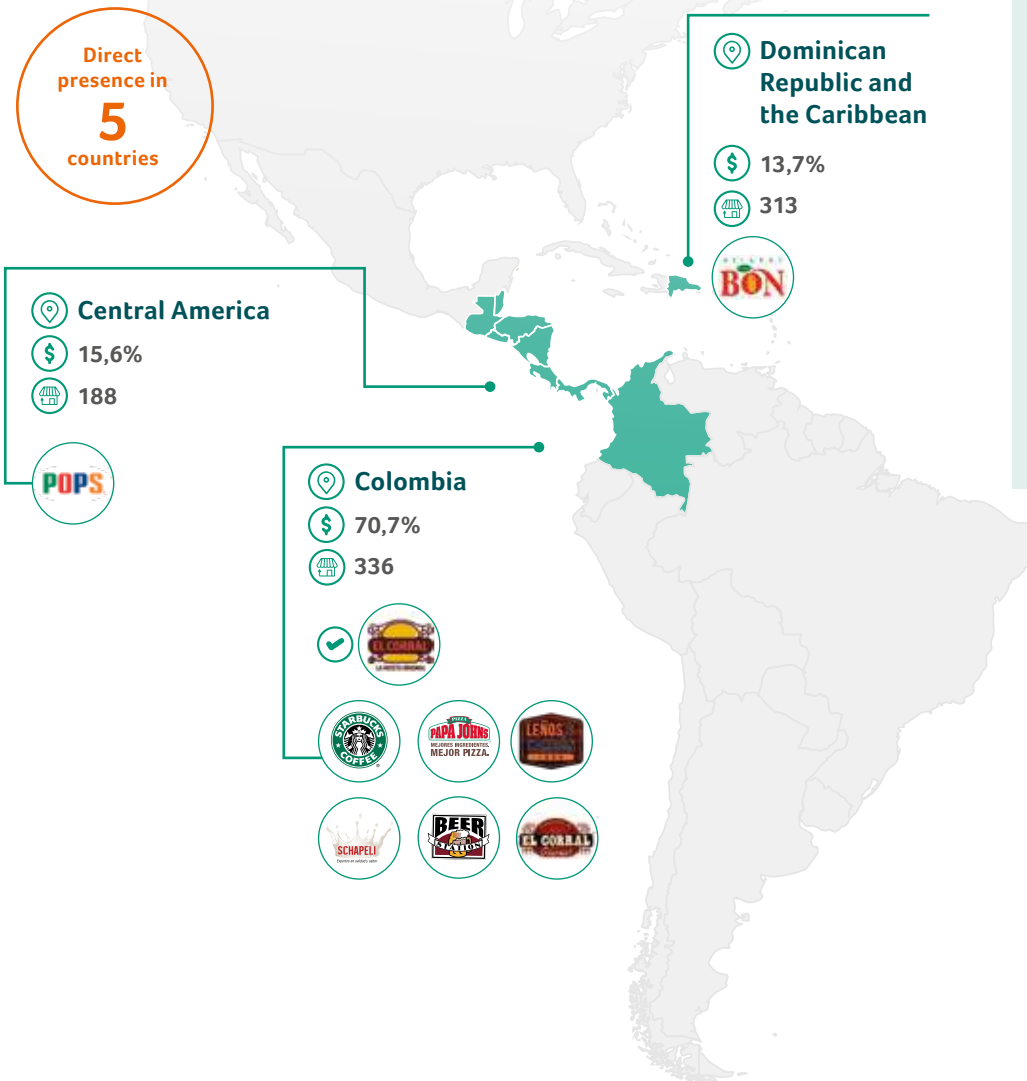


Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million



Outlook for 2019

Continue making progress in the strategy of opening and renovating El Corral restaurants.

Strengthening the international expansion of our Bon ice cream shops in the Caribbean and maintaining the growth of the transactions in the Dominican Republic.

Entrenching the operating model of our Pops ice cream shops.

Developing digital platforms that enable us to achieve more closeness to the consumers.

ICE CREAM nutresa



Mario Alberto Niño Torres

President

Part of Grupo Nutresa since 2006

52 years old

Relevant aspects from 2018

We implemented the new market entry model with excellent results in traditional channels.

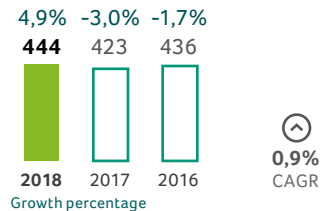
We executed productivity improvement projects at all levels in the Business, producing a significant improvement in the year's profitability with regard to 2017.

We consolidated Grupo Nutresa's efficiency and productivity strategy, maintaining stable production costs and good performance in the management of commodities, and implementing productivity projects in our production plants.

We continued to get to know our consumers better and to generate high-profitability, major-impact innovations, thus optimizing our brands and investments.

Sales COP billion

Total Sales

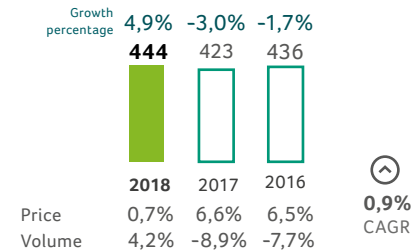


The Ice Cream Business represents



of Grupo Nutresa's total sales

Sales in Colombia

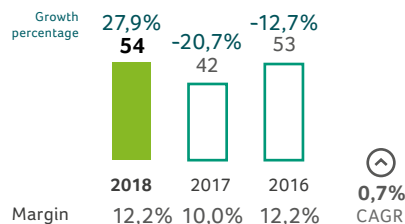


The sales in Colombia represent



of the total business unit sales

EBITDA COP billion



The Ice Cream Business represents



of Grupo Nutresa's ebitda

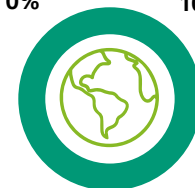
Most innovative product



Crem Helado Artesanal paid homage to the traditional Colombian recipes. The brand drew inspiration from *manjar blanco* (Colombian blancmange) and *lulada* (traditional Colombian fruit beverage) to create the new *Crem Helado Artesanal Manjar Blanco* filled with *arequipe* (dulce de leche) and *Crem Helado Artesanal Lulada*.

Employees

International 0% Local 100%



2.317
TOTAL

(Direct employees, indirect employees and apprentices)



Women 27,6%

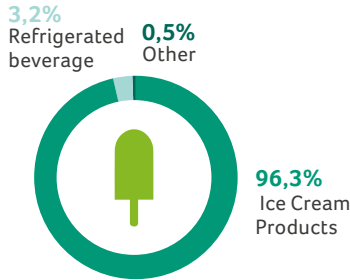


Men 72,4%

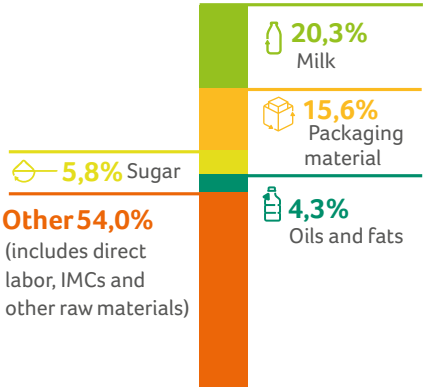
(Direct employees and apprentices)

Main categories

(% of total sales)



Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million

Direct presence in **1** countries

Colombia

- 100,0%
- 3
-
-
-
-

Outlook for 2019

Updating the market entry model for the alternative channels.

Entrenching the productivity projects, with adequate structures that boost the profitability in the Business.

Bringing our Crem Helado brand closer to the consumers and customers through the comprehensive renovation in terms of concept and image.

Keep working on the process of consolidation of our Meals cultural model.

Consolidating our quality and environmental management models, guaranteeing the best practices in the industry.



PASTA nutresa



Fabián Andrés Restrepo Zambrano

President

Part of Grupo Nutresa since 1996

44 years old

Relevant aspects from 2018

We improved the profitability of the Business based on productivity and operational efficiency initiatives.

The working capital management was strengthened mainly based on the reduction of inventory days.

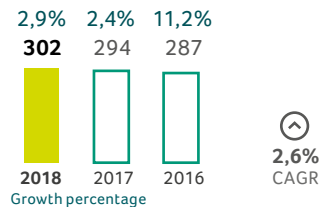
We maintained our market share in terms of value and volume, supported on differentiation and innovation with three brands that have specialized roles in the corresponding segments.

We achieved an increase in the organizational climate score, exceeding the goal established for this indicator, which reflects the satisfaction and commitment of the employees.

We obtained the ISO 45001:2018 certification for the Mosquera facilities, thus becoming Grupo Nutresa's first production plant to receive this certification update.

Sales COP billion

Total Sales

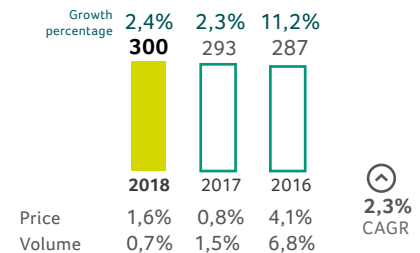


The Pasta Business represents

3,4%

of Grupo Nutresa's total sales

Sales in Colombia

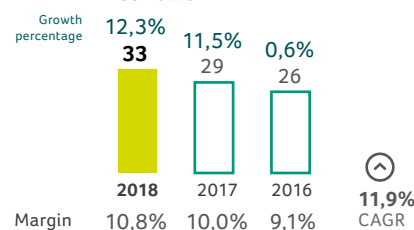


The sales in Colombia represent

99,2%

of the total business unit sales

EBITDA COP billion



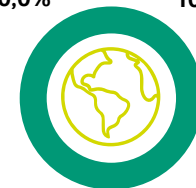
The Pasta Business represents

2,9%

of Grupo Nutresa's ebitda

Employees

International **0,0%** Local **100%**



697

TOTAL

(Direct employees, indirect employees and apprentices)



Women **29,0%**



Men **71,0%**

(Direct employees and apprentices)

Most innovative product



Flavored tomato sauces: Ranch, Italian with fine herbs, and Fresh vegetables from the garden. Ready-to-use tomato sauces with natural and fresh ingredients, which are a perfect combination with Doria pasta products as they complement the flavor of meals.

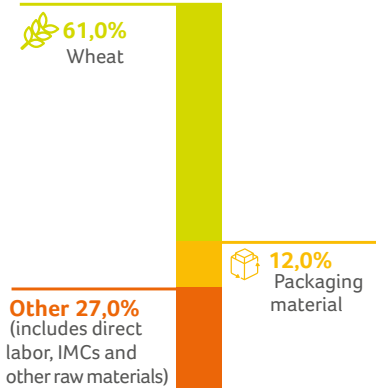
Main categories
(% of total sales)



Market share in Colombia



Raw materials and other



Legend

- Presence of our main brands [GRI102-2]
- % of the Business Sales
- Production facilities
- Brands with sales over USD 50 Million

Direct presence in **4** countries

Colombia

- 99,2%
- 2
-
-

Other countries

- 0,8%

Outlook for 2019

Maintaining the generation of value and growth by innovating and strengthening brands, and venturing into other markets.

Making progress in the management of productivity to continue improving the financial results.

Strengthening the leadership as a development driver and the well-being of our people, thus benefiting the organizational climate, the commitment and the Business's achievement of results.

Keep fostering innovation as a strategic driver.



COMMERCIAL NETWORKS



Juan Fernando Castañeda Prada

Vice President, Marketing and Sales-Commercial Networks

Part of Grupo Nutresa since 2011

51 years old

Relevant aspects from 2018

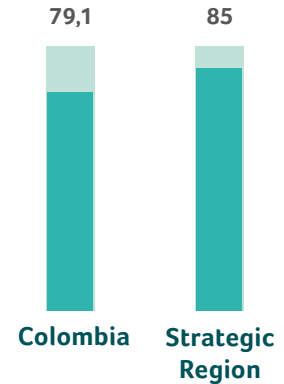
- We managed** the networks focused on generating efficiency based on the sales fundamentals: numerical distribution increase, marketing and trade investment optimization.
- Our defined value propositions allowed us** to focus and prioritize the investment on customers according to their motivation factors, strengthening the service with a reduction in the channel service costs.
- Progress was made** in the construction and implementation of the value propositions throughout the other geographies, particularly in Central America and Mexico, with the aim of articulating the advantages of the model.
- We incorporated** technological advances and transformed our processes with the purpose of improving the experiences and consolidating a differentiated service, with outstanding results in the customer satisfaction and loyalty surveys.
- We achieved** a positive impact on more than 3.000 traditional-channel customers through a program focused on mass networks in Colombia, with the development and transformation of their operations and points of sale, thus generating double-digit growth rates in their businesses overall.
- We enhanced** the capabilities related to management and portfolios, and we incorporated specialized technologies in Novaventa –the catalog sales network– and vending machines in Colombia to deliver a better value equation to the consumers. The network reached a coverage of 87% in Colombia, with more than 170.000 individual entrepreneurs and an operation consolidated through vending shops.
- We strengthened** our institutional network with a value proposition based on a specialized portfolio adapted to the needs of customers, as well as specialized, expert assistance within an operational efficiency model.



Customer satisfaction level



Customer loyalty level



Employees*

6.560
TOTAL

(Direct employees, indirect employees and apprentices)



Women
34,4%



Men
65,6%

(Direct employees and apprentices)

*Employees from Comercial Nutresa, La Recetta and Novaventa.

Outlook for 2019

- Updating** and enhancing our value propositions in the international context, as well as the new segments, with the aim of attaining a higher level of convenience and offering more and better alternatives in the healthy segments.
- Incorporating** digital business models that facilitate our connection with customers, shoppers and consumers to continue creating new business opportunities and generating efficiency in our operation.
- Expanding** our ability to directly reach consumers with differentiated brand experiences, easy access and a good price-value ratio.
- Generating** new consumer moments at home and elsewhere for our categories.

SERVICIOS NUTRESA



Sol Beatriz Arango Mesa

President

Part of Grupo Nutresa since 1992

57 years old

Relevant aspects from 2018

We incorporated new services and user experiences with the purpose of contributing to the development of capabilities, the capture of synergies and our customers' productivity.

The "Actúo Íntegramente" (I act with integrity) program was strengthened to promote business ethics and practices related to transparency, the fight against corruption, diversity, inclusion and good corporate governance.

We implemented new technological solutions and tools with the aim of optimizing and redefining technology processes and services that allow us to be at the forefront in the field.

We achieved a level of excellence in terms of customer satisfaction.

The strategic sourcing methodology was expanded to new categories and geographies, with savings that amount to more than COP 86 billion, and we consolidated our Shanghai facilities as a global sourcing hub.

We designed a new-technology appropriation model with the aim of identifying and implementing cases of use among our customers.

We achieved outstanding results in the survey related to organizational climate, commitment and job satisfaction, which is something that contributes to attract and retain the talent required by the Organization.

Types of services

Servicios compartidos

Shared services

- Administrative and real-estate
- Financial
- Risk and control
- Human and Organizational Development
- Technological

Corporate services

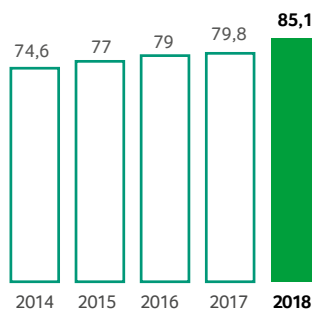
- Innovation, Markets Intelligence, Media and Sustainability

Transverse support

- Fundación Nutresa, Vidarium and Gestión Cargo

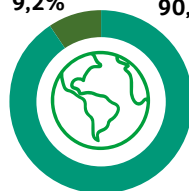
Client satisfaction measurement evolution

Outstanding level



Employees

International 9,2% Local 90,8%



913

TOTAL

(Direct employees, indirect employees and apprentices)



Women **49,7%**



Men **50,3%**

(Direct employees and apprentices)



Outlook for 2019

Maintaining the level of service excellence in order to achieve an increasing understanding of the needs and priorities of our customers.

Contributing to the appropriation of new technologies that enhance the competitiveness of the Businesses, improve the efficiency throughout the entire processes, and develop new capabilities related to critical thinking, analytics and agility.

Strengthening the development of transformation-focused leaders that promote collaboration and the connection of the work teams with both the strategies and Grupo Nutresa's higher purpose.

Developing new operation platforms in special economic zones with the aim of integrating our customers into the global value networks and identifying more supply sources and savings in order to contribute to overcoming the challenges related to competitiveness.



What started as an idea thought by **SIBERIA ELENA** and **CAROLINA ORDUZ ROMERO**, and their niece **ANDREA BOLÍVAR ORDUZ**, became a visionary company that, thanks to Spirulina, gained visibility in the healthy food market with its brand *Naturela*. Today, 16 years later and thanks to their capability to innovate and their vision of a nourishment-based well-being, they are part of Grupo Nutresa.

Thriving with new ingredients

Sisters Siberia Elena and Carolina Orduz Romero, and their niece Andrea Bolívar Orduz, created *Naturela*, a company with a portfolio of 19 products, including powder Spirulina and a line of healthy snacks as some of the most outstanding among them. Spirulina is a super food discovered in Africa and it contains proteins, minerals, calcium, magnesium, vitamin B complex and other important components.

Their idea of generating nourishment-based well-being started taking shape thanks to their experimentation and determined work. In 2017, their effort to reach more people with their products materialized as a new big step: becoming part of Grupo Nutresa. This allowed them to use its distribution channels and to learn from its innovation capabilities. *Naturela* is spelled with an N, as in nutrition and Nutresa, and they say that is not a coincidence.

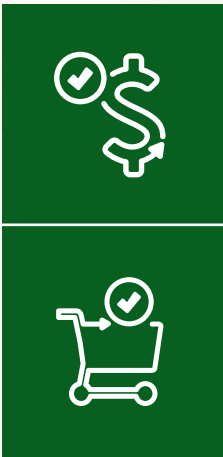


“Grupo Nutresa is aligned with our philosophy, values and fundamental purpose, we both strive to generate well-being through food and nourishment.”

Carolina Orduz, Founder of *Naturela*.



By investing in companies such as *Naturela*, Grupo Nutresa fosters entrepreneurship projects and products with a differentiated purpose that contribute to the nutrition and well-being of consumers.



New Matiz
experience shops in
Colombia.

PROFITABLE GROWTH IN THE MARKETS AND **RELIABLE BRANDS** WITH AN EXCELLENT PRICE-VALUE RATIO

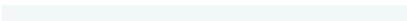
Profitably developing the strategic markets with brands, distribution networks and human talent, delivering value propositions with memorable and differentiated experiences to consumers, shoppers and customers in order to fulfill their needs and motivations.

Grupo Nutresa's Brands and Networks Management Model enables an internal alignment and provides a vision for managing a broad portfolio of brands and products in different geographies, thus fostering people's quality of life and well-being.

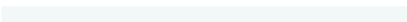
Promoting a market-focused Organization based on the cross-sectional knowledge, the development and the enhancement of organizational capabilities that reinforce the models and practices in the region.

STRATEGY
[GRI 103-2]

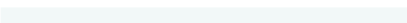
Strengthening the value propositions of the brands.



Managing the portfolio of brands and products in accordance with the market needs.



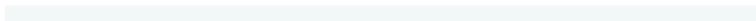
Strengthening the commercial networks and generating customer loyalty.



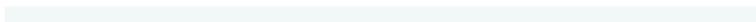
Strengthening the internationalization model.

PROGRESS 2018
[GRI 103-3]

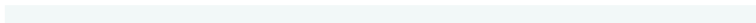
- **Deep** consolidation in the alignment of the brands with Grupo Nutresa’s consumer segmentation and the strengthening of their positioning based on the development of innovation and on the communication of its differentiated elements.
- **Reinforcement** of the brands’ value propositions in multiple segments and their expansion into other categories and geographies. Festival and Tosh in ice cream products, Pietrán with vegetable protein, Granuts in Brazil, Cordillera in the U.S., Mexico and Ecuador, and Culture Blends in the Philippines.
- **Progress** in the creation of experience-based stores with highly differentiated products under the Evok brand.



- **Innovation** related to well-being, nutrition and health in multiple brands, such as Bénet, Tosh Snacks, Café Sello Rojo Vive and Pietrán Veggie.
- **Development** of portfolios based on relevant concepts related to sustainability and nutrition, such as clean label, non-GMO, organic, fairtrade and natural ingredients.



- **Incorporation** of technological advances and process transformation, as well as the enhancement of the capabilities related to customer experience management focused on ensuring the loyalty of our customers.
- **Orientation** of the network management towards generating efficiency based on the sales fundamentals.
- **Enhancement** of the capabilities related to management and alternative channel portfolio with the aim of delivering a greater value to consumers and shoppers.



- **Application** of the brand management model across the different geographies for mainstreaming brands and managing innovations.
- **Development** and enhancement of our own distribution capabilities in CAM and the U.S.
- **Customer** segmentation in the industrial businesses, allowing to steer it from the current commercial networks to increased-value businesses that are sustainable over time.

RISKS AND OPPORTUNITIES [GRI 103-1]

The trade disputes and the political and economic instability in the countries of the strategic region, along with tax reforms that impact the dynamics of consumption, are risk elements that must be taken into account for the strategy of the businesses. Therefore, the portfolio diversification and the adjustment to the value propositions in terms of prices and channel presence are a constant opportunity for maintaining the leadership in the markets.

Moreover, the permanent expansion and the strengthening of retail, including the arrival of agents that provide new business models and purchase and consumption experiences, generate risks for the Organization. Thus, Grupo Nutresa continues to work on a segmented and differentiated portfolio based on increased-value innovation and on the creation of new consumer moments at home and elsewhere.

As a result of the constant change in the consumption patterns and buying habits of consumers, new agents arise in the categories where Grupo Nutresa participates, entailing a constant competitive monitoring for the brands with the purpose of enhancing their value propositions to get closer to consumers.

Finally, the sustainability-aware consumption trends are increasingly gaining relevance among the new generations, becoming opportunities for the brands to strengthen their propositions towards the development of products more aligned with them.

The Organization will keep seeking to capitalize more potently the wellness trend through the improvement of the nutritional profiles with new healthy ingredients and the so-called superfood products, and through the enhancement of portfolios that respond to convenience and channels that enable a closer interaction with the market.

Grupo Nutresa will develop capabilities focused on making a more assertive reading of **the trends and capitalizing on opportunities.**

OUTLOOK

Under the light of the culture of a market-focused Organization, Grupo Nutresa will intensify its work on value propositions adapted to the needs of consumers, shoppers and customers based on a deep knowledge of them in order to create differentiated experiences and sustainable relations. The mainstreaming of the brands among the different categories and geographies will be a boosting element for the brands themselves to build a stronger connection with their consumers.

New channels and business models will continue to be explored and developed to boost the presence of the brands in alignment with the consumers' transformation, which also looks for convenience through technology and out-of-home consumption.

Lastly, the Company will develop capabilities focused on making a more assertive reading of the trends and capitalizing their opportunities through the development of solutions for consumers, shoppers and customers. For this purpose, it is essential to utilize the existing information in order to produce big data analysis and analytics.



Employee from the Biscuits Business at the production line in Medellín, Colombia.



Leños & Carbón restaurant in Cali, Colombia.

SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]



- **Market launch of the Cold Cuts Business's Pietrán Veggie Burger & Veggie Bites.** It is a new vegetable protein option that strengthens its value proposition, including in its portfolio an option for vegetarians and broadening the consumer base of the brand. In 2018, the corresponding sales were greater than COP 1 billion.



- **The Ice Cream Business** launched three products focused on different targets as a response to the challenge posed by the World Cup of having specific products for this season and transforming them into consumer moments. These products generated additional sales for COP 7 billion.



- **The Chocotera from Corona, automatic hot chocolate pot was launched into the market as part of the strategy focused on facilitating the preparation for hot chocolate consumers and creating new consumer moments.** This product was the result of a co-creation exercise carried out with Haceb (local appliance manufacturer), and it is a new appliance capable of replacing the traditional preparation method. By the end of the year, approximately 80.000 automatic hot chocolate pots had been sold.



- **In 2018, the Tresmontes Lucchetti Business** entered the chocolates category in Chile with the Muibon brand. The products of this brand are produced by the Chocolates Business, which reflects the synergies occurring within the Organization. During the first year, the corresponding sales amounted to USD 4 million.



- **Pozuelo** was awarded the "Supplier of Excellence" acknowledgment by Walmart Central America for its seamless management in terms of service, channel support and product quality.



Novaventa experience center for individual entrepreneurs in Medellín, Colombia.

SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]



- Market launch of Sello Rojo Vive by the Coffee Business.** This is the first functional coffee in the market with scientifically proven benefits that help to prevent the risk of cardiovascular diseases. Since its launch, the product has achieved sales for more than COP 1 billion.



- The Biscuits Business received an acknowledgment** from the Medellín Education Secretariat for “Mundo Noel” (Noel World) as a recognition for its first ten years. The acknowledgment was awarded to highlight the work done through Mundo Noel, with more than 490.000 visits by kids from education institutions in Medellín and its metropolitan area.



- Multi-category launch of Albóndigas Zenú (meatballs) by the Cold Cuts Business.** This is a protein solution for lunch, which comes in practical presentations and ready for consumption. The product achieved sales for 8.258 million. This represents a contribution to the growth of the segments of refrigerated processed meat products and long self-life ready-to-eat food products.



- Launch of Cordillera in the U.S., Mexico and Ecuador by the Chocolates Business.** The Company reached a sales mark of USD 8 million, and a global value proposition was enabled based on cross-sectional capabilities and on Grupo Nutresa’s Brand and Network Management Model.



EFFECTIVE INNOVATION

For Grupo Nutresa, innovation is a strategic driver that becomes the engine of growth and competitiveness for the achievement of results in the strategic region and the markets where it operates.

Innovation is based on the deep knowledge of customers, consumers and the construction of a long-term vision resulting from forward planning exercises, and, combined with a culture that enables processes of this nature, it materializes in products, services, processes and new business models that add value.

Employee at the distribution center of the Biscuits Business in Medellín, Colombia.

STRATEGY**[GRI 103-2]**

Implementing the innovation-focused strategy, and structuring the governability model.

Strengthening the innovation programs: “Éxitos Innovadores” (Innovative Success Stories), “Prácticas Ejemplares” (Exemplary Practices), “Soluciones Innovadoras” (Innovative Solutions) and Out of the Box.

Building Grupo Nutresa’s innovation projects portfolio.

Consolidating the knowledge management culture.

Discovering and progressing in the identification of new digital technologies and their contribution to innovation and productivity.

PROGRESS 2018**[GRI 103-3]**

- **Deployment** of the Imagix Model evolution in ten companies in Colombia, United States, Peru, Ecuador and Central America.
- **Update** of the innovation matrix for the Businesses, which allowed to obtain a higher level of clarity in the balance of innovation portfolios.
- **Design** of a new concept focused on enabling open innovation in Grupo Nutresa, shaping the “Soluciones Innovadoras” program into a version that responds to the need of building new growth opportunities.
- **Development** of the third edition of the “Out of the Box” program, with 45 proposals submitted, five developed and two acknowledged.
- **Redesign** of the innovation promoter program and training of 136 promoters in the pilot execution, with three training sessions for Pro promoters, one for Expert promoters and another one for Master promoters.
- **4.854** Innovative Success Stories received acknowledgments across all of Grupo Nutresa’s geographies and Businesses.
- **Three** Exemplary Practices were awarded acknowledgments.
- **Implementation** of a new technology platform for the indicator board pilot in the Chocolates Business.
- **Configuration** of a portfolio with 16 innovation projects developed by teams based on methodologies related to strategic challenges of the Businesses, with the aim of searching for new high-impact business models for new or nonexistent markets.
- **Development** of a self-management strategy for the synergy communities.
- **Design** of a strategy that enables the tangibilization of knowledge management. It will be implemented in 2019.
- **Organization** and execution of “Talleres de Descubrir” (Workshops for Discovering).
- **Construction** of the innovation ecosystem, through which such technologies will be explored.
- **Identification** of more than 60 opportunities to apply new technologies in the Businesses.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Grupo Nutresa has identified risks related to the implementation of effective innovation: not reading the changes in the Organization's environment and context at the right time. Such changes could consist in legislations, provisions regarding packaging, intensive use of resources, price and availability of commodities, for which the Organization has multiple monitoring and prevention mechanisms.

Grupo Nutresa's driver of innovation is its human capital and its main challenge is to strengthen its participation in the implementation of the Imagix Model, in the adoption of new expert capabilities that enable a higher speed and diversity in terms of the proposals, and in the achievement of the evolution of its innovation programs. Thus, the main gaps in this regard were identified in order to enhance the capabilities and bring innovation to other environments and settings.

For the Organization, it is a priority to be aligned with the dynamics of its environment and context, and to understand innovation beyond the product. Therefore, Grupo Nutresa develops forward planning processes, with periodic reviews for correcting the course if necessary, that enable it to operate in advance, maintain its leadership in the food sector, and be at the forefront of the industry.

Finally, there is a major opportunity to develop intra-entrepreneurship initiatives, approach startups, obtain a diverse innovation portfolio –supported on indicators that allow to perform a timely management– and boost the creation of new business models jointly with other companies and agents from the ecosystem. Open innovation becomes particularly relevant in the process of attracting new capabilities and incorporating the new technologies in the value chain to generate a higher level of competitiveness.

Open innovation becomes particularly relevant in the process of attracting new capabilities and incorporating new technologies.

OUTLOOK

Grupo Nutresa gets ready to deal with the multiple challenges of the industry at the right time, maintaining its leadership in the region and getting prepared to face any other challenges posed by the market. That is why for 2020, the Organization has set the goal of achieving innovation-driven sales equivalent to 15% of the total sales and seeks to achieve 0,3 Innovative Success Stories per employee.

The Company will continue to gather efforts for giving continuity to the comprehensive management of both innovation and the portfolio of short, medium and long-term projects. A greater emphasis will be laid on social and environmental innovation, and the innovation-related incentives and acknowledgments for employees will be reassessed.

It is a great challenge to create strategies that allow to act in alignment with the evolution of the legislations in the regions where Grupo Nutresa operates, strengthen the internal entrepreneurship and connect with external agents that allow to design adequate solutions. Additional expert capabilities will be created for the development and incubation of disruptive, long-term projects, and the Organization will have a better understanding of the lifestyles, consumption trends, aspirations and needs of both customers and consumers, thus enabling the generation of new value propositions.

Over the coming years, the Company will reinforce the execution of a strategy focused on making the most out of its ecosystem. The aim of this reinforcement is to bring new capabilities, knowledge, technologies and talent that allow to create a higher level of competitiveness for the future and to reinvent the business based on the market trends and the goals set forth from the perspective of forward planning.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

Grupo Nutresa was acknowledged in the innovation ranking compiled by the Dinero magazine and the Andi (National Business Association of Colombia) with the first place in the category of companies with greater innovation perception among the businesspeople who participate in the measurement, the third with the biggest share of PhD-degree holders in their workforce and in the top ten of companies with the most product launches.

Employees doing planning work at the Coffee Business production plant in Medellín, Colombia.



107 KIDS FROM THE LOS MICOS RURAL CENTER in Colombia having fun while learning about eating properly and about healthy lifestyles through the “Nutresa Quiere a los Niños” (Nutresa cares for children) program.

Creating fun learning experiences to spread joy and well-being



“This program inspires us to take care of what we have, to eat properly and to exercise for improving physically and mentally. It consists in very special activities both at home and at school that have a deep positive impact on the future of our children.”

Beatriz Elena Muñoz Arenas, director of the *Los Micos* Rural Education Center.

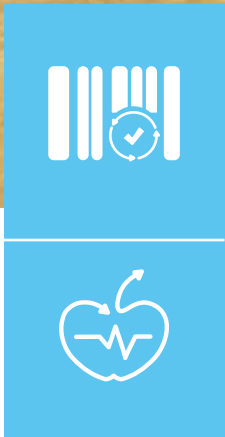
One hundred and seven children from the *Los Micos* Rural Education Center in Titiribí, Colombia, solidify their values and learn to eat properly. They strengthen their minds and bodies and, through relevant, simple and assertive messages, project what they want while they grow up.

By studying the booklet created as part of Grupo Nutresa’s healthy lifestyles promotion strategy, the kids have fun while learning about healthy eating habits, hygiene practices and physical activity with drawings, stage plays, classroom exercises, games and sports practices.

This process transcends classrooms and, with the support from teachers and parents, it enables the adoption of healthy lifestyles.



The “Nutresa Quiere a los Niños” (Nutresa cares for children) program promotes healthy lifestyles based on fundamental subjects such as balanced eating habits, physical activity, hygiene practices and sharing as a family. In 2018, the program reached 92 education institutions in Colombia, benefiting approximately 6.000 students from high-vulnerability and difficult-access rural areas. Additionally, eighteen community-based art festivals were organized in urban territories, with an attendance of 7.804 kids.



Healthy lifestyles promotion program in La Guajira, Colombia.

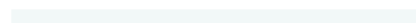
NUTRITION, HEALTHY LIFESTYLE AND RESPONSIBLE MARKETING

Offering products and menus that provide the consumers with alternatives that meet their nutrition and well-being expectations, and actively promoting healthy lifestyles by means of awareness-raising and education campaigns and programs.

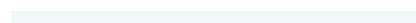
Grupo Nutresa's imperative commitment is to encourage responsible consumption through clear labeling and unabridged advertising that allow the consumer to make informed decisions.

STRATEGY
[GRI 103-2]

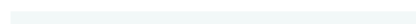
Adjusting the nutritional profile of the products.



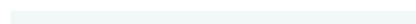
Implementing the front-panel nutritional label in all the products.



Promoting healthy lifestyles.



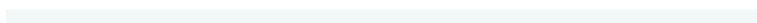
Reducing the nutrients of interest in public health.



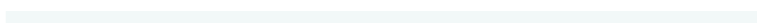
Managing the advertising responsibly.

PROGRESS 2018
[GRI 103-3]

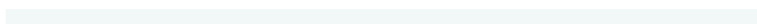
- **3.072** products adjusted to the Nutresa nutritional profile, achieving a fulfillment level of 97,8% of the goal set for 2020. [G4- FP6] [G4-FP7] [SDG 2.1]



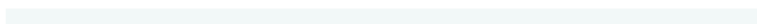
- **86,4%** of the portfolio complies with the front-panel labeling requirements.



- **Continuation** of the Healthy Organizations program for the internal community, the “Nutresa Quiere a los Niños” (Nutresa cares for children) and “Germinar” strategies, and the “Alimentando Sueños” (Feeding dreams) and “Estilos de Vida Saludable” (Healthy lifestyles) alliances in school populations.
- **16** education institutions, 12.623 students, 660 teachers and administrative personnel, and 102 food handlers in Colombia were benefited.



- **251** product references reduced in sodium content, 117 reduced in sugar content, 85 reduced in saturated fat content, and the nitrite content of 93 meat products was modified. [G4- FP6] [G4-FP7] [SDG 2.1]



- **Application** of the advertising self-regulation with regard to kids younger than 12 years old. 98,3% of the advertising was adjusted to this criterion.

The sector is calling to promote **a great transformation** that should correspond to a new framework of action.

Grupo Nutresa interprets the changes in its setting **as an inspiration to innovate** because it is an opportunity to promote new products and business models.

RISKS AND OPPORTUNITIES

[GRI 103-1]

In the light of the ground gained by chronic diseases, the concern about the health conditions of the populations continues to increase. It is clear that the multiple causes and factors of these health problems require interventions on several fronts. Among these fronts, the ones related to food composition, labeling, advertising and physical activity promotion have a considerable impact on Grupo Nutresa's operations, as well as the taxes that are being imposed in consideration of food product composition.

The strategies that have been implemented in some regions have not produced the desired impact, creating additional pressure that lead to increasingly restrictive regulatory frameworks. The understanding of the issue, the monitoring of the emerging knowledge and the continuous work give the food sector the possibility to make a timely response that contributes to the solution.

The transformations are urgent, but they must be supported on sufficient scientific evidence, which is something that has been becoming a restrictive factor for the evaluation of general intervention proposals. It is necessary to invest in research in order to determine the impact of the management proposals being submitted, and it is also necessary to transcend the speculative discussions about the results of their implementation.

Grupo Nutresa has incorporated measures focused on mitigating the impact of this generalized condition, and it interprets it as an inspiration to innovate because it is an opportunity to promote new products and business models.

OUTLOOK

With the aim of maintaining the consumers' preference with product alternatives that contribute to the preservation of their health, the research and development teams will work on the subject without putting aside the reductions of critical nutrients, the evaluation of new ingredients and the development of new products. All of this will be performed in alignment with the goal of multiplying by 2,5 the number of products adjusted to the Nutresa nutritional profile (based on the 2012 baseline). In addition, with the research agendas that are being executed, the Company will achieve a better appropriation of emerging knowledge and techniques for accelerating the development of new portfolios. [G4-FP6] [G4-FP7] [SDG 2.1]

The sector is bound to lead a major transformation because not only the products should answer to a new framework of action, but also the way how it communicates and commercialize them should be governed by it. Grupo Nutresa has embraced this framework and it will be materialized through concrete reformulation strategies, the development of new products inspired by health and nutrition, front-panel labeling, the promotion of healthy lifestyles, the work on food security, and nutritional education strategies.

The well-being of the child population is also a major concern for Grupo Nutresa, which is why the Organization has joined the public-private alliance known as "Alimentando Sueños" (Feeding dreams). The objective of this action is to make Colombia the country with the best level of child nutrition in Latin America by 2030, along with the work being performed in Chile and Mexico through the Tresmontes Lucchetti Business, and the alliance established with the Ministry of National Education and other entities in Colombia.



SUCCESS STORIES AND ACKNOWLEDGMENTS

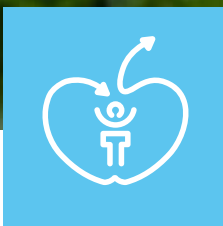
[GRI 103-3]

It is worth highlighting the innovation made by the **Cold Cuts ÇBusiness in its Pietrán brand**, which consists in the substitution of preservatives and the elimination of added nitrites. This innovation allowed to offer products that are a good source of protein, with a low fat percentage and a reduced sodium content, and without preservatives, all of this while maintaining their flavor.

Another aspect that stands out is the launch of **Sello Rojo Vive by the Coffee Business**, a coffee product especially processed to preserve its natural antioxidants. Each cup of coffee prepared with 6 g of Sello Rojo Vive in 100 ml of water provides antioxidants that contribute to the care for the circulatory system as it protects the blood lipids from the oxidative stress, without negatively affecting the vascular function and the cholesterol levels.

It is also worth highlighting Bénet's new launch of gums and soft capsules with vitamins, minerals, fiber and fatty acids (omega 3, 6 and 9); diet supplements and food products fortified with vitamins and minerals to cover the essential nutrient needs, guaranteeing the adequate functioning of the organism.

"Nutresa Quiere a los Niños" school kit program in Ituango, Colombia.



FOOD SECURITY

Germinar program
from Grupo Nutresa
in Ciudad Bolívar,
Antiquia, Colombia.

Designing and undertaking initiatives focused on the eradication of hunger, which create possibilities related to nutrition and to the development of capabilities for the communities in the strategic region. Also, implementing actions focused on the reduction of food loss and waste in Grupo Nutresa's value chain.

STRATEGY [GRI 103-2]

Implementing food security actions in rural and urban communities in Colombia.

Disminuir la pérdida y el desperdicio de alimentos en las compañías de Grupo Nutresa.

PROGRESS 2018 [GRI 103-3]

- **Continuity** in the promotion of local food options among 71 base-level families that produce cocoa beans, cashew nuts and sesame seeds in the Montes de María region, Chocó, Magdalena and Meta.
 - **Start** of the construction of new healthy nourishment systems with coffee-growing communities.
 - **Training** of 275 families in subjects related to self-consumption and access to food products, achieving a total productive-gardens area of 8.300 m².
-
- **Establishment** of a goal to reduce waste by 50% and operation loss by 30% in all of Grupo Nutresa's activities by 2030, purposes that are aligned with the global pledges.
 - **Training** of people from all of Grupo Nutresa's operations in the subject of food loss and waste, with the purpose of developing their capabilities related to the implementation of reduction measures.
 - **Improvement** of the hygienic-sanitary profile rating in 22 food banks in the strategic region due to the implementation of good food-handling practices.

The Company has defined **goals to optimize and innovate** in the use and reduction of food loss and waste.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Climate change, the deterioration of the environment, migration and the forced displacement of populations put the food security of low-income communities at risk and increases the problems related to undernutrition and food shortage. This entails consequences such as the population suffering and the creation of gaps in the competitiveness of the countries where Grupo Nutresa operates.

Additionally, more than 1,2 billion tons of food are lost or wasted every year around the world, contributing to the depletion of the natural resources and to the lack of food security, and inhibiting the growth and development of the countries. This not only generates risks for the operation in terms of finding capable talent and operating in barely prosperous settings, it also brings opportunities related to the promotion of sustainable agricultural practices and to the reduction of inefficiency in the production and supply chains.

That is why Grupo Nutresa develops strategies that enable it to comprehensively address these issues jointly with allies such as the food banks, which bring the products that have not been commercialized by the companies to other populations, with the purpose of mitigating the food waste risk in the value chain and contributing to the reduction of undernutrition.

In addition to the foregoing, the determination of corporate goals focused on optimizing and innovating in the efficient use and loss and waste reduction become opportunities for the Company.

Grupo Nutresa will continue working to reach new populations with its Germinar program to achieve **sustainable production of food** to mitigate the risks associated with food insecurity.

OUTLOOK

Grupo Nutresa will continue to work on its Germinar program with the goal for 2020 of strengthening and expanding the current nourishment systems and reaching new populations in order to achieve the sustainable production of food to mitigate the risks associated with food insecurity. In 2019, the Organization will continue to enhance the existing productive gardens and the construction of new systems will be started in communities that are part of ceviche-selling associations in Cartagena, Colombia.

Moreover, in the light of the goals for 2020, Grupo Nutresa will continue to work with 24 food banks in Colombia, Mexico, Central America, Ecuador, Peru and Chile, delivering products as part of its strategy focused on reducing food loss and waste. The Company will also continue to develop logistical and food-handling capabilities with the aim of reinforcing the recovering, reutilization and distribution work.

Finally, within its operation, the Organization will carry out actions intended to achieve, by 2030, the goal of reducing food loss and waste, and to fulfill the year-on-year purposes established for each business.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

Grupo Nutresa was awarded the Inspiring Company 2018 acknowledgment for *Germinar* and its social impact on the promotion of food security, the positive results for the Company and the inclusion of population groups living in poverty. This acknowledgment was awarded by the National Business Association of Colombia (Andi). [SDG 2.1]

Consolidation and signing of the alliance with 52 companies that are members of the Andi's Chamber of Food Industry and the Colombian Food Bank Association -Abaco-. The central objective of this alliance is to support children nutrition in Colombia. It is an initiative that brings companies, governments, civil organizations and scientific and academic associations together to fight against children undernutrition with the aim of making Colombia the country with the best children nutrition levels in Latin America by 2030.

Germinar program in Sierra Nevada de Santa Marta, Colombia.



RELIABLE FOOD

Ensuring the satisfaction, well-being and nutrition of consumers with safe and high-quality products under a strict compliance with the legal framework, and with an excellent service supported by quality management and food safety systems.

Employee from the quality assurance department of the Coffee Business, Colombia.

STRATEGY

[GRI 103-2]

Consolidating the implementation, certification and maintenance of the management systems.

Maintaining the food protection model.

Ensuring the compliance with the legal regulations for materials that make contact with food and beverage products.

Generating capabilities for the exports to the U.S. through the implementation of the Food Safety Modernization Act (FSMA).

PROGRESS 2018

[GRI 103-3]

- **Conservation and/or renewal of certifications**
 - ISO 9001 quality and renewal of the 2015 version of 29 operation centers.
 - BPM (Good Manufacturing Practices): 10 operation centers.
 - HACCP (Hazard analysis and critical control points): 23 operation centers.
 - Smeta (audit developed for assessing the ethical performance in the supply chains): 4 operation centers.
 - **Standards recognized by the GFSI (Global Food Safety Initiative): 13** operation centers.
 - **Certificaciones de producto**
 - *Kosher*: 11 operation centers.
 - *Halal*: 6 operation centers.
 - *Fairtrade*: 2 operation centers.
 - *Organic*: 3 operation centers.
 - *Carbon neutral*: 4 operation centers.
 - **In the agricultural sector**
 - Good agricultural practice, Forest Compensation and Rainforest: 5 operation centers.
 - UTZ (Program and label for sustainable agriculture): 1 operation center.
 - **New certifications obtained**
 - ISO 45001 for the Biscuits Business production plant in Costa Rica and for the Pastas Business in Mosquera.
 - “Marca Esencial” (Essential Brand): Chocolates Business in Costa Rica.
 - Pronutri Certification: Biscuits Business in Costa Rica.
-
- **Continuation** of the work to guarantee the product authenticity and the incorporation (into all the Businesses) of practices that prevent the tampering with economic purposes, especially in all aspects related to the raw materials, packaging materials and products.
-
- **30** suppliers received training with the purpose of enhancing their capabilities for applying the fundamentals required for packaging materials and containers intended for the food industry, and complying with the regulations in force and with Grupo Nutresa’s requirements.
-
- **Total** compliance with the requirements of the standard in the Coffee, Biscuits and Chocolates, Business in Colombia with FSMA compliance certificates issued by a certifying body.

RISKS AND OPPORTUNITIES [GRI 103-1]

Grupo Nutresa maintains the legal monitoring and surveillance procedures to prevent the materialization of regulatory noncompliance risks related to the quality and food safety regulations in the countries where it operates and commercializes its products.

Due to the importance given to the matter, the Company fosters the creation of recurring activities for the active participation, discussion and revision of quality and safety standards. In addition to the food-related legal compliance, Grupo Nutresa constantly updates its standards with the aim of ensuring and being at the forefront of the compliance with the certified Quality and Safety Management Systems in the international context.

Moreover, the Organization maintains a constant communication with stakeholders with the purpose of strengthening the multiple communication channels in social networks and websites to make it easier to receive and answer consumers' questions, complaints and opinions regarding quality and safety.

This constant communication is focused on mitigating the reputational risk of the businesses due to the growth of the digital platforms, which have become an important communication channel that challenges the Organization to promptly and correctly enhance its means of interaction.

OUTLOOK

Grupo Nutresa has established crisis management practices and procedures that preventively direct management actions, the timely treatment and people involvement, and provide the guidelines that allow to coordinate the response efforts in case of any crisis event, mitigating its negative impact.

The crisis management manual is intended to provide a flexible framework that enables the effective and efficient use of the resources of all Businesses during adverse events. The objective is to ensure the participation and commitment of all the people involved in the application of the defined guidelines. Therefore, in 2019, the Organization will continue to work on spreading this corporate manual and organizing crisis simulation workshops in all its Businesses and locations.

Finally, the Company will work on measuring and managing the maturity degree of the management systems from all of its Businesses with the aim of identifying better practices and establishing action plans focused on harnessing synergies, developing capabilities and generating productivity.

Preparation of hamburgers in the Retail Food Business, Colombia.





SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]



The classic panettone and Cocoa Winter's products of the Chocolates Business in Peru received the Gold Star award from the Belgian International Taste & Quality Institute (iTQi). The first product stood out due to its texture and aroma, in addition to surprising with its flavor and hints of orange, a very important attribute of the Peruvian panettone that differentiates it from the world standard. The second product was highlighted for its flavor, appearance and aroma.

The Chocolates Business production plant in Rionegro received for the fourth consecutive year the AA rating as part of the certification in the global food safety standard, BRC V7. This is the highest acknowledgment under this standard, which is defined by the GFSI for announced audits. This means that the products comply with the legal framework and the standards related to safety and quality, additionally demonstrating the Organization's constant commitment to its customers and consumers.



The Pastas Business Monticello brand was acknowledged for its Fusilli product reference for the third consecutive year with the Gold Award, which is granted by the Monde Selection in Belgium. This award is given as the highest accolade for the superior quality of this product in the category, which is the result of strict quality standards and the care for every single detail in order to offer one of the best pasta products in the world.

Roasters for testing at the commodities laboratory in the Coffee Business production plant in Medellín, Colombia.



FERNEY CEBALLOS VARGAS has transformed a personal opportunity into a possibility of development for his employees. The growth of his business comes hand-in-hand with the support provided through Grupo Nutresa's Bambú customer development program.



Transforming to grow

Ferney Ceballos Vargas bought *Granero Fernando*, a small grocery store, with the help from his brothers. He had always worked at estates, which made serving customers not an easy task for him, but the idea of having his own business filled him with pride and motivation.

The energy that motivated Ferney drove him to look for help to strengthen his initiative in terms of product visibility, technology and service. He found support in Grupo Nutresa's *Bambú* program and, just a year later, his business had doubled in size and sales. *Granero Fernando* became a pillar of his life project and the sustenance of his employees, who Ferney guides as the leader he always wanted to be.

The *Bambú* program is a commercial development model devised to improve the competitiveness and sustainability of stores and mini-markets through the adaptation of their spaces, the enhancement of their strategies and the incorporation of technology. A total of 3.202 businesspeople benefited from this initiative.

“Grupo Nutresa and its consultants have helped me to take my business to where it is now. Thanks to this, the general conditions of my entire family have improved a lot. I owe everything good that has happened to this business to the *Bambú* program.”

Ferney Ceballos Vargas, shopkeeper beneficiary of the *Bambú* program.



DEVELOPMENT OF OUR PEOPLE

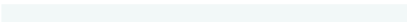
Promoting the comprehensive development of the human capital with the purpose of achieving the availability, commitment and productivity of the employees, guaranteeing their capabilities and talents in the short, medium and long term to secure the achievement of the Organization's goals.

Employees from the production department of the Biscuits Business in its library and knowledge center at the production plant facilities Medellín, Colombia.

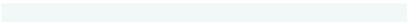
STRATEGY

[GRI 103-2]

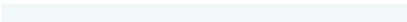
Strengthening the channels and networks used to attract human talent.



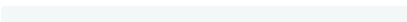
Consolidating practices focused on planning, training and developing the human talent.



Managing the employees' performance.



Managing the organizational climate and commitment.

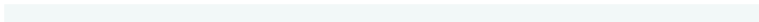


Strengthening the volunteer service as a scenario for the development of the human capital.

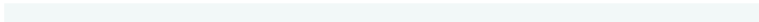
PROGRESS 2018

[GRI 103-3]

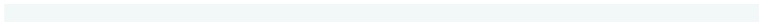
- **Strengthening** of the talent identification and attraction processes through the incorporation of new networks and channels.
- **2.177** internal and external open call-for-entries.
- **Presence** in three college events with the participation of more than 42.000 students.



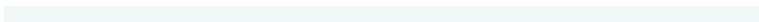
- **Implementation** of the planning process regarding the key human talent for all of Grupo Nutresa's companies, thus starting the identification and assessment of people with high potential.
- **25.632** employees participated in training and development programs focused on enhancing capabilities related to innovation, sustainability, leadership, upright behavior and digital skills.
- **624** promotions were carried out, and 177 internal internships were held, thus promoting development environments.



- **Consolidation** of the performance management process in order to measure people's contribution to the fulfillment of the organizational goals, apart from identifying the employees' level of development regarding the required capabilities.



- **Incorporation** of a new measurement and management model for aspects of work-related commitment, climate and satisfaction. This is how the Organization evolved towards the identification of more comprehensive organizational variables that have a stronger impact on the organizational performance with a result of 83,0%.



- **12.879** volunteers were mobilized through 18.932 solidarity actions that contribute to the sustainable development.

Leadership continues to be an essential capability for Grupo Nutresa; therefore, one of the most important strategies regarding human talent management focuses on **enabling the leaders in a comprehensive way.**

RISKS AND OPPORTUNITIES

[GRI 103-1]

The most significant risk identified in connection with Grupo Nutresa's human talent management is related to the capacity to connect and inspire people's purposes with those of the Organization, in order to ensure the understanding of the strategy and the way how each person contributes to the fulfillment of the goals. Deepening into and ensuring the appropriation of the strategy's relevant concepts, connecting the roles and departments throughout the entire organization, and empowering the leaders in their communication and understanding are the challenges that, if not properly managed, will negatively affect the achievement of results.

Another risk identified is the development of the capabilities required for transitioning to a new era of work that demands the transformation of current skills and the acquisition of new ones, the fulfillment of the roles for which there is no talent availability, and the adoption of other working styles. Leadership continues to be an essential capability for Grupo Nutresa's companies. Therefore, one of the most important strategies regarding human talent management focuses on enabling the leaders in a comprehensive way in order to secure the commitment and alignment of the work teams with the Organization's purposes through them.

The capability to attract and ensure the commitment of the best human talent is another one of Grupo Nutresa's opportunities and one of its operation focal points, based on the conviction about the importance of having a multi-generational and digital organizational environment that has learning expectations and diverse working styles.

OUTLOOK

The human talent development strategies for 2020 will be focused on giving continuity to the training and development of leaders and high-potential human talent, based on work plans that ensure the bridging of gaps in the capabilities and talents required by Grupo Nutresa.

Moreover, Grupo Nutresa will develop key capabilities such as adaptability, flexibility, speed, innovation, sustainability and productivity, in addition to a digital working environment that transforms the processes and the interaction with the multiple stakeholders. The Organization will continue to consolidate a self-care culture based on initiatives that promote people's comprehensive health, minimizing the risks associated with accidents, occupational illnesses and absenteeism.

Within the context of the challenges posed by the Company's setting, Grupo Nutresa will implement initiatives focused on ensuring the connection of the employees with the organizational strategies. Finally, the Organization aspires to remain being the most attractive company to work for in Colombia, and to consolidate its brand as employer across all the regions where it operates. Additionally, the Company will continue to manage the commitment, climate and satisfaction among the employees.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

Grupo Nutresa was acknowledged as the company with the greatest capacity to attract and retain talent in Colombia, and as the most attractive in the food sector according to the Business Monitor of Corporate Reputation –MERCO– in its 9th edition.

The Organization was ranked 11th in the Top 50 list of best companies to work for in Colombia, which is compiled by the Best Workplaces web portal. The companies are selected among those registered in the web portal based on the experiences of their current and former employees.

The Tresmontes Lucchetti Business in Chile received the Business Evolution Index Award from “Sociedad de Fomento Fabril” (Manufacturing Promotion Society). This accolade was awarded for having obtained the top score in the practices that contribute the most to the construction of a climate of mutual trust and harmony with all society agents. The relations with employees, people’s rights and diversity, and training and education are variables that stand out within such practices.

Employees from the Biscuits Business in the celebration of the international volunteer day in Medellín, Colombia.



Novaventa employees at the Medellín facilities, Colombia.

QUALITY OF LIFE

Promoting safe and healthy work environments that contribute to the reinforcement of a self-care culture and to the well-being and balance of the employees, positively influencing thus their productivity and commitment to the Organization.

STRATEGY
[GRI 103-2]

Managing the workplace health and safety based on world-class standards.

Occupational illness issue management in Grupo Nutresa's companies.

Strengthening the management model for workplace health and safety for suppliers and contractors.

Promoting the balance in the employees' work, personal and family life.

Measuring and managing the psychosocial risk.

PROGRESS 2018
[GRI 103-3]

- **Implementation** of effective programs focused on bridging gaps and significantly reducing the accident and absenteeism risks in Grupo Nutresa's companies in all geographies.
- **Improvement** in the indicators of accidents suffered by direct employees, as the accident frequency rate went from 2,02 in 2017 to 1,53 in 2018, anticipating the fulfillment of the goal established for 2020.

- **Update** of the occupational illness map in all of Grupo Nutresa's companies with the purpose of reinforcing the prevention strategy and defining an alliance with the occupational risk insurance administrator. The Organization created the project titled **Risk Attributable to Occupational Illness** working jointly with the occupational risk insurance administrator in order to determine the percentage of occupational illness cases that could be prevented if the exposure to the risk factor is eliminated.
- **Incorporation** of performance management indicator dashboards into the executive levels, as well as occupational illness management indicators dashboards, fulfilling the established goal of zero occupational illnesses among employees who have been working for the Company for less than four years.

- **Positive** reduction results in the indicators of accidents suffered by contractors, as the accident frequency rate decreased from 4,27 in 2017 to 3,81 in 2018.
- **Organization** of the first Grupo Nutresa contract auditor meeting, with a participation of 918 attendees from all of the Organization's companies. In this event, Grupo Nutresa underlined the importance of the workplace health and safety management systems for suppliers and contractors.
- **Organization** of the workplace health and safety workshop focused on WHS leaders and managers from the contractor companies, with the participation of 40 attendees. The objective of the event was to gain commitment towards self-care and towards the care for their employees, in addition to contributing concrete tools for the development of capabilities.

- **Incorporation** of practices focused on the promotion of a harmonious and balanced life in all human dimensions. Based on this action, nine companies were certified as Familiarly Responsible Companies (abbreviated EFR in Spanish).

- **Psychosocial** risk intervention plan management, with the execution of actions intended to promote healthy working conditions and preventing harmful effects on health.
- **Launch** of a mindfulness practice appropriation pilot project, with the involvement of 221 Grupo Nutresa employees with the aim of identifying its effectiveness in decreasing the psychosocial risk.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Grupo Nutresa is committed to the health and well-being of its employees, demonstrating it with the creation of strategies focused on promoting the quality of life in the workplace and the dimensions that contribute to achieving a balanced life. The Organization is certain about the fact that having healthy and harmonious employees creates a positive impact on the attainment of favorable and sustainable results. Therefore, the Company seeks to mitigate the risks related to the occurrence of accidents and to the emergence of physical and mental illnesses that, if not timely addressed, could cause absenteeism, lack of motivation and commitment, and a decrease in the productivity of the employees.

Practices such as telecommuting, flexible working hours, free time and comfortable work styles and environments, apart from increasing work quality, foster the possibility of attracting the best talent, as they are increasingly valued in the employment market and also have a greater economic impact in comparison to the cost of employee turnover, which is a growing risk for many organizations.

Finally, all of Grupo Nutresa's companies are visualizing a clear opportunity in the digital technologies related to automation, robotization and artificial intelligence, among other, for using them in processes that entail a high level of exposure to accident and absenteeism risks. Consequently, the Organization is exploring and implementing some of these new technologies that, in addition to bringing health benefits, contribute to productivity.

Lastly, another challenge that will continue to be worked on is the promotion and implementation of programs related to wholesome awareness, concentration, focus, enjoyment and balance, which is why the Company will keep adopting alternative solutions such as mindfulness, yoga, meditation, emotion management, and dream hygiene, among other.

The Organization is certain about the fact that having healthy and **harmonious employees creates a positive** impact on the attainment of favorable and sustainable results.

OUTLOOK

Grupo Nutresa will steer its strategy towards the continued promotion of healthy habits and lifestyles, and it will continue to develop a high level of awareness about the importance of self-care. In addition to this strategy, the Organization will keep on exploring opportunities regarding automation and robotization in high exposure processes, identifying the most critical processes in order to intervene them as a priority.

Another challenge considered in the strategies is related to contractor and supplier management, based on the goal of achieving that they reach the desired standards in Grupo Nutresa's context, thus improving the productivity indicators.

As of the end of 2018, the Organization fulfilled the goal that was set for 2020 in relation to the direct-employee accident frequency rate indicator, which is why a new goal of 1,4 has been set for the same year. Moreover, Grupo Nutresa will continue to work jointly with the occupational risk insurance administrator on the implementation of the project titled Risk Attributable to Occupational Illness, which will consist of four stages: establishing the occupational illness burden by each company, determining the occupational illness reduction after the implementation of the control measures, reviewing the cases to achieve an occupational illness rate lower than the sector average, and managing the safe return to work in the cases of persistent or definitive occupational illnesses.



SUCCESS STORIES AND ACKNOWLEDGMENTS
[GRI 103-3]

The Tresmontes Lucchetti Business in Chile was acknowledged by the Ministry of Health as a health-promoter workplace, excellence level.



Photo above: Employees from the Servicios Nutresa audit department during an active work break at the facilities in Medellín, Colombia.

Photo below: Distribution center employees during active work breaks at the Coffee Business production plant in Bogotá, Colombia.



RESPONSIBLE SOURCING

Ensuring the continuity of the business, capitalizing opportunities and managing the risks which are not directly controlled by the Company by incorporating economic, social and environmental variables in the management of the supply chain.

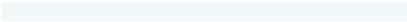
Cocoa Tree Nursery for Peace project run by Chocolates Business in Codazzi, state of Cesar, Colombia.

STRATEGY
[GRI 103-2]

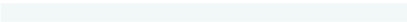
Improving and broadening the coverage of the strategic sourcing model.



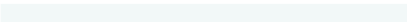
Bridging sustainable-sourcing gaps.



Promoting the implementation of inclusive businesses and the development of organizational capabilities among farmers.



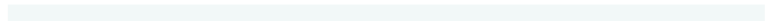
Incorporating sustainability-focused audits.



Implementing digital capabilities in the negotiation/procurement and sourcing processes.

PROGRESS 2018
[GRI 103-3]

- **422** initiatives were executed based on the strategic sourcing methodology, with savings totaling COP 86.478 million in Chile, Central America, Colombia, United States, Peru and Dominican Republic.
- **Regional** negotiation in the packaging materials category, projecting savings higher than COP 15.000 million.



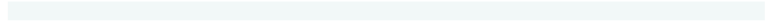
- **Progress** in the diagnosis of the beef production chain performed jointly with the World Wildlife Fund (WWF) and identification of the main risks and the tools to address them.
- **432** suppliers of goods and services received training focused on promoting their development, guaranteeing the gap-bridging processes and fulfilling the standards for the operations.
- **Organization** of Grupo Nutresa's First Meeting of Contract Auditors, which is focused on enhancing their role and raising their awareness on the importance of their work.



- **Implementation** of the new Social Accompaniment Methodology (abbreviated MAS in Spanish) for the empowerment of small agricultural producers in the social and business contexts, with the incorporation of productivity criteria in 57 organizations and the generation of greater efficiency levels that result in better supplies and raw materials for the Organization.
- **2.065** small farmers belonging to associations of producers benefited from the investment of 547 hours of training focused on developing their business capabilities.



- **Broadening** of the scope of the sustainability audits program to Costa Rica. A total of 52 audits were conducted in Colombia, Chile and Costa Rica.
- **26** training sessions were organized and held with the aim of developing sustainability-related capabilities among suppliers.



- **Implementation** of the @Contratos tool in Colombia and expansion of the coverage of the @Catálogo tool in Costa Rica to improve productivity, be more efficient and facilitate Grupo Nutresa's negotiation/procurement and sourcing processes.

RISKS AND OPPORTUNITIES

[GRI 103-1]

The responsible sourcing model allows Grupo Nutresa to manage the risks and opportunities related to animal well-being, the migration of farmers to the cities, generational replacement, commodities price volatility and level-two critical suppliers, apart from promoting the adoption of sustainable practices among agricultural suppliers.

In 2018, the Company reinforced its methodology of collaborative work with the farmer communities by implementing initiatives that are attractive for new generations and that improve the agricultural practices for increasing productivity and business management in the countryside. In addition, Grupo Nutresa carried out actions in the categories of purchases for the treatment of the multiple risks the Organization may be exposed to, with both direct suppliers and level-two (and above) suppliers. That is why the Company decided to work jointly with allies that are experts in the field, in order to ensure that the main ten commodities are produced under sustainable practices.

Finally, the production of commodities requires systemic, technology-based and advanced practices to improve productivity. These practices become new opportunities that should be addressed with the aim of having qualified and committed workforce available, ensuring they understand the dynamics of the territories, the technicalities of farming and the corresponding mode of production.

For 2020, Grupo Nutresa will consolidate the implementation of the Social Accompaniment Methodology (abbreviated MAS in Spanish) through its Foundation in order to develop technical, environmental, social and business capabilities among more than 60 organizations in Colombia. In addition, the Company will expand the methodology focused on the implementation of inclusive businesses within its strategic region, first in Chile with small durum wheat producers and then in Costa Rica with honey producers.

OUTLOOK

Grupo Nutresa will continue incorporating the best digital purchasing practices in the negotiation/ procurement and sourcing processes. The Organization will consolidate the incorporation of tools focused on facilitating the internal management of the negotiation, contracting and invoicing procedures to improve the commodities demand management process, optimize the working capital, and ensure the harnessing of value across the entire chain.

The Organization will also continue developing capabilities and implementing the responsible sourcing model across the multiple operations and geographies where it has presence with the purpose of bridging any existing gaps. Additionally, Grupo Nutresa will continue working with the support of allies to respond to the sustainability challenges and take on the emerging risks, apart from contributing to the fulfillment of the Sustainable Development Goals (SDGs).

The Company decided to work jointly with expert allies to ensure that **its main ten commodities are produced under sustainable practices.**



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

The Chocolates Business was acknowledged as the first company in Colombia to be awarded the Inclusion-Oriented Company seal in the category of Inclusion-Oriented Linkages. This was based on the implementation of practices focused on the inclusion of vulnerable population in their value chain. This acknowledgment was awarded by an alliance formed by the Andi Foundation and USAID Colombia, with support by Deloitte.

It is worth highlighting the opening of the Chocolates Business's Cocoa Tree Nursery for Peace, in alliance with Agrosavia, the Canadian Cooperation Agency Socodevi and Repsol. This project is focused on strengthening the cocoa production initiatives and the reconstruction of the social fabric in Colombia. The purpose of this initiative is to spread and distribute plant material for small and medium producers, with a productive capacity of 1.200.000 seedlings. It is located in the Colombian state of Cesar.

Photo above: Inclusion-Oriented Company Seal awarded by the Andi Foundation to the Chocolates Business in Bogotá, Colombia.

Photo below: Opening of the first Cocoa Tree Nursery for Peace of the Chocolates Business in Codazzi, state of Cesar, Colombia.



RESPONSIBLE SALES

Providing customers with differentiated value propositions that contribute to their growth, profitability and sustainability, allowing Grupo Nutresa to contribute to the development of the communities by means of their commercial relations.

Employee from the sales force department of Novaventa's direct sales channel in Bogotá, Colombia.

STRATEGY

[GRI 103-2]

Incorporating, into the value propositions, elements that contribute to our customers' sustainability and competitiveness and to our own.

Incorporating elements that develop and enhance the capabilities of our customers in the loyalty-building and engagement plans.

Guaranteeing the processes focused on listening to our customers and consumers and managing their observations.

Consolidating inclusive and sustainable business models that contribute to the development of customers.

PROGRESS 2018

[GRI 103-3]

- **Reinforcement** of the value propositions intended for our customers, which provide differentiation and contribute to their sustainability and competitiveness in a win-win relationship, reflected on the results of the satisfaction survey conducted by the firm Ipsos Napoleón Franco. In this survey, the Organization was given a 89-point rating (over 100) in Colombia and 91,9 in the international operations.
- **In** the case of the loyalty ratings, the scores were 79,1 in Colombia and 85 in the international operations, reaching levels of excellence in both indicators.
- **A** total of 8.204 customers received training regarding capabilities related to the adequate administration of their businesses and for being prepared to tackle the recurring challenges of the market.
- **Incorporation** of elements that contribute to our customers' evolution, growth and quality-of-life improvement in the customer loyalty-building plans.
- **Support** and assistance to more than 4.300 customers from the traditional channel in Colombia, Panama and Costa Rica regarding the physical and operative transformation of their business, resulting in sales growth across their entire product stock.
- **Evolution** of the Center for the Interaction with Customers and Consumers, including advanced technology, expeditious service processes and highly qualified personnel.
- **Progress** made in the gap-bridging processes of five inclusive businesses involving base-level communities in the Ice Cream Business, Comercial Nutresa, Novaventa and the Biscuits Business in Colombia, as well as in the Tresmontes Lucchetti Business in Chile.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Grupo Nutresa continues to further into the knowledge and understanding of the multiple customer segments in order to fine-tune the strategies and initiatives intended to strengthen the relationship and the business growth, supporting them in their development needs so that they can deal with the constant introduction of new actors into the market.

The acceleration of change in the markets and the speed of the technological advances generate an opportunity for Grupo Nutresa's digital transformation. Customer information as the knowledge basis is a key aspect in this transformation, allowing to make progress in the individualization of the needs and a greater generation of value for both parties.

The Organization has been diversifying its service and assistance channels, facilitating the access to them and improving their timely management to respond to the changes occurring in the market and to provide a better service experience.

Customer positioning as an essential part of the business activity of Grupo Nutresa's Businesses becomes an opportunity to integrate allies and new strategies that generate social and economic value into the Organization's initiatives. In addition, the strengthening of the distribution channels allows to expand the coverage and improve the product and service offer.



OUTLOOK

The changes of the customers' competitive setting with the introduction of new business formats and models require a greater preparation by the current customers for them to be able to subsist. That is why Grupo Nutresa will keep on strengthening the loyalty-building elements with actions that contribute to the development of the customers' capabilities.

The Company will continue to work on developing mechanisms that allow to know and understand the needs of our customers in advance, with the purpose of designing and executing experiences that respond to and exceed their expectations.

The Organization will keep on managing its customers' information as the knowledge basis for the decision-making process and a continuous improvement that enables it to listen to, act upon and learn in order to deliver a differentiated and consistent experience in every interaction.

In order to fulfill its goals for 2020, Grupo Nutresa will continue to develop capabilities in its chain, adding value to the business and to the communities involved in the strategies. That is why the training contents will be continuously updated to guarantee their relevance in terms of the market challenges, thus developing capabilities among our customers for them to achieve a higher level of competitiveness and sustainability.

Comercial Nutresa salesman with a confectionery planogram at a customer's point of sale in Medellín, Colombia.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

Pozuelo was awarded the “Galardón Detallista” (Retailer Accolade) acknowledgment by the customers affiliated with the National Chamber of Retailers and Akin Agents of Costa Rica for the management work of its sales force, the support provided by the company and the quality of its products.

The Tresmontes Lucchetti Business received the Business Evolution Award from “Sociedad de Fomento Fabril” (Manufacturing Promotion Society) in Chile. This accolade recognizes practices in the areas of corporate governance, sustainability, inclusion, education and innovation, with transparency as its cross-sectional axis.

Comercial Nutresa was presented with the Julio Villazón Baquero Business Merit as Business of the Year for its business track record in innovation practices, organizational changes and competitive strategies that stimulate the productive and commercial transformation, and that have served as inspiration for young entrepreneurship promises.



Antioquia region sales executive from the Cold Cuts Business, Colombia.



CARLOS ANDRÉS BOLÍVAR MONTAÑO, is an *Hamburguesas El Corral* employee with special speech capabilities who has become a role model in terms of the service he provides to customers. His exemplary life story is a testimony of personal growth and self-improvement.



Serving without barriers

The passion Carlos Andrés feels for soccer is the same passion that distinguish him in terms of his attitude when providing a good service to customers. He is always making sure that all his *Hamburguesas El Corral* customers have everything they need, he is willing to help his colleagues at all times, and he normally is the first one ready for any activity.

Thanks to his smile, willingness and service agility, Carlos Andrés is always able to win the hearts of consumers and work team members. His dreams are to start a family and keep making his job an experience filled with opportunities to continue growing as a person.

With the firm belief of having a diverse and inclusive team, Grupo Nutresa works jointly with the Best Buddies Foundation to incorporate people with special capabilities into its operations. As of 2018, the Organization has brought in 199 employees across all its Businesses.

“I had lost faith in recruitment processes because I went through a few of them with no success. When they told me I was going to be part of the Hamburguesas El Corral team, it was one of the happiest moments of my life.”

Carlos Andrés Bolívar Montaña, Hamburguesas El Corral employee.



HUMAN RIGHTS

Consolidating an inclusive and diverse work culture by means of a management system that promotes the respect for the Human Rights and good labor practices, and that contributes to the innovation, attraction and commitment of the human talent.

Employee performing maintenance on the electronic components of a Novaventa vending machine in Medellín, Colombia.

STRATEGY**[GRI 103-2]**

Ensuring the effectiveness of the Human Rights management system.

Training in aspects related to Human Rights.

Consolidating diversity-related and inclusion practices.

Developing capabilities among the leaders in order to enable them to promote and manage the respect for Human Rights, developing a mentality focused on the openness to diversity and inclusion.

Developing Human Rights management capabilities among suppliers and contractors.

Construction of trust-based relations with representatives of collective covenants and collective bargaining agreements.

PROGRESS 2018**[GRI 103-3]**

- **Update** and analysis of the Human Rights risk matrix in Colombia with the aim of nourishing strategies to prevent any violations.
- **Reception** and management of 36 possible Human Rights violation cases through the complaints mechanisms.
- **Twenty** talk and discussion sessions led by the Strategic Human Rights Committee were held, with the participation of 200 employees from all Grupo Nutresa companies.

- **Launch** of the virtual course titled “*I act with integrity because I respect all Human Rights*”, with the participation of 6.449 employees and 10 suppliers.
- **Training** activities dealing with the elimination of unintended biases in the recruitment process. The activities were targeted at the leaders who are responsible for such processes in all Grupo Nutresa companies.

- **43** people with special capabilities incorporated in Grupo Nutresa through an alliance with *Best Buddies*; and ten people from *Alianza soluciones*, an institution that supports both victims and former aggressors of the Colombian armed conflict after the peace accords, were also incorporated.

- **Continuation** of the **Transformative Leadership** program, which promotes the respect for people, the importance of the eradication of prejudices, and the capability to work with diverse teams. 97 employees from all of the Company’s Businesses participated in this program.

- **Launch** of the virtual course titled “**I act with integrity because I respect all Human Rights**”, with the participation of ten allied companies.

- Work on important matters with the union organizations in each company according to the corresponding work agenda.
- Signing of 17 agreements with unions and employees.

Grupo Nutresa will continue to intensify its work with allies from the **value chain** to make sure that the **best practices** in this field are incorporated

RISKS AND OPPORTUNITIES

[GRI 103-1]

Social matters are becoming increasingly stronger around the world and organizations must be committed to the creation of a work context that values and recognizes human beings as active and primary agents in the achievement of the organizational goals. Therefore, Grupo Nutresa deeply believes in human development and respect for people as two of its competitive advantages for attracting and securing the commitment of the best human talent. In 2018, having identified that one of the major opportunities lies in the work with the leaders, the Organization strengthened its support and its work teams with the purpose of achieving a deeper understanding about how to manage Human Rights aspects and the risks the Company would face if there is a case of infringement.

Another one of the opportunities in this regard lies in the work with suppliers and contractors, which is why it becomes necessary to develop awareness and capabilities among them for the promotion of and respect for Human Rights within their organizations. If this alignment is not ensured, Grupo Nutresa's companies could incur possible risks of Human Rights violations by third parties.

Another challenge will be to maintain the relevance of the complaints and reporting channels and mechanisms, and to encourage employees to use them, in order to demonstrate the effectiveness of the strategies and the trust with regard to the management of said mechanisms. For this purpose, the Organization will implement strategies focused on developing leaders, incorporating gender equality practices in all its companies, bridging gaps in the management of suppliers and contractors, and strengthening the programs that are focused on incorporating people with disabilities.

OUTLOOK

By 2020, Grupo Nutresa's Businesses will work on remaining at the forefront in terms of diversity-related and inclusion practices, and they will strive to ensure the incorporation of global talent, the strengthening of policies that promote gender equality and a broader participation of minorities in the workforce.

Additionally, the Organization will intensify its work with allies from the supply chain to make sure that suppliers, contractors and customers also incorporate the best practices in this regard. The Company will continue to develop the capabilities of its leaders by means of training and empowerment so that they become the main promoters of a culture that values diversity in all its forms. Grupo Nutresa will also continue to promote participation and discussion mechanisms among both employees and third parties in order to identify improvement opportunities.

With the aim of promoting the work inclusion of post-conflict agents in Colombia, the Company will keep working on the support to the "Alianza Soluciones" (Solutions alliance) program, a multi-sector initiative that seeks to promote the employability and work inclusion of people affected by the Colombian armed conflict. Additionally, Grupo Nutresa will continue to work on training activities focused on Human Rights and, especially, on the construction of a culture of peace and reconciliation in all its companies and with the strategic allies.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

The Coffee Business received an acknowledgment from Comfenalco Antioquia recognizing it as the most inspiring company in Antioquia in terms of work inclusion. Comfenalco also recognized the Business's commitment to bridging employment gaps in vulnerable populations.

The Tresmontes Lucchetti Business in Chile received the United Nations Global Compact award within the framework of the presentation of the results of the study that measures the level of integration of the United Nations Global Compact principles into the management of the companies in Chile, being ranked in first place in the Human Rights category. This study, which was developed jointly with the Global Compact and the Andrés Bello University, took into account the guidelines proposed by the 17 Sustainable Development Goals of the United Nations.

Indoor operation employees at the Novaventa operations center in Cali, Colombia.



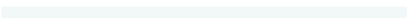
QUALITY OF EDUCATION

Developing pedagogical, leadership and management capabilities among teachers and academic directors by implementing pertinent, effective and sustainable initiatives that have an impact on the improvement of learning and boost competitiveness in the community in order to contribute to the reduction of inequality.

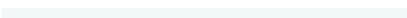
Delivery of school kits provided as part of the “Nutresa Quiere a los Niños” (Nutresa cares for children) Program in Ituango, Colombia.

STRATEGY**[GRI 103-2]**

Developing leadership and school management capabilities in the direction, academic, administrative, community and co-existence departments.



Strengthening the digital capabilities of the school communities.



Developing management capabilities focused on the promotion of healthy lifestyles.

PROGRESS ACHIEVED IN 2018**[GRI 103-3] [SDG 4.1]**

- **Training** and support in academic improvement processes in 434 public education institutions in Colombia.
 - **95,5%** of the schools maintained or improved their performance in the countrywide standardized tests, 29,1% are classified in the highest levels (A+ and A), and 43,8% exceed the average level.
 - **1.450** teachers and academic directors participated in the 16th National Education Congress: Lead to educate. This event had an academic program focused on the subject of learning-driven school leadership.
-
- **Strengthening** of the technological capabilities of 462 teachers and 76 academic directors.
 - **Design** and implementation of 218 classroom projects involving the use of digital tools.
-
- **6.000** Colombian kids benefited from the delivery of school kits that favor and motivate their learning process.
 - **Implementation** of the Healthy Lifestyles (abbreviated EVS in Spanish) promotion methodology, focusing on the development of capabilities in 92 education institutions. This effort benefits 3.000 students.

The Organization fosters education as a **sustainable development mechanism** by promoting human beings who are innovative, creative and sensitive.



RISKS AND OPPORTUNITIES

[GRI 103-1]

Grupo Nutresa strives in supporting education as an opportunity to strengthen the country's human capital with the aim of generating an increase in productivity, improving the social welfare and reaching social equality and justice levels that ensure a harmonious cohabitation. Additionally, the Company fosters education as a sustainable development mechanism by promoting human beings who are innovative, creative and sensitive to the corresponding political, economic and environmental needs, and by doing so with a long-term focus too with the aim of improving the life conditions of not only current but also future generations.

An inclusive and equitable high-quality education favors the fulfillment of the Sustainable Development Goals and is essential to overcome poverty, increase the possibility to have access to opportunities, enable resilience, promote gender equality, enhance the capabilities related to the use of natural resources, increase the possibilities to have access to better jobs, and favor the economic growth and promote social involvement and cohesion.

Grupo Nutresa invests in education as an opportunity to strengthen the Country's human talent with the purpose of increasing the competitiveness of the nation, contributing to a reinforced social capital capable of efficiently addressing the inherent risks of poverty and inequality in the economic and social contexts.

Students benefited through the "Nutresa Quiere a los Niños" (Nutresa cares for children) Program in Colombia.

OUTLOOK

In order to fulfill its goals for 2020 and through Fundación Nutresa, the Organization will continue to develop projects that allow to enhance the capabilities in Colombian education institutions, as well as the technological and digital capabilities in education environments. School-related quality and the promotion of healthy lifestyles will be a priority that the Organization wants to boost in the school communities.

In the short and medium terms, the work will be focused on developing actions and strategies that ensure the reinforcement of school leadership as an element that boosts a sustainable improvement reflected on an increased learning level among the students and a competitive and productive social capital for the country.

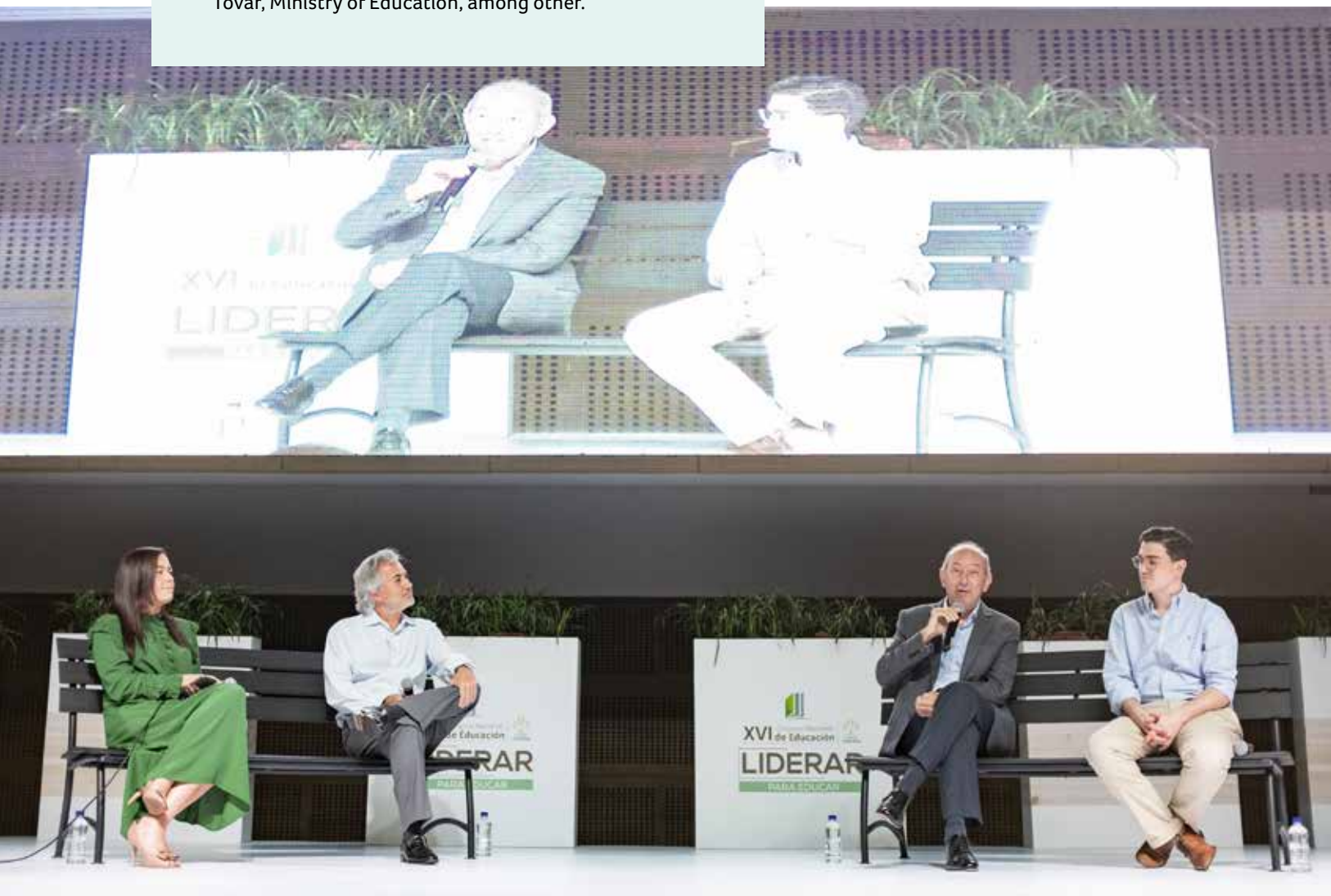
Additionally, the creation of alliances with both the public and private sectors will also be a priority in order to enable the participation in public policy formulation, the sustainability of the school transformation processes, and the promotion of healthy lifestyles.

SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

It is worth highlighting the development of the 16th National Education Congress: Lead to educate, with the participation of 1.450 teachers and academic directors. The congress had an academic program centered around the subject of learning-driven school leadership, and included the participation of Dr. David Hopkins from the United Kingdom, who is a world-class expert highly recognized for his research and practical work in school-related improvement, Dr. Renatto Opertti from the IBE UNESCO International Bureau of Education, and Dr. Yaneth Cristina Giha Tovar, Ministry of Education, among other.

“Lead to build a better society” panel in the National Education Congress in Cali, Colombia.



OMAR JOSÉ CHADID GONZÁLEZ

started the creation and strengthening process of the *Ecocacao* Cooperative Organization in Santander. The Cooperative is a cocoa bean supplier for the Chocolates Business in Colombia who has contributed, based on rural development alternatives, to the strengthening of the social fabric and to the economic growth in his territory.



Sowing to support a territory

The work of the *Ecocacao* Cooperative Organization has been centered around generating well-being and fostering progress in the cocoa-producing territories in Colombia with the purpose of promoting people's personal growth, bringing life to the land by using it adequately for harvesting and commercializing this produce. Omar José contributes his experience with the aim of supporting rural development with a strategic vision and promoting quality of life and the progress of the families and the territory.

In the Santander region, cocoa plantations were started as a productive and sustainable alternative focused on building peace and overcoming inequality. It has been a seventeen-year experience developing capabilities by means of technical training and the organization of social, cultural and environmental activities that currently benefit more than 860 partners in 64 municipalities and eight Colombian states.



Anderson Alberto Rondano Gómez, general manager and legal representative of the *Ecocacao* Cooperative Organization.



“I fell in love with cocoa production and with this territory. That is what created the challenge of establishing a cooperative organization that combined the dreams of farmers and transformed the poorest territories with productive projects.”

Omar José Chadid González, general manager and legal representative of the *Ecocacao* Cooperative Organization.



Since 1958, the Chocolates Business has been supporting cocoa producers by guaranteeing the purchase of the production, fair payment and technical, social and business assistance in the formulation, execution and development of projects. Currently, there are 152 productive alliances in 22 Colombian states, benefiting more than 14.000 families.



MANAGEMENT OF WATER RESOURCES

New wastewater treatment plant at the Coffee Business in Medellín, Colombia.

Reducing the direct and indirect impact on the water resources across the entire value chain and mitigating the risks associated with shortage situations or deterioration of the quality of the resources as a priority for the Company's operations and for the communities from its areas of influence.

STRATEGY

[GRI 103-2]

Optimizing water consumption.

Reducing the impact on the water resources by means of the adequate management of water disposals.

Managing the water resources in the value chain.

Knowing and assessing the water-related risks in the operations, consolidating the model that focuses on determining the real price of water.

PROGRESS 2018

[GRI 103-3]

- **Reduction** of 1,5% in the consumption of water per ton produced in comparison to 2017, and an accrued reduction of 29,2% since 2010 thanks to the development of multiple projects in Colombia.
- **7,1%** water consumption reduction with regard to 2017 in Mexico, Costa Rica, Peru and Chile.

- **Investment** of COP 11.186 in the wastewater treatment plant operations in the Cold Cuts, Coffee, Ice Cream, Tresmontes Lucchetti, Biscuits and Chocolates Businesses in Mexico. **[GRI 303-2]**

- **Execution** of activities for the protection of the basins associated with the rivers Palo and Gualí in Colombia.
- **Sustainable** sourcing study conducted by the Cold Cuts Business in Aguachica, and organization of an event focused on communicating hydrological risk issues to suppliers.

- **Implementation** of the hydrological risk model, based on quality, availability, regulation and conflicts, which incorporates the external alterations in order to estimate the real price of water. This is a financial assessment of projects involving water resources.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Grupo Nutresa's management of water resources takes into account the risks related to availability, quality, regulation and reputation regarding water in the strategic region. It is also significantly relevant across the entire value chain because, as a food producer company, the water-related risks must be monitored for the production of the raw materials and for the industrial operations.

This management has been a topic that has evolved based on the eco-efficiency of the industrial plants, a matter related to the assessment of the risk in the multiple components of the value chain. In this regard, there have been major breakthroughs regarding eco-efficiency and it is expected that the goal established for 2020 (reducing water consumption by 30% per ton produced) will be successfully fulfilled.

However, the challenges in the value chain are significant and require the participation of the Organization, the suppliers, contractors, employees and, in general, the communities. Therefore, in 2019, Grupo Nutresa will address the hydrological risks of the main commodities and formulate action plans with regional solutions, such as the water funds in Colombia and in other countries from the strategic region.

Grupo Nutresa will continue investing in the development of better technologies for **wastewater treatment and water recirculation.**

OUTLOOK

The continuous growth of the global population and the economic growth in society increase the global demand for water. Two the economic activities with a high water demand are those carried out by the agricultural and livestock sector and by the industrial sector, which bear a great responsibility in the sustainable management of this essential resource.

That is why, in the short term, the Company will establish treatment measures for the water-related risks identified in the production plants with the purpose of ensuring the continuity of the operations and the adequate relations with the neighboring communities. Additionally, the Organization will keep incorporating, in the financial assessment of projects, the real value of water according to its calculations. The purpose of this incorporation is to visualize, in financial terms, the cost of the impact on the water resources and reveal the returns arising from the investment in initiatives focused on the reduction of direct and indirect consumption and disposal.

Along the same line, Grupo Nutresa will continue to work on the protection of the water basins and watersheds by means of collective mechanisms such as the water funds. The Company will also maintain its investments in the development of better technologies for wastewater treatment and water recirculation, even foreseeing that some of its operation centers will become zero-disposal production plants in the medium term.

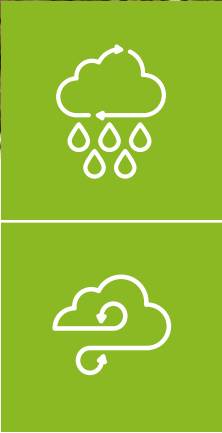


SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

- **A reduction of 3.019 m³** in the water consumption of the Biscuits Business in Costa Rica, which was the result of a project focused on the reuse of wastewater for the sanitary services. This project was selected as the winner of the “Compromiso con la Excelencia” (Commitment to Excellence) program, which was organized by the Costa Rican Chamber of Industries in November 2018.

Hand washing at the distribution center of the Cold Cuts Business in Bucaramanga, Colombia.



CLIMATE CHANGE AND AIR QUALITY

Minimizing the impact on air quality and contributing to the mitigation of and adaptation to climate change by implementing actions focused on reducing the emissions, permanently searching for the highest energy efficiency, incorporating clean technologies, efficiently using the commodities in Grupo Nutresa's operations, and adapting the products intended for consumers with a higher level of awareness.

Employee using the bicycle parking station at the Coffee Business production plant in Medellín, Colombia.

STRATEGY
[GRI 103-2]

Raising awareness about climate change.

Reducing the emissions of greenhouse gases.

Expanding the use of lower-impact commercial assets.

Mitigating the impact of the products on the climate throughout their entire life cycle.

Reducing the impact on air quality.

Climate, physical and regulatory risk assessment.

PROGRESS 2018
[GRI 103-3]

- **Continuity** in the application of the Company's Climate Change Policy.
- **Performance** of awareness-raising and communication activities focused on environmental protection and climate change mitigation for consumers and employees with the launch of the Tosh brand as carbon neutral in Colombia and Costa Rica.

- **Accumulated** reduction in the emissions of greenhouse gases scopes 1 and 2 of 43,7% for the 2010-2018 term in Colombia.
- **Continuation** in the purchase and supply of green energy certified as zero emissions as it is generated from renewable sources such as hydroelectric power stations and wind farm projects. This allowed to reduce scope 2 emissions by 100% between 2010 and 2018.
- **Carbon-neutral** recertification in the Chocolates Business production plant in Costa Rica.

- **Continuity** in the replacement of refrigerants of commercial refrigerators with refrigerants that have a lower warming potential in the Ice Cream Business.

- **Carbon** neutral certification and seal for the Tosh brand products in the Biscuits, Chocolates and Coffee Businesses in Colombia and Costa Rica, with an offset of 18.083 tons of CO₂e/year through forest conservation projects.
- **Preservation** of the emissions neutrality of the Chocolates Business's brand Evok in Colombia, and Tresmontes Lucchetti's brands Livean and Zuko in Chile.

- **Continuation** of the application of optimization practices in both the consumption and use of clean fuels, representing 98,4% in the production plants in Colombia and 82,4% in the production plants abroad.
- **Adherence** by all of Grupo Nutresa's Businesses to the Pact for Air Quality in Medellín, Colombia.
- **Formulation** of sustainable mobility plans that include emissions reduction goals related to the employees' commutes, the promotion of the use of bicycles, adaptation of parking lots, the use of shared routes and the implementation of telecommuting.

- **Assessment** of the impact of some risks and externalities in Colombia with the aim of knowing the methodologies and incorporating it into the decision-making process.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Some of the risks are related to the detriment to the Organization due to changes in public policies, regulatory noncompliance, impact on the environment, and climate and natural phenomena. Apart from other, such as the commitments gained in the Paris Conference of the Parties –COP 21–, which have led to legislations with diverse forms of carbon taxes and proposals to establish quotas by sector that challenge the Organization to rethink its processes.

Moreover, the physical risks keep on intensifying in the region as tropical storms and hurricanes are increasingly getting worse and coming closer to the operation centers. However, this generates opportunities to address the responsible consumption preferences, favoring the products that have sustainable features, with a low carbon intensity in its life cycle or whose carbon footprint would be offset.

Grupo Nutresa has conducted climate change risk quantification studies related to the production of the main supplies and identifying the financial implications and their consequences, which provide useful information for making better-grounded decisions.

Finally, air quality is another significant challenge for the Organization due to the growing problems that some cities in the strategic region have been undergoing. These problems, in turn, provoke regulatory changes and the imposition of restrictions that entail the modification of process logistics or that can generate operational and reputational risks.

Grupo Nutresa will continue promoting a culture focused on the importance of mitigating the climate change effects through the dissemination, both tactical and operative, of the **Climate Change Policy**.

Outlook

Grupo Nutresa will continue promoting a culture focused on the importance of mitigating the climate change effects through the dissemination, both tactical and operative, of the Climate Change Policy. Additionally, the Organization will keep working on the decrease of its direct emissions to reduce the environmental impact, as well as its exposure to tax burdens. Furthermore, the Company will work on establishing adaptation measures according to its vulnerability level. Therefore, over the coming years, it will continue to reinforce its physical and transitional risk management strategies across its entire value chain by establishing specific plans to address such risks.

With regard to the matters related to air quality, Grupo Nutresa will continue to participate in collective efforts with governments and other companies in order to develop proposals of policies, guidelines and incentives that ensure an adequate technological transition and reduce the impact of this issue. The Organization will also keep improving its industrial processes and the atmospheric control systems to reduce the fixed emissions. Likewise, the Company will work on improving its transport processes to reduce the environmental impact of the fleets of vehicles used to distribute its products with the use of cleaner fuels, the modernization of engine technology and the efficiency in both driving and route design.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

It is worth highlighting the Tosh brand due to its newly obtained certification thanks to the offset of the CO₂ emissions generated throughout its entire life cycle, thus achieving a neutral carbon footprint. The offset was achieved through: forest management and conservation projects in the Sonsón páramo (alpine tundra) in Antioquia, Colombia, with the BanCO₂ project (13.150 tons of CO₂e); the Yariquíes farm, an agroforestry initiative undertaken by the Chocolates Business in Barrancabermeja, Colombia (2.933 tons of CO₂e); the National Forest Financing Fund (Fonafifo) and forest conservation programs (2.000 tons of CO₂e) in the Caribbean, sponsored by the Ministry of the Environment and Energy (Minae) in Costa Rica. With these practices, Tosh is the first Colombian mass-distribution food brand with a neutral carbon footprint, certified by the Icontec (Colombian Institute of Technical Standards), for its five categories in the 32 countries where it has commercial presence.

Another action that stands out is the installation of 224 solar panels in the Biscuits Business in Costa Rica, which enables savings totaling 3.811 kWh in energy consumption, and a reduction of the greenhouse gas emissions that amounts to 2.527 kg of CO₂e in a year.

It should also be underlined that the Biscuits Business in Costa Rica was awarded the “Bandera Azul” acknowledgment, in the climate change category, by governmental bodies due to the actions being developed in Pozuelo’s production plant, which are focused on environmental management and awareness-raising.

Another aspect worth highlighting is the work performed by Opperar in the development of carbon emission reduction strategies for the finished-product transport fleet with the incorporation of vehicles fueled by natural gas, the use of fuel additives to reduce the emissions, and the offset of emissions through the purchase of carbon credits. The Company acquired carbon credits for more than 7.000 tons of CO₂e/year.

One of the electric vehicles of Opperar’s transport fleet in Medellín, Colombia.



ENERGY

Optimizing the energy intensity in the industrial, commercial, logistical and administrative operations by means of the promotion of a culture focused on the efficient use and the migration to cleaner energy sources.

Employee at the distribution center of the Coffee Business production plant in Medellín, Colombia.

STRATEGY

[GRI 103-2]

Reducing the energy intensity of the operations.

Reducing the use of electrical energy in the operations.

Reducing the use of thermal energy from non-renewable sources in the operations.

Increasing the use of renewable energy sources.

PROGRESS ACHIEVED IN 2018

[GRI 103-3]

- **Accumulated** reduction of 20,4% (kWh/t.p.) in the consumption of thermal energy from non-renewable sources and electric power from the grid for the 2010-2018 term in the industrial operations in Colombia.
- **The** electrical energy consumption indicator (kWh/t.p.) increased 0,9% with respect to 2017 but, for the 2010-2018 term, the accumulated reduction in Colombia was 12,3%.
- **5,9%** reduction in the consumption indicator (kWh/t.p.) for thermal energy from non-renewable sources (fossil fuels) in Colombia in relation to 2017.
- **23,8%** accumulated reduction in the indicator (kWh/t.p.) for thermal energy from non-renewable sources for the 2010-2018 term.
- **98,4%** of the Organization's energy usage consists in cleaner energies (natural gas, electrical energy and biomass) in the operations in Colombia.
- **23,6%** of the total energy usage of the food production operations in Colombia, Mexico, Costa Rica, the Dominican Republic, Peru and Chile corresponds to biomass.
- **2.268.766 kWh** of clean energy generated in the Chocolates Business in Colombia through solar panels on the roofs of the Rionegro production plant, representing 9,5% of the electrical energy consumption of said facilities.

The Company **advances in the search** for a lower energy intensity and a lesser environmental impact of all its operations.

RISKS AND OPPORTUNITIES

[GRI 103-1]

The energy supply in the regions where Grupo Nutresa operates is affected by the volatility of the worldwide fossil fuel prices, which presents an increasingly uncertain scenario due to geopolitical changes such as the instability of the countries that are members of the Organization of the Petroleum Exporting Countries (OPEC), Russia, Iran and even the United States.

Moreover, the energy from hydrological and wind sources generates a parallel risk due to the variability of the climate phenomena that are affecting the hydrological cycle around the world. This significantly increases the intensity of the drought and rain events, which also have still unidentified occurrence patterns.

The volatility of the oil price will produce financial and operational impacts that will force the Organization to look for energy independence. Therefore, the reduction in energy consumption from non-renewable sources (fossil fuels) and the energy efficiency are two key variables for ensuring the operation, minimizing the financial impact and preventing reputational risks.

OUTLOOK

Considering the challenges, the Organization has defined the following goals for 2020:

- Reducing by 25% the energy consumption indicator (non-renewable sources and electrical energy from the grid) per ton produced.
- Achieving full energy supply from cleaner sources, in other words, electrical energy, natural gas and renewable sources.

Grupo Nutresa's Businesses have established plans for 2020 in order to reduce energy consumption by means of projects focused on technological overhaul, equipment update and energy audits that allow to reduce the dependence on thermal energy from non-renewable sources. Therefore, the Organization will increase its share of alternative energies, consequently decreasing the greenhouse gas emissions, which mitigates the effects of climate change.

Grupo Nutresa continues to make progress in the search for a lower energy intensity and a lesser environmental impact of all operations by means of the implementation of energy efficiency programs in the productive processes, the technological overhaul, the incorporation of new low energy demand technologies, the development of lesser-impact logistical processes, the construction and implementation of distribution centers with energy efficiency principles, the expansion of a transport fleet with more efficient vehicles powered by cleaner energies, driver training on energy efficiency practices, and the promotion of diverse alternatives of sustainable mobility among all employees.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

An aspect worth highlighting is the standardization and improvement process in the recirculation of hot air in the Medellín production plant of the Coffee Business, which allowed to reduce the consumption of natural gas during the cycle. This process allowed to achieve savings amounting to 279.447 m³ of natural gas, that is a 6% reduction in the process energy indicator.

- **It is also** worth highlighting the redesign and automation of the automatic CIP heating system for the two phases without mixing the currents, an initiative carried out by the Ice Cream Business in Manizales. This ensures the recovery of all the condensate and the maximum energy utilization from steam. Additionally, this initiative allowed to achieve savings of 348 m³/year in the consumption of drinking water and prevented the consumption of 10.752 m³ of natural gas because the system maintained the temperature of the condensate returned to the boiler at stable levels.

Another aspect that stands out is the process focused on reducing the glycol supply pressure without affecting the performance of the processes in the Cold Cuts Business production plant in Medellín. Thus, by modifying the system frequency, the consumption of 133.560 kWh was reduced in the pumping process. This idea was implemented without a money investment and it can be replicated in several production plants of the Business, which will significantly increase the benefits.

Employees from the production and maintenance departments of the Biscuits Business production plant in Medellín, Colombia.



PACKAGING MATERIALS AND POST-CONSUMPTION

Offering a portfolio of more sustainable products throughout their life cycle by means of the inclusion of eco-design principles and extended responsibility regarding their packaging.

Employees from the packaging department of the Biscuits Business production plant in Medellín, Colombia.

STRATEGY

[GRI 103-2]

Increasing the use of closed-cycle materials.

Strengthening the initiatives focused on the eco-design of wrappers and packaging.

Reducing the consumption of packaging materials per ton produced.

Implementing cycle-closing initiatives for post-industrial flexible packaging materials.

Designing and implementing cycle-closing initiatives for post-consumption materials.

PROGRESS ACHIEVED IN 2018

[GRI 103-3]

- **Consolidation** of the consumption of closed-cycle packaging materials at 77,7% of the total tons purchased.
- **Reduction** of 659,1 tons in the consumption of packaging materials, achieved through the DTV methodology (Design-to-Value). Since its implementation, the total reduction stands at 2.140 tons.
- **0,7%** accumulated reduction in the consumption of packaging materials per ton produced from 2010 to 2018.
- **Transformation** of one ton of post-industry plastic packaging materials into 250 m² of high-resistance, heavy-duty plastic floor in the Biscuits Business in Colombia. The plastic floor was used in one of the Business's production lines.
- **Implementation** of an initiative that consisted in transforming seven tons of clean and unclean flexible materials in the Biscuits Business in Costa Rica into regenerated plastic particles that, when mixed with sand and cement, create an environmentally friendly structural concrete.



Employees at the distribution center picking area of the Cold Cuts Business in Montería, Colombia.

RISKS AND OPPORTUNITIES

[GRI 103-1]

For Grupo Nutresa, the adequate management of packaging materials throughout their life cycle is a significantly relevant matter, particularly their final disposal. That is why its companies have been implementing eco-design initiatives focused on optimizing the specifications of the packaging materials, preserving their functionality and generating a better environmental performance.

For the Company, the regulatory changes in the countries where it operates are significantly important because many of these changes include diverse provisions related to producers' responsibility in the management of packaging materials in the post-consumption phase. This represents a challenge for the Organization and it must be addressed from the design phase of the packaging materials to their final disposal with the aim of mitigating the environmental impact throughout their entire life cycle.

OUTLOOK

In addition to the initiatives implemented in the eco-design field, the Organization will reinforce its work on this front and on projects focused on closing the cycle of the packaging materials that still do not have this condition. The aim of these actions is to produce a favorable impact on the environment with packaging structures that allow to reduce, reuse and recycle the materials in complete harmony with the needs of both consumers and customers.

Additionally, the Company will continue to explore alternatives for closing the cycle of the materials in collaboration with the multiple agents of the value chain. One of these alternatives is the active participation through trade associations, particularly in Colombia, in the execution of a pilot program that consists in collecting used containers, wrappers and structures made of paper, cardboard, plastic, glass and metals. This initiative will work as preparation for the compliance with the post-consumption regulations in terms of waste from packaging materials and containers.



Goal for 2020: -12% packaging materials / tons produced based on the 2010 baseline.

In 2018, a 0,68% reduction was achieved with respect to 2010, representing a distancing from the fulfillment of the goal established for 2020. This distancing is mainly related to the changes in the consumption patterns, which require a higher level of portability and convenience, and thus a greater generation of packaging materials per gram of product.

Therefore, Grupo Nutresa created an interdisciplinary work team that focuses on identifying, prioritizing and evaluating the technical and economic feasibility of the most sustainable alternatives for closing the cycle of post-consumption plastic packaging materials due to their high environmental impact.



SUCCESS STORIES AND ACKNOWLEDGMENTS

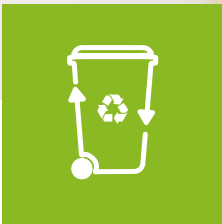
[GRI 103-3]

It is worth highlighting the replacement of plastic ice cream containers with cardboard containers in the Retail Food Business in the Dominican Republic. This action represents a transition to a closed-cycle material, which means that the Company stopped consuming 41,32 tons of plastic materials per year.

Another aspect that stands out is the implementation of Earth Pact paperboard (made 100% with sugar cane bagasse) in foldable materials used by the Retail Food Business in Colombia, replacing the use of regular paperboard made of pulp from timber forests. Over the months of impact in 2018, the Company consumed 52,8 tons of sugar cane bagasse paperboard.

The Coffee Business continued consolidating the “Retoma, Disfruta y Recicla” (Retake, Enjoy and Recycle) program, which enabled the collection of 7% of the packaging materials produced by the Nutresa Express Pods. The collected materials were used as supplies for the manufacturing of 63 recycled plastic furniture items for the benefit of the Rural Education Center *Alto de los Jaramillo*.

Grupo Nutresa employees participating in a circular economy experience activity in Medellín, Colombia.



WASTE MANAGEMENT

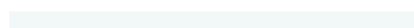
Reducing waste generation and increasing waste recovery with the purpose of lowering the operating costs and mitigating the environmental impact in both the direct operations and the value chain by extending the life cycle of the materials.

Employee from the production department working on a waste separation process at the Biscuits Business production plant in Medellín, Colombia.

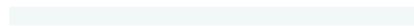
STRATEGY

[GRI 103-2]

Reducing the waste generated in Grupo Nutresa's operations.



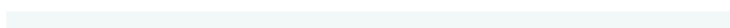

Lowering the generation of ordinary waste.



Increasing the percentage of recovery of the waste generated.

PROGRESS 2018

[GRI 103-3]

- **Accumulated** reduction of 8,0% in waste generation in Colombia for the 2010-2018 term, and a 29,3% reduction for Chile, Costa Rica, Dominican Republic, Mexico, Panama and Peru.
- 
- **6,9%** reduction in the waste that is sent to the landfill regarding the operations in Colombia, and 25,9% reduction for the international platforms in comparison to the previous year.
- 
- **Recovery** and reuse of 90,8% of the waste that is not traditionally reusable in the operations in Colombia. This represents a 0,6% improvement in relation to the previous year and a 12,2% improvement for the 2010-2018 term.

Grupo Nutresa will seek **new opportunities related to the recovery and reuse** of post-industrial materials in the areas of composting and transformation of new products.

RISKS AND OPPORTUNITIES

[GRI 103-1]

Waste generation, recovery and reuse represent an opportunity to concentrate efforts and alliances with the purpose of migrating from a linear economy to a circular economy in the companies. Moreover, the need to guarantee that the packaging materials ensure both the quality and safety of the products represents a challenge for the migration to packaging materials that are environmentally friendlier with less volume and weight, a challenge that is managed through research and innovation processes.

The Company is also concerned about waste generation in the life cycle of its products, mainly regarding the packing materials, the packaging materials of supplies, the losses in the production process, and the wastewater treatment systems. That is why it is aware that there are significant challenges related to reducing waste generation and increasing waste recovery and reuse.

However, waste recovery and reuse demands a state of technological development and a level of industrial ecology alliances that promote the reincorporation of the materials in other production cycles. The progress degree in this technical development presents different levels in the strategic region, which is why the Organization will continue working on enhancing the alliances and developing the suppliers in order to formulate projects focused on closing the cycles.

Finally, the industrial water treatment plants are a source of difficult-disposal waste, thus harming the progress in the established goals. Therefore, Grupo Nutresa will continue working on research alliances and projects focused on improving waste recovery and reuse.

The inclusion, **strengthening and development of capabilities** among the waste management agents are part of Grupo Nutresa's long-term plans.

OUTLOOK

Grupo Nutresa has established goals related to waste management: the first one consists in minimizing the total waste generation with respect to the production by 20%; and the second one is focused on increasing the level of recovery and reuse in order to achieve 90% or higher, based on the 2010 indicators. In consideration of the challenge that represents the reduction of waste generation, the efforts will be focused on formulating innovation projects and promoting interdisciplinary participation in the development of the Company's activities.

In terms of short-term strategies, the Organization will seek new opportunities related to the recovery and reuse of post-industrial materials in the areas of composting and transformation of new products. Additionally, Grupo Nutresa will work synergistically with the packaging-materials and eco-design teams in order to reduce the types and volumes of the materials, and it will implement circular economy processes focused on the inter-company utilization of materials. In this regard, several Grupo Nutresa Businesses have started projects focused on the reuse, replacement or elimination of packaging and packing materials.

Finally, the inclusion, strengthening and development of capabilities among the waste management agents are part of Grupo Nutresa's long-term plans, where the recuperator role will allow to boost the circular-economy-focused solid-waste management. For this purpose, this role will be promoted and supported through multiple mechanisms, such as the establishment and reinforcement of alliances with an approach centered around research, innovation and participation of plans with a regional scope. In the zones with a lesser technological and cultural development in terms of waste recovery and reuse, the distribution of information related to the best practices in this field will be intensified.



SUCCESS STORIES AND ACKNOWLEDGMENTS

[GRI 103-3]

It is worth highlighting the 11,5% increase in waste recovery by developing new suppliers with technologies that allow converting the primary packaging in alternative fuels for the production of cement in the Chocolates Business in Mexico. This initiative has allowed to reduce in equal percentage the amount of waste that is shipped to the landfill.

Another aspect that stands out is the saving of 284 tons of cardboard in Novaventa through the recovery of boxes used for several products from the Company's Businesses in the picking and contract manufacturing processes, and through the analysis of statistical classes in the volume of the different types of boxes used to pack the orders for the individual entrepreneurs.

It is also worth highlighting the creation of an application software developed for Comercial Nutresa that enables the online monitoring of the planning and effective execution of the technical maintenance to the vehicles. The application software also enables the visualization of the environmental impact prevented in relation to the extension of the materials' service life, the air quality and the climate change reduction. In addition, the application software allows to identify, through a life cycle approach, the main waste generation sources for a subsequent decision-making process.

Waste management training session with Comercial Nutresa employees in Bogotá, Colombia.

MAYRA GARCÍA DEVORA is the production manager at the Biscuits Business production plant in the United States, where cultural diversity is an essential pillar.



“Abimar Foods has given me the opportunity to learn and grow with the company”.

Mayra García Devora,
Production Manager,
Abimar Foods.

Generating opportunities through diversity



Production Manager Mayra García Devora starts her day at 6:30 a. m. After her first meeting, she tours the production plant making sure here colleagues are working safely and that the order deadlines are duly met. In 2003, Mayra joined the company as a production operator in the Abimar Foods production plant in Abilene, Texas, with the goal of providing a better quality of life to her daughters. Nine years later, she was promoted as supervisor and, now, she occupies the Production Manager position.

Mayra has built bonds of trust and respect with her colleagues because she has been successful in adapting to the different cultures and nationalities that coexist in the company. She knows that fostering diversity allows her to boost the achievements of both her team and the company. Mayra enjoys her job, she feels appreciated and supported, confirming it by claiming that Abimar Foods is her home away from home.



The Abimar Foods production plant of the Biscuits Business in the United States is a place that fosters cultural diversity. Almost 600 employees work in the facilities, and many of them come from vulnerable populations.

Cosolidated financial statements



Statutory Auditor's Report on the Consolidated Financial Statements

(Free translation from the original in Spanish)

TO THE SHAREHOLDERS' OF
GRUPO NUTRESA S. A

February 22, 2019

I have audited the accompanying consolidated financial statements of Grupo Nutresa S. A., at December 31, 2018, comprising the consolidated statement of financial position and the consolidated comprehensive income statements, of changes in the Shareholders' equity, and of cash flows for the year then ended, as well as the summary of the main accounting policies and other explanatory notes.

Management's Responsibility on the Consolidated Financial Statements

The management is responsible for the appropriate preparation and fair presentation of these consolidated financial statements in conformity with the accounting and financial reporting standards accepted in Colombia and the internal control policies considered by the management as relevant for the preparation of these financial statements to be free of material misstatements whether due to fraud or error. It is also responsible for the selection and application of appropriate accounting policies and the definition of accounting estimates according to the circumstances.

Statutory Auditor's Responsibility

My responsibility is to express an opinion on the accompanying financial statements based on my audit. I performed my work in accordance with the financial information auditing standards accepted in Colombia. These standards require that I comply with ethical requirements, as well as to plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves developing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the statutory auditor considers the Company's internal control relevant for the preparation and presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances. An audit also includes assessing the appropriateness of accounting policies used and reasonableness of accounting estimates made by the management, as well as assessing the overall presentation of the financial statements.

I believe that the audit evidence I obtained is enough and appropriate to provide a basis for my audit opinion.



**TO THE SHAREHOLDERS OF
GRUPO NUTRESA S. A.**

February 22, 2019

Opinion

In my opinion, the accompanying consolidated financial statements, faithfully taken from consolidation records, present fairly, in all significant aspects, the financial position of Grupo Nutresa S. A. at December 31, 2018, and the results of its operations and cash flows for the year then ended, in conformity with the accounting and financial reporting standards accepted in Colombia.

(Original in Spanish signed by:)

A handwritten signature in black ink, appearing to be 'B. Moreno', written over a faint, illegible stamp or background.

Bibiana Moreno Vásquez
Statutory Auditor
Professional Card No. 167200-T
Appointed by PwC Contadores y Auditores Ltda.

Certification of the Financial Statements

The undersigned Legal Representative and the General Counsel of Grupo Nutresa S. A.

CERTIFY:

22 of February of 2019

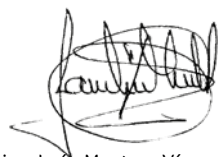
We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31st, 2018 and 2017, according to, the regulations, and the that same have been faithfully taken, from the Financial Statements of the Parent Company, and its subsidiaries, duly certified and audited.

In accordance with the above stated, in relationship to the Financial Statements, herewith mentioned, we declare the following

1. The assets and liabilities, are stated and the recorded transactions, have been recorded, during said years.
2. All realized economic transactions, have been recognized.
3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the Companies.
4. All elements have been recognized, in the appropriate amounts, and in accordance with the accounting norms and the financial information accepted in Colombia.
5. The economic transactions, that impact the Companies, have been correctly classified, described, and disclosed.
6. The Financial Statements and Notes, do not contain misstatements, errors, differences or material inaccuracies, which could impact the financial position, equity, and operations of the Companies. Similarly, appropriate procedures, reporting systems, and control of the financial information, have been established, to insure accurate reporting to third-party users, of such.



Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant
T.P. 45056-T

Certification of the Financial Statements Law 964 of 2005

Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

22 of February of 2019

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2018 and 2017, do not contain any defects, differences, inaccuracies, or errors that impede the knowledge of the true and fair presentation, of the financial situation, of the same.

The foregoing, is stated, for purposes of compliance with Article 46 of Law 964 of 2005.

And is signed, as a record, on the 22nd day of the month of February of 2019.



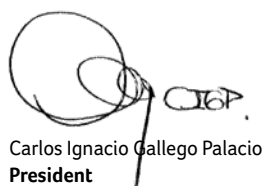
Carlos Ignacio Gallego Palacio
President

Consolidated Statement of Financial Position

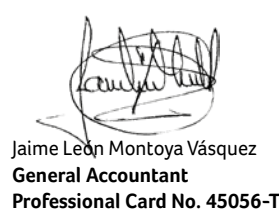
At December 31st of 2018 and 2017 (values expressed in millions of Colombian Pesos)

	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	8	\$ 347.520	\$ 435.643
Trade and other receivables, net	9	1.020.579	957.568
Inventories	10	1.109.878	982.816
Biological assets	11	94.569	81.518
Other assets	12	241.726	221.475
Non-current assets, held for sale		6.777	6.557
Total current assets		\$ 2.821.049	\$ 2.685.577
Non-current assets			
Trade and other receivables, net	9	28.065	26.509
Investments in associates and joint ventures	13	192.795	180.451
Other financial non-current assets	14	3.322.694	4.133.963
Property, plant and equipment, net	15	3.376.364	3.395.671
Investment properties	16	77.062	72.306
Goodwill	17	2.085.908	2.118.226
Other intangible assets	18	1.167.536	1.181.350
Deferred tax assets	19.4	379.753	415.072
Other assets	12	72.471	100.352
Total non-current assets		\$ 10.702.648	\$ 11.623.900
TOTAL ASSETS		\$ 13.523.697	\$ 14.309.477
LIABILITIES			
Current liabilities			
Financial obligations	20	522.302	557.133
Trade and other payables	21	1.094.960	993.241
Income tax and taxes, payable	19.2	228.841	207.776
Employee benefits liabilities	22	165.833	172.730
Current provisions	23	4.118	3.420
Other current liabilities	24	26.676	20.661
Total current liabilities		\$ 2.042.730	\$ 1.954.961
Non-current liabilities			
Financial obligations	20	2.265.743	2.474.077
Trade and other payables	21	158	158
Employee benefits liabilities	22	175.036	226.574
Deferred tax liabilities	19.4	704.763	702.967
Other non-current liabilities	24	536	559
Total non-current liabilities		\$ 3.146.236	\$ 3.404.335
TOTAL LIABILITIES		\$ 5.188.966	\$ 5.359.296
EQUITY			
Share capital issued	26.1	2.301	2.301
Paid-in-capital	26.1	546.832	546.832
Reserves and retained earnings	26.2	3.552.827	3.396.462
Other comprehensive income, accumulated	27	3.683.175	4.541.854
Earnings for the period		505.308	420.207
Equity attributable to the controlling interest		\$ 8.290.443	\$ 8.907.656
Non-controlling interest	26.4	44.288	42.525
TOTAL EQUITY		\$ 8.334.731	\$ 8.950.181
TOTAL LIABILITIES AND EQUITY		\$ 13.523.697	\$ 14.309.477

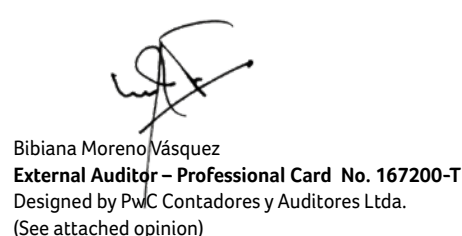
The Notes are an integral part of the Consolidated Financial Statements.



Carlos Ignacio Callego Palacio
President



Jaime León Montoya Vásquez
General Accountant
Professional Card No. 45056-T



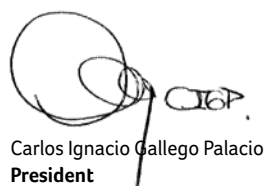
Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

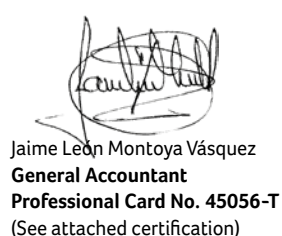
Consolidated Comprehensive Income Statement

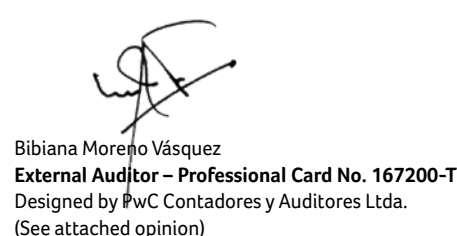
From January 1st to December 31st values expressed in millions of Colombian Pesos)

	Notes	2018	2017
Continuing operations			
Operating income from client contract	6.1	\$ 9.016.066	\$ 8.695.604
Cost of goods sold	28	(4.969.218)	(4.855.635)
Gross profit		\$ 4.046.848	\$ 3.839.969
Administrative expenses	28	(406.057)	(399.846)
Sales expenses	28	(2.651.071)	(2.551.874)
Production expenses	28	(146.966)	(139.088)
Exchange differences of operating assets and liabilities	30	(4.260)	255
Other operating income, net	29	10.802	25.109
Operating profit		\$ 849.296	\$ 774.525
Financial income	31.1	15.457	13.941
Financial expenses	31.2	(247.304)	(307.548)
Dividends	14	58.851	54.386
Exchange differences of non-operating assets and liabilities	30	23.113	(21.401)
Participation in profit of associates and joint ventures	13	(400)	5.994
Other income, net		5.202	3.290
Income before tax and non-controlling interest		\$ 704.215	\$ 523.187
Current income tax	19.3	(164.423)	(144.956)
Deferred income tax	19.3	(24.901)	47.179
Profit from continuing operations		\$ 514.891	\$ 425.410
Discontinued operations, after income tax	32	(6.135)	(1.070)
Net profit for the period		\$ 508.756	\$ 424.340
Profit for the period attributable to:			
Controlling interest		\$ 505.308	\$ 420.207
Non-controlling interest	26.4	3.448	4.133
Net profit for the period		\$ 508.756	\$ 424.340
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian Pesos)	33	1.098,20	913,25
<i>(*) Calculated on 460.123.458 shares, which have not been modified during the period covered by these Financial Statements</i>			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Actuarial losses on defined benefit plans	22.2 - 27	\$ (1.487)	\$ (2.654)
Equity investments measured at fair value	14 - 27	(871.316)	252.402
Income tax from items that will not be reclassified	27	(1.863)	(81)
Total items that are not subsequently reclassified to profit and loss		\$ (874.666)	\$ 249.667
Items that are or may be subsequently reclassified to profit and loss:			
Participation in other comprehensive income of associates and joint ventures	13 - 27	1.301	4.762
Exchange differences on translation of foreign operations	27	8.781	143.782
Cash flow hedges	27	7.960	-
Deferred income tax from items that may be reclassified	27	(3.009)	(1.550)
Total items that are or may be subsequently reclassified to profit and loss:		\$ 15.033	\$ 146.994
Other comprehensive income, net taxes		\$ (859.633)	\$ 396.661
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ (350.877)	\$ 821.001
Total comprehensive income attributable to:			
Controlling interest		\$ (353.371)	\$ 816.026
Non-controlling interest		2.494	4.975
Total comprehensive income		\$ (350.877)	\$ 821.001

The Notes are an integral part of the Consolidated Financial Statements.


 Carlos Ignacio Gallego Palacio
 President


 Jaime León Montoya Vásquez
 General Accountant
 Professional Card No. 45056-T
 (See attached certification)

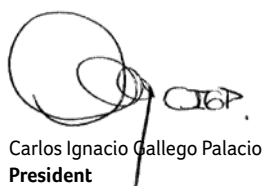

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 (See attached opinion)

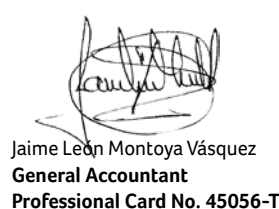
Consolidated Change in Equity Statement

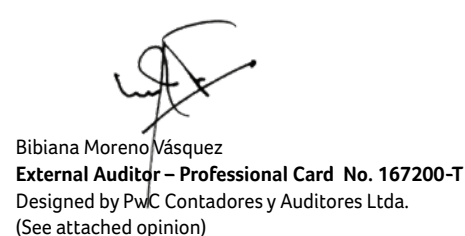
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Share capital issued	Paid-in-capital	Reserves and retained earnings	Earnings for the period	Other comprehensive income, accumulated	Total equity attributable to the controlling interest	Non-controlling interest	Total
Balance at December 31st of 2017	2.301	546.832	3.396.462	420.207	4.541.854	8.907.656	42.525	8.950.181
Remeasurement of debtors (Note 3.4.2)	-	-	(5.277)	-	-	(5.277)	-	(5.277)
Balance at January 1st of 2018	2.301	546.832	3.391.185	420.207	4.541.854	8.902.379	42.525	8.944.904
Profit for the period	-	-	-	505.308	-	505.308	3.448	508.756
Other comprehensive income for the period	-	-	-	-	(858.679)	(858.679)	(954)	(859.633)
Comprehensive income for the period	-	-	-	505.308	(858.679)	(353.371)	2.494	(350.877)
Transferred to previous results	-	-	420.207	(420.207)	-	-	-	-
Cash dividends (Note 26.3)	-	-	(260.614)	-	-	(260.614)	(2.025)	(262.639)
Acquisition of subsidiaries	-	-	-	-	-	-	1.315	1.315
Other equity movements	-	-	2.049	-	-	2.049	(21)	2.028
Balance at December 31st of 2018	2.301	546.832	3.552.827	505.308	3.683.175	8.290.443	44.288	8.334.731
Balance at December 31st of 2016	2.301	546.832	3.655.280	395.734	3.746.572	8.346.719	38.241	8.384.960
Profit for the period	-	-	-	420.207	-	420.207	4.133	424.340
Other comprehensive income for the period	-	-	-	-	395.819	395.819	842	396.661
Comprehensive income for the period	-	-	-	420.207	395.819	816.026	4.975	821.001
Transferred to previous results	-	-	395.734	(395.734)	-	-	-	-
Cash dividends (Note 26.3)	-	-	(245.706)	-	-	(245.706)	(692)	(246.398)
Tax on wealth (Note 19.7)	-	-	(8.712)	-	-	(8.712)	-	(8.712)
Realization of other comprehensive income	-	-	(3.096)	-	3.096	-	-	-
Reclassifications	-	-	(396.367)	-	396.367	-	-	-
Other equity movements	-	-	(671)	-	-	(671)	1	(670)
Balance at December 31st of 2017	2.301	546.832	3.396.462	420.207	4.541.854	8.907.656	42.525	8.950.181

The Notes are an integral part of the Consolidated Financial Statements.


 Carlos Ignacio Gallego Palacio
 President


 Jaime León Montoya Vásquez
 General Accountant
 Professional Card No. 45056-T

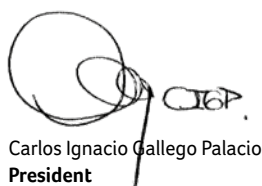

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 (See attached opinion)

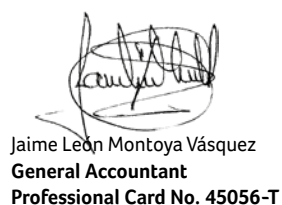
Consolidated Cash-flow Statement

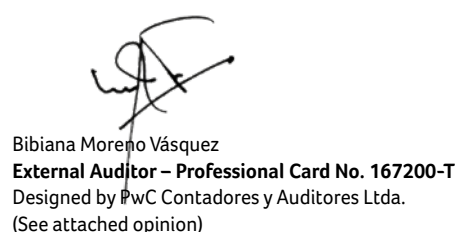
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	2018	2017
Cash flow from operating activities		
Collection from sales of goods and services	\$ 8.935.188	\$ 8.571.873
Payments to suppliers for goods and services	(6.342.582)	(5.942.715)
Payments to and on behalf of employees	(1.599.418)	(1.519.534)
Income taxes and tax on wealth, paid	(112.855)	(150.378)
Other cash (outflows) inflows	(37.311)	1.957
Net cash flow from operating activities	\$ 843.022	\$ 961.203
Cash flow from investment activities		
Cash and cash equivalents received from acquisitions	2.649	-
Purchases and sales of other equity instruments (Note 14)	(63.950)	-
Purchases of equity of associates and joint ventures (Note 13)	(12.094)	(20.717)
Purchases of property, plant and equipment (Note 15)	(234.780)	(244.024)
Amounts from the sale of productive assets	28.640	17.804
Purchase of intangibles and other productive assets	(18.181)	(13.771)
Investment in assets held for sale, net	54	99.605
Dividends received (Note 14)	50.538	61.928
Interest received	11.101	10.163
Payments to third parties, to obtain control of subsidiaries	(3.221)	-
Other cash inflows	30	2.041
Net cash flows used in investment activities	\$ (239.214)	\$ (86.971)
Cash flow from financing activities		
Amounts from loans, net	(223.643)	(119.218)
Dividends paid (Note 26.3)	(247.668)	(243.051)
Interest paid	(198.915)	(259.085)
Fees and other financial expenses	(34.377)	(34.156)
Other cash inflows (outflows)	9.165	(6.791)
Net cash flow used in financing activities	\$ (695.438)	\$ (662.301)
(Decrease) increase in cash and cash equivalent from activities	\$ (91.630)	\$ 211.931
Cash flow from discontinued operations	(1.087)	(916)
Exchange rate impact of variation over the disposed	4.594	5.306
Net (decrease) increase in cash and cash equivalents	(88.123)	216.321
Cash and cash equivalents, at the beginning of the period	435.643	219.322
Cash and cash equivalents, at the end of the period	\$ 347.520	\$ 435.643

The Notes are an integral part of the Consolidated Financial Statements.


Carlos Ignacio Gallego Palacio
President


Jaime León Montoya Vásquez
General Accountant
Professional Card No. 45056-T


Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
 Designed by PwC Contadores y Auditores Ltda.
 (See attached opinion)

A Message from The Management at Grupo Nutresa

Management of monitoring indicators

Grupo Nutresa assesses the management of sustainability on economic, social, and environmental dimensions; to measure the management in the economic dimension, indicators, such as, total sales, international sales, sales in Colombia, and EBITDA, are used.

For Grupo Nutresa, EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization), is calculated by eliminating depreciation charges, amortization, and unrealized gains or losses from exchange differences in operating assets and liabilities, from the operating income. It is considered that EBITDA is most significant for investors, because it provides an analysis of operating results, as well as, segment profitability, using the same measurement, that is used by management. Likewise, EBITDA allows a comparison of the results, or benchmarks with

other companies in the same industry and market. EBITDA is used to track the evolvement of the business and establish operating and strategic objectives. EBITDA is commonly reported and widely used amongst analysts, investors, as well as, other stakeholders, interested in the industry. EBITDA is not a measurement, explicitly defined as such, in IFRS, and may therefore, not be comparable with similar indicators used by other companies. EBITDA should not be considered an alternative to operating income, as an indicator of operating results, nor as an alternative to cash flows from operating activities, such as the measurement of liquidity.

The following table is a breakdown of details the reconciliation between the EBITDA and the operating income of Grupo Nutresa, for the period covered by these Financial Statements:

	2018	2017
Operating earnings	849.296	774.525
Depreciation and amortization (Note 28)	276.472	268.000
Unrealized exchange differences from operating assets and liabilities (Note 30)	654	1.654
EBITDA (See details by segment in Note 6.2)	1.126.422	1.044.179

Table 1

Management of Capital

The generation of value growth is a fundamental part of the strategic objectives, set by the Group. This translates into the active management of the capital structure, and the return on investment, which balances the sustained growth of current operations, the development of business plans for investments, and growth through business acquisitions, underway.

In every one of the investments, the goal is to seek a return that exceeds the cost of the capital (WACC). The administration

periodically evaluates the return on the invested capital of its businesses, and projects this, to verify that they are in line with the value generation strategy.

Similarly, for each investment, the various sources of funding, both internal and external, are analyzed, to secure a suitable profile, for the duration of that specific investment, as well as, cost optimization. In accordance with a moderate financial risk profile, the capital structure, of the Group, aims towards obtaining the highest credit ratings.

Separate financial statements



Statutory auditor's report on the separate financial statements (Free translation from the original in Spanish)

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

February 22, 2019

I have audited the accompanying separate financial statements of Grupo Nutresa S. A., which include the separate statement of financial position as at December 31, 2018, and the separate statements of comprehensive income, changes in the shareholders' equity and cash flows for the year then ended, and the summary of the main accounting policies and other explanatory notes.

Management's responsibility for the separate financial statements

The Management is responsible for the due preparation and fair presentation of the separate financial statements in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia and for the internal control and risk management policies as management determines necessary to enable the preparation of financial statements that are free from material misstatements, due to fraud or error. The management is also responsible for the selection and application of proper accounting policies, and for making reasonable accounting estimates that are reasonable in the circumstances.

Statutory auditor's responsibility

My responsibility is to express an opinion on such financial statements based on my audit. I conducted my audit in accordance with the Auditing Standards on Financial Reporting accepted in Colombia. Those standards require that I comply with ethical requirements and plan and perform my audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatements in the financial statements due to fraud or error. In the assessment of those risks, the statutory auditor considers the internal control relevant to the entity for the preparation and presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I obtained is sufficient and appropriate enough to provide a basis for my audit opinion.

Opinion

In my opinion, the accompanying separate financial statements, faithfully taken from the accounting books, present fairly, in all material respects, the financial position of Grupo Nutresa S. A. at December 31, 2018, and the results of its operations and cash flows for the year then ended, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

February 22, 2019

Report regarding other legal and regulatory requirements

The management is responsible for compliance with certain regulatory requirements in Colombia, related to the management of accounting documentation, the preparation of management reports, the timely and proper payment of contributions to the Integral Social Security System and the implementation of a Self-Control and Risk Management System for Money Laundering and Financing of Terrorism. My responsibility as statutory auditor in these matters is to perform review procedures to issue an opinion on their due compliance.

In light of the above, in my opinion:

- a) The Company's accounting records have been kept during 2018 in conformity with legal regulations and accounting technique, and transactions therein recorded conform to the bylaws and decisions made by the Meeting of the Shareholders and Board of Directors.
- b) The correspondence, accounting vouchers and books of minutes and share register are properly kept and safeguarded.
- c) Due concordance exists between the accompanying financial statements and the management report prepared by the Management. The administrators have stated in said management report that they did not hinder the free circulation of invoices issued by the vendors or suppliers.
- d) The information contained in the returns for self-computation of contributions to the Integral Social Security System, particularly regarding the affiliates and their base income for contribution, has been taken from the accounting records and supporting documents. At December 31, 2018, the Company is not in arrears regarding payment of contributions to the Integral Social Security System.
- e) The Company has implemented the Anti-Money Laundering and Terrorism Financing risk self-control and management system, in accordance with that established in External Circular 062 of 2007, issued by the Superintendency of Finance.

Other matters

In compliance with the statutory auditor's responsibilities stated in items 1 and 3 of Article 209 of the Colombian Code of Commerce, in connection to the assessment of whether the acts of the Company's management conform to the bylaws, orders and instructions of the Shareholders' Meeting, and whether appropriate measures of internal control, conservation and custody of the Company's assets or those of third parties in its possession are in place, I have issued a separate report dated February 22, 2019.

(Original in Spanish signed by:)



Bibiana Moreno Vásquez

Statutory Auditor

Professional Card No. 167200-T

Appointed by PwC Contadores y Auditores Ltda.

Certification of the Financial Statements

The undersigned Legal Representative and the General Counsel of Grupo Nutresa S. A.

CERTIFY:

22 of February of 2019

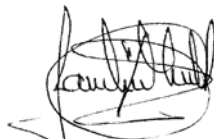
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2. All realized economic transactions, have been recognized.
3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the Companies.
4. All elements have been recognized, in the appropriate amounts, and in accordance with the Financial Information Norms, applicable in Colombia.
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Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant
T.P. 45056-T

Certification of the Financial Statements Law 964 of 2005

Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

22 of February of 2019

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2018 and 2017, do not contain any defects, differences, inaccuracies, or errors that impede the knowledge of the true and fair presentation, of the financial situation, of the same.

The foregoing, is stated, for purposes of compliance with Article 46 of Law 964 of 2005.

And is signed, as a record, on the 22nd day of the month of February of 2019

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by 'I G P' and a vertical line extending downwards.

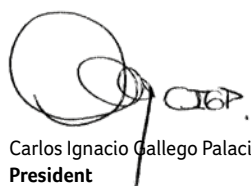
Carlos Ignacio Gallego Palacio
President

Separate Financial Position Statement

At December 31st, 2018 and 2017 (values expressed in millions of Colombian Pesos)

	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents		\$ 1.086	\$ 465
Trade and other accounts receivables	5	14.608	14.481
Other assets	6	1.131	402
Total current assets		\$ 16.825	\$ 15.348
Non-current assets			
Trade and other accounts receivables	5	567	2.965
Investments in subsidiaries	7	4.991.464	4.872.188
Investments in associated	8	150.606	149.441
Other financial non-current assets	9	3.322.470	4.061.685
Deferred tax assets	10.4	1.412	5.227
Other assets	6	9	6
Total non-current assets		\$ 8.466.528	\$ 9.091.512
TOTAL ASSETS		\$ 8.483.353	\$ 9.106.860
LIABILITIES			
Current liabilities			
Trade and other account payables	11	74.322	69.855
Income tax and other taxes, payable	10.2	495	416
Employee benefits liabilities	12	745	1.205
Total current liabilities		\$ 75.562	\$ 71.476
Non-current liabilities			
Trade and other accounts payables	11	158	158
Employee benefits liabilities	12	1.503	15.126
Deferred tax liabilities	10.4	8.239	9.449
Other liabilities		301	-
Total non-current liabilities		\$ 10.201	\$ 24.733
TOTAL LIABILITIES		\$ 85.763	\$ 96.209
EQUITY			
Share capital issued	13.1	2.301	2.301
Paid-in-capital	13.1	546.832	546.832
Reserves	13.2	3.915.685	3.746.020
Retained earnings	13.2	3	3
Other comprehensive income, accumulated	14	3.422.608	4.285.216
Earnings for the period		510.161	430.279
TOTAL EQUITY		\$ 8.397.590	\$ 9.010.651
TOTAL LIABILITIES AND EQUITY		\$ 8.483.353	\$ 9.106.860

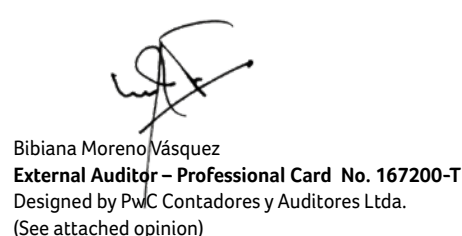
The Notes are an integral part of the Separate Financial Statements.



Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant
Professional Card No. 45056-T



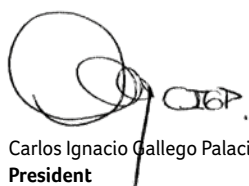
Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Separate Comprehensive Income Statement

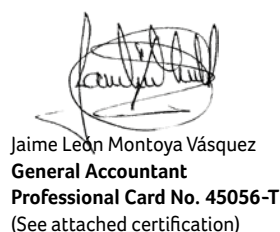
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Notes	2018	2017
Operating Income		\$ 515.387	434.312
Portfolio dividends	9	57.649	\$ 54.204
Share of profit, for the period of subsidiaries	7	459.115	374.306
Share of profit, for the period of associates	8	(1.377)	5.802
Gross profit		\$ 515.387	\$ 434.312
Administrative expenses		(3.771)	(4.077)
Exchange differences on operating assets and liabilities		(3)	(1)
Other operating income, net		2.094	3.901
Operating profit		\$ 513.707	434.135
Financial income		4	4
Financial expenses		(1.152)	(1.419)
Income before tax		\$ 512.559	\$ 432.720
Current income tax		(181)	(84)
Deferred income tax		(2.217)	(2.357)
Net profit for the period		\$ 510.161	\$ 430.279
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian Pesos)		1.108,75	935,14
<i>(*) Calculated on 460.123.458 shares, which have not been modified during the period covered by these Financial Statements</i>			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit or loss:			
Actuarial (losses)/gains of defined benefit plans	12.1	1.102	709
Equity investments measured at fair value	9	(803.165)	252.401
Income tax from items that will not be reclassified		(523)	(234)
Total items that are not subsequently reclassified to profit or loss		\$ (802.586)	\$ 252.876
Items that may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	7	(59.701)	132.884
Share of other comprehensive income of associates	8	(458)	487
Income tax from items that will be reclassified		137	(160)
Total items that are or may be subsequently reclassified to profit and loss:		\$ (60.022)	\$ 133.211
Other comprehensive income, net taxes		\$ (862.608)	\$ 386.087
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ (352.447)	\$ 816.366

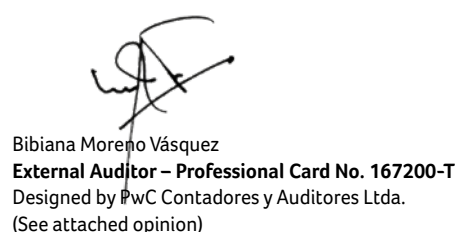
The Notes are an integral part of the Separate Financial Statements.



Carlos Ignacio Gallego Palacio
President



Jaime León Montoya Vásquez
General Accountant
Professional Card No. 45056-T
(See attached certification)



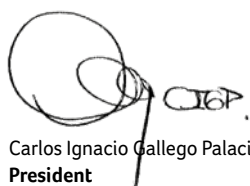
Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Separate Change in Equity Statement

From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Share capital issued	Paid-in-capital	Reserves	Retained earnings	Profit for the period	Other comprehensive income, accumulated	Total
Balance at December 31st, 2017	2.301	546.832	3.746.020	3	430.279	4.285.216	9.010.651
Profit for the period	-	-	-	-	510.161	-	510.161
Other comprehensive income for the period	-	-	-	-	-	(862.608)	(862.608)
Comprehensive income for the period	-	-	-	-	510.161	(862.608)	(352.447)
Transfer to income, in prior years	-	-	-	430.279	(430.279)	-	-
Cash dividends (Note 9)	-	-	(64.218)	(196.396)	-	-	(260.614)
Appropriation of reserves	-	-	233.883	(233.883)	-	-	-
Balance at December 31st, 2018	2.301	546.832	3.915.685	3	510.161	3.422.608	8.397.590
Balance at December 31st, 2016	2.301	546.832	3.592.671	-	399.098	3.899.132	8.440.034
Profit for the period	-	-	-	-	430.279	-	430.279
Other comprehensive income for the period	-	-	-	-	-	386.087	386.087
Comprehensive income for the period	-	-	-	-	430.279	386.087	816.366
Transfer to accumulated results	-	-	-	399.098	(399.098)	-	-
Cash dividends (Note 9)	-	-	(2.761)	(242.945)	-	-	(245.706)
Appropriation of reserves	-	-	156.153	(156.153)	-	-	-
Tax on wealth (Note 8)	-	-	(43)	-	-	-	(43)
Realization of other comprehensive income	-	-	-	3	-	(3)	-
Balance at December 31st, 2017	2.301	546.832	3.746.020	3	430.279	4.285.216	9.010.651

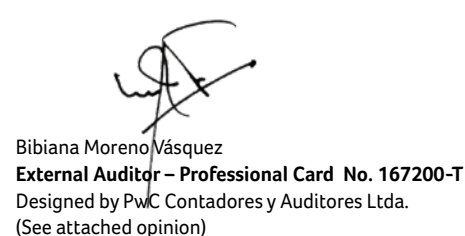
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Carlos Ignacio Gallego Palacio
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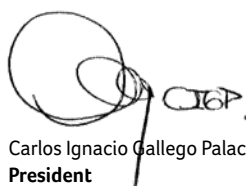
Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Separate Cash-flow Statement

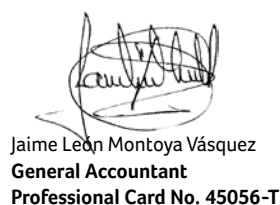
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	2018	2017
Cash flow from operating activities		
Dividends received (Note 7 – 9)	\$ 332.996	265.755
Dividends paid (Note 13.3)	(256.194)	(240.744)
Collection from goods and services	2.073	2.575
Payments to suppliers for goods and services	(2.042)	(1.788)
Payments to and on behalf of employees	(21.257)	(6.548)
Income taxes on reimbursed (paid) gains	(317)	391
Other cash inflows	15.627	1.500
Net cash flow from operating activities	\$ 70.886	21.141
Cash flows from investing activities		
Purchases of equity of associates and joint ventures (Note 8)	(3.000)	(20.717)
Payments to third parties, to obtain control of subsidiaries (Note 7)	(3.221)	-
Purchases and sales of other equity instruments (Note 9)	(63.950)	-
Other cash inflows	35	126
Net cash flows used in investment activities	\$ (70.136)	(20.591)
Cash flow from financing activities		
Interest paid	(46)	-
Other cash outflows	(82)	(126)
Net cash flow used in financing activities	\$ (128)	(126)
Increase in cash and cash equivalents from activities	\$ 622	424
Net foreign exchange differences	(1)	(1)
Net increase in cash and cash equivalents	621	423
Cash and cash equivalents, at the beginning of the period	465	42
Cash and cash equivalents at the end of the period	\$ 1.086	465

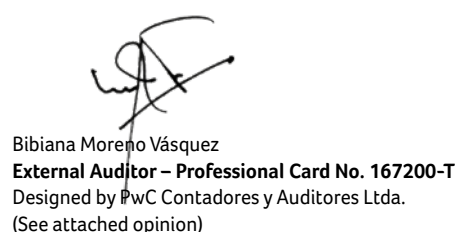
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Professional Card No. 45056-T



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External Auditor – Professional Card No. 167200-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)



Statutory auditor's report on the management's compliance with the bylaws, orders and instructions of the Shareholders' Meeting, and on the existence of proper measures for internal control, safekeeping and custody of the Company's assets or those of third parties in its possession (Free translation from the original in Spanish)

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

February 22, 2019

Description of the main matter

In the development of my duties as statutory auditor of Grupo Nutresa S. A., and in compliance with the provisions of items 1 and 3 of Article 209 of the Code of Commerce, I am required to report to the Shareholders' Meeting on whether during the year ended December 31, 2018, adequate measures for internal control, conservation and custody of the Company's assets or those of third parties in its possession were in place, and to report on proper compliance from the Company's management with certain regulatory requirements set forth in various legal and statutory regulations.

The criteria used for the assessment of the matters mentioned in the above paragraph include: a) the Company's bylaws, the minutes of the Shareholders' Meeting and the legal and regulatory provisions regarding my duties as Statutory Auditor, and b) the components of the internal control system that the management and those responsible for the Company's governance consider necessary for the appropriate and timely preparation of its financial information.

Management's responsibility

The Company's management is responsible for establishing and maintaining an adequate internal control system that enables the company to safeguard its assets or those of third parties in its possession, and to comply properly with the bylaws and decisions of the Shareholders' Meeting.

In order to comply with the above responsibilities, the management must apply judgments in order to assess the expected benefits and costs related to the control procedures that aim to provide the management with reasonable, but not absolute, assurance in regard to the safeguarding of assets against loss due to unauthorized use or disposal, as well as that the Company's transactions are appropriately performed and recorded to allow the preparation of financial statements that are free of material misstatement due to fraud or error, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

Statutory auditor's responsibility

My responsibility as statutory auditor is to perform an assurance work to express an opinion, based on the procedures executed and the evidence obtained, on whether the acts of the Company's management conform to the bylaws, and the orders and instructions of the Shareholders' Meeting, and on whether appropriate internal control measures are established by the Company's management to safeguard its assets or those of third parties in its possession.



TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

February 22, 2019

I performed my duties in accordance with the standards for information assurance accepted in Colombia. Those standards require that I comply with the ethical and independence requirements established in Decree 2420 of 2015, which are based on principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and that I plan and perform procedures which I consider necessary in order to obtain assurance on compliance by the Company's management with the bylaws, and the orders or instructions of the Shareholders' Meeting, and on whether adequate measures of internal control, conservation and custody of the Company's assets and those of third parties in its possession were in place at December 31, 2018, and for the year then ended, in all material respects of assessment, and in conformity with the criteria described in the main matter section.

The accounting firm I am member of, and which appointed me as the statutory auditor of the Company, applies the International Quality Control Standard 1 and, as a result, maintains a comprehensive quality control system that includes documented policies and procedures on compliance with the applicable ethical requirements, professional standards and legal and regulatory requirements.

Performed assurance procedures

Las mencionadas disposiciones de auditoría requieren que planee y ejecute procedimientos de aseguramiento para obtener una seguridad razonable de que los controles internos implementados por la Compañía son diseñados y operan efectivamente. Los procedimientos de aseguramiento seleccionados dependen del juicio del revisor fiscal, incluyendo la evaluación del riesgo de incorrección material en los estados financieros debido a fraude o error y que no se logre una adecuada eficiencia y eficacia de las operaciones de la Compañía. Los procedimientos ejecutados incluyeron pruebas selectivas del diseño y operación efectiva de los controles que consideré necesarias en las circunstancias para proveer una seguridad razonable de que los objetivos de control determinados por la Administración de la Compañía son adecuados.

The assurance procedures performed were as follows:

- Review of the Company's bylaws, of the minutes of the meetings of the Shareholders and other supervision bodies, in order to verify proper compliance by the Company's management with those bylaws and with the decisions made by the Shareholders' Meeting.
- Inquiries with the management on changes or projects for amendment of the Company's bylaws during the covered period, along with a validation of their implementation.
- Understanding and assessment of the internal control components on the Company's financial reporting, such as: control environment, risk assessment, information and communication, monitoring of controls and control activities

**TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.**

February 22, 2019

- Understanding of how the entity has responded to risks arising from the information systems.
- Understanding and assessment of the design of relevant control activities and their validation to establish that such activities were implemented by the Company and operate effectively.

I consider that the audit evidence that I obtained is sufficient and appropriate to provide a basis for the concept I express below.

Inherent limitations

Due to the limitations inherent to the internal control structure, including the possibility of collusion or management override of controls, material misstatement, whether due to fraud or error, may be not prevented or detected on a timely basis. Likewise, it is possible that the results of my procedures will differ or change their condition throughout the period under assessment, since my report is based on selective tests executed during the period. Additionally, projections of any internal control assessment to future periods are subject to the risk that controls become inadequate due to changes in the conditions, or that the degree of compliance with policies and procedures may be impaired.

Concept

Based on the evidence obtained from the work performed as described above, and subject to the inherent limitations expressed, it is my concept that, during the year 2018, the acts of the Company's management conformed to the bylaws and to the orders and instructions of the Shareholders' Meeting, and adequate measures of internal control, and of conservation and custody of the Company's assets and those of third parties in its possession are in place.

This report is issued for and addressed to the Shareholders of Grupo Nutresa S. A., in compliance with the requirements set forth in items 1 and 3 of Article 209 of the Colombian Code of Commerce, and shall not be used for any other purpose or distributed to other third parties

(Original in Spanish signed by:)

A handwritten signature in black ink, appearing to be 'Bibiana Moreno Vásquez', written over a vertical line.

Bibiana Moreno Vásquez
Statutory Auditor
Professional Card No. 167200-T
Appointed by PwC Contadores y Auditores Ltda.