

# Quarterly newsletter

2019 First Quarter Results



## Grupo Nutresa starts 2019 with a **6,7% growth in sales** and an **ebitda margin of 14,3%**

Grupo Nutresa S.A. (BVC: NUTRESA) discloses its Consolidated Financial Results as of March 31, 2019.

As of the closing of the first quarter of 2019, Grupo Nutresa's total sales show positive growth dynamics both in Colombia and abroad. Consolidated sales amount to COP 2,2 trillion, representing a 6,7% increase with regard to the corresponding term in 2018.

In Colombia, Grupo Nutresa's sales had a positive performance, amounting to COP 1,4 trillion, which represent 62,7% of the total, with a growth of 4,6% in relation to the same period in 2018.

International sales in USD amount to USD 267,3 million, exhibiting a 0,8% growth and representing 37,3% of the total. When expressed in Colombian Pesos, these revenues stand at COP 837.572 million, that is 10,5% higher than those of the first quarter in 2018.

Consolidated gross profit amounts to COP 992.228 million, growing by 6,0% over the consolidated gross profit for the past year's first quarter. This is the result of increasing sales and higher costs of the imported commodities due to the depreciation of several currencies in Latin America against the US Dollar.

Thus, the operating profit amounted to COP 230.163 million, which is 14,0% greater than the equivalent profit for the first term of 2018.

In terms of profitability, the ebitda totals COP 320.118 million, representing a 17,1% increase with regard to the same period of the previous year, with a margin on sales of 14,3%. This result is the product of actions focused on managing expenses in search for the constant improvement of Grupo Nutresa's productivity and operational efficiency.

For comparison purposes, it should be noted that, with the accounting standard formerly used, the operating profit growth would have stood at 9,3%, and the ebitda growth would have reached 3,6%, with a margin of 12,6%.



Net post-operative expenses, which totaled COP 7.343 million, represent 0,3% of the Organization's sales and reflect the continuous reduction in financial expenses as a consequence of lower financial costs and lower overall debt over the past months.

Finally, and capturing the aforementioned highlights, the consolidated net profit amounts to COP 174.437 million, that is 44,3% higher than the first quarter of 2018. It is worth mentioning that in 2018 the dividends of our investment in Grupo Argos, which totaled COP 26.176 million, were officially declared in the second quarter, not in the first one as per usual. If such fact were omitted, Grupo Nutresa's net profit would present a growth rate of 18,6%.

### Separate Financial Statements of Grupo Nutresa S.A.

The Separate Financial Statements of Grupo Nutresa S.A. report COP 176.948 million in operating revenues over the first quarter of 2019, derived from the application of the equity method on subsidiaries and associated companies for COP 115.455 million, and from the recognition of dividends from the investment portfolio totaling COP 61.493 million. Net profit amounts to COP 176.330 million and the equity totals COP 8,6 trillion.

pág. **2**  
Noticias

pág. **5**  
Información  
financiera

pág. **7**  
Novedades

pág. **10**  
Sostenibilidad

The results mentioned above are reported using a new accounting standard for leases in Grupo Nutresa's financial statements. This new standard, **IFRS 16 Leases**, eliminates the distinction between operating and financial leases, proposing a unique model for the reporting of such contracts. The changes emerging from the application of the new standard can be reviewed in full detail in the financial information published on Grupo Nutresa's website.

Grupo Nutresa's **consolidated sales** deliver a positive performance, amounting to **COP 2,2 trillion**, 6,7% higher than the revenues for the first quarter of 2018.

**Sales in Colombia** totaled **COP 1,4 trillion**, exhibiting a growth rate of 4,6% compared to the 1Q sales in 2018.

**International sales**, which amounted to **USD 267,3 million**, grew by 0,8% in relation to the international sales of the past year's first quarter. In COP, this growth is equivalent to **10,5%**.

In terms of **profitability**, the Organization reports an ebitda of **COP 320.118 million**, representing 14,3% of the sales.

## Highlights from the 2019 Shareholders' Assembly



Highlighting the work of its Stakeholders through inspiring stories, on March 26th Grupo Nutresa held its Shareholders Assembly at the Plaza Mayor Convention Center in Medellin.

In addition to the 2018 Financial Statements, the Assembly approved the profit-distribution project that proposed a monthly per-share dividend of COP 51,00 for the period between April 2019 and March 2020. This proposal represents an increase of 8,0% compared to the current dividend of COP 47,20.



All shareholders and visitors received a hard copy of the Integrated Report 2018, which is available for downloading at: <http://informe2018.gruponutresa.com/pdf/integratedreport2018.pdf>



## VENTURES

### Grupo Nutresa launched Nutresa Ventures

Grupo Nutresa launched **Nutresa Ventures**, its new Corporate Venture program, from which it will invest in highly innovative companies in early stages that have the potential to generate significant changes in the fundamentals of the food industry.

The program, developed in partnership with Veronorte – a firm specialized in these type of investments – will allow Grupo Nutresa to participate in companies that help it strengthen its credentials in terms of nutrition and wellness; develop new channels to reach and interact with clients, consumers and shoppers; and adopt technologies to maximize business productivity and sustainability.

With this program, the Organization seeks to open a strategic window to new knowledge, product categories and business models that allow it to identify and appropriate the new transforming forces of the industry, as well as to promote disruptive

innovation and complement its current business and talent ecosystem.

Grupo Nutresa's inorganic growth strategy, via mergers and acquisitions (M&A), is deployed on two fronts: The first, where it seeks to generate growth opportunities through brands in medium and large companies in its strategic region; the second, where it invests in ventures to which it is attracted by the capacities that can be jointly developed and by the possibilities of accelerating its growth, while taking advantage of its own capabilities and platforms.

Veronorte is an investment-management firm, committed to maximizing sustainable progress, human empowerment and the common good. As part of its strategy, it designs, implements and manages corporate venture programs in partnership with large companies in emerging markets.



### Compañía Nacional de Chocolates signed a research alliance with CIAT



In recent days, Compañía Nacional de Chocolates (CNCH) and the International Center for Tropical Agriculture (Centro Internacional de Agricultura Tropical, CIAT) signed an agreement that will allow them to carry out broad-spectrum research and work collaboratively to achieve the inhibition of soil-mineral absorption using genetic editing, to benefit farmers in the Colombian cocoa sector and eventually in the rest of America.

The purpose of the agreement is to use the Genome Editing technology, a cutting-edge genetic research methodology applied to the improvement of crops, and from which Compañía Nacional de Chocolates will contribute its knowledge in cocoa development. In its initial phase, the agreement will last for two years. Compañía Nacional de Chocolates' investment for the first phase is USD 313.817.

In concluding this work, CNCH and CIAT hope to be able to deliver a quick, effective solution to the absorption of soil minerals to the Colombian and American cocoa sector.



## 100 años JUNTO S **Pozuelo celebrated its 100 years of history**



On March 20, Compañía de Galletas Pozuelo, in Costa Rica, celebrated the opportunity to make history during its first one hundred years, as well as the possibility of laying the foundations to build another century.

As part of this great celebration, the company launched the **“I Want to Believe”** campaign, which reflects optimism for a future that promises well-being, not only for the company and its employees, but also for thousands of families in the strategic region.

Held at the National Theater of San José, the official ceremony was attended by employees, clients, strategic allies, business partners, government representatives and Grupo Nutresa executives.

Throughout this time, Pozuelo has made a great contribution to the progress of Costa Rica and Central America through the values promoted by its brand, which invite us to believe in a more equitable, just society through respect, tolerance and inclusion.



## Novaventa has installed more than **3,000** new vending machines in Colombia

Novaventa continues executing its expansion and growth plan in the vending machine format, within the framework of its **5K Plan**.

At the end of March 2019, the company completed the installation of more than 3.000 new vending machines in the main cities of Colombia. This milestone of installations was achieved in just eight months, which represents a considerable increase in the speed of development of the business model.

For May, Novaventa expects to exceed the installation of more than 4.000 new machines, which would lead the business to achieve a total installation of more than 12.500 throughout the country, to continue offering convenient solutions to millions of consumers nationwide.

## Bénet® **Bénet Initiated its Internationalization Process**

Inspired by digital, environmental, social, geopolitical and demographic megatrends, since the end of 2018 Bénet began to expand its footprint in the countries of Nutresa's strategic region with the launch of the nutritional beverage in Panama, Costa Rica and Guatemala.

The brand's goal is to become the #1 nutritional-solution platform in the region, delivering to its consumers functional daily-consumption products that improve their quality of life with a clear purpose: to nourish the potential of people through functional, scientifically designed products for daily use.



## Recognitions and awards

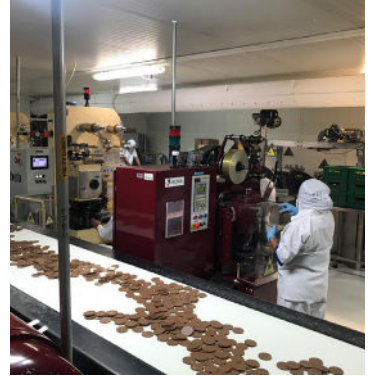


### ✓ Pozuelo received award from CNFL in Costa Rica

In December 2018, CNFL, the Compañía Nacional de Fuerza Luz of Costa Rica, recognized the work of Compañía de Galletas Pozuelo to increase its energy efficiency through the implementation of solar panels. The Company managed to reduce energy consumption by 16% between 2010 and 2018.

### ✓ The Chocolates plant in Mexico Achieves BRC International Certification

On January 30, Nutresa Mexico's chocolate plant, located in the State of Mexico, achieved the BRC (British Retail Consortium) Global Standard for Food Safety Certification for all products manufactured there, reaffirming the commitment to quality and safety with consumers. The BRC standard was developed to help distributors comply with their legal food-safety obligations and guarantee the highest level of consumer protection.



### ✓ Comercial Nutresa was exalted in Cesar, Colombia

Thanks to its exemplary business trajectory in terms of innovation, organizational changes and competitive strategies, which serve as inspiration for young entrepreneurs in the Department of Cesar (Colombia), Comercial Nutresa was exalted as "Entrepreneur of the Year" in the VIII version of the Julio Villazón Baquero Business Merit recognition.



### ✓ Tresmontes Lucchetti, workplace health promoter at the Excellence level

The Chilean Ministries of Health and Labor accredited TMLUC as a "Workplace Health Promoter" (Lugar de Trabajo Promotor de Salud, LTPS). This recognition system offers the opportunity to perform a comprehensive assessment of the quality of life of employees, including areas such as physical activity; psychosocial protective factors; transport; alcohol, tobacco and drugs; healthy eating and environmental health.

### ✓ Saltín Noel, the number 1 Colombian brand in YouTube commercials

With more than 23 million visits, Saltín Noel's most recent TV spot ranked first place in the Top 10 of the best YouTube Colombia 2018 commercials, according to the magazine P&M and Google. This piece increased consumers' top of mind and top of heart towards the brand.



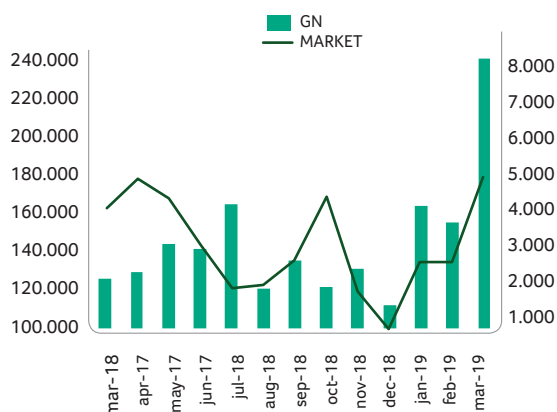
# Comprehensive income statement\*

From January 1st to March 31th, 2019. (Values expressed in millions of Colombian Pesos)

	January-March 2019	% Revenues	January-March 2019	% Revenues	% VAR
<b>CONTINUING OPERATIONS</b>					
<b>Operating revenue</b>	<b>2.245.742</b>		<b>2.104.345</b>		<b>6,7%</b>
Cost of goods sold	(1.253.514)	-55,8%	(1.168.715)	-55,5%	7,3%
<b>Gross profit</b>	<b>992.228</b>	<b>44,2%</b>	<b>935.630</b>	<b>44,5%</b>	<b>6,0%</b>
Administrative expenses	(104.388)	-4,6%	(99.417)	-4,7%	5,0%
Sales expenses	(625.569)	-27,9%	(607.913)	-28,9%	2,9%
Production expenses	(33.782)	-1,5%	(33.212)	-1,6%	1,7%
Exchange differences on operating assets and liabilities	3.810	0,2%	1.952	0,1%	95,2%
Other operating (expenses) income, net	(2.136)	-0,1%	4.942	0,2%	-143,2%
<b>Operating profit</b>	<b>230.163</b>	<b>10,2%</b>	<b>201.982</b>	<b>9,6%</b>	<b>14,0%</b>
Financial income	3.427	0,2%	3.241	0,2%	5,7%
Financial expenses	(72.588)	-3,2%	(71.961)	-3,4%	0,9%
Portfolio dividends	61.493	2,7%	32.336	1,5%	90,2%
Exchange differences on non-operating assets and liabilities	702	0,0%	(2.666)	-0,1%	-126,3%
Share of profit of associates and joint ventures	(377)	0,0%	(2.327)	-0,1%	-83,8%
<b>Income before tax and non-controlling interest</b>	<b>222.820</b>	<b>9,9%</b>	<b>160.605</b>	<b>7,6%</b>	<b>38,7%</b>
Current income tax	(43.888)	-2,0%	(44.069)	-2,1%	-0,4%
Deferred income tax	(2.661)	-0,1%	5.479	0,3%	-148,6%
<b>Profit after taxes from continuing operations</b>	<b>176.271</b>	<b>7,8%</b>	<b>122.015</b>	<b>5,8%</b>	<b>44,5%</b>
Discontinued operations, after income tax	(842)	0,0%	(226)	0,0%	N/A
<b>Net profit for the period</b>	<b>175.429</b>	<b>7,8%</b>	<b>121.789</b>	<b>5,8%</b>	<b>44,0%</b>
Non-controlling interest	992	0,0%	922	0,0%	7,6%
<b>Profit for the period attributable to: Controlling interest</b>	<b>174.437</b>	<b>7,8%</b>	<b>120.867</b>	<b>5,7%</b>	<b>44,3%</b>
<b>EBITDA</b>	<b>320.118</b>	<b>14,3%</b>	<b>273.276</b>	<b>13,0%</b>	<b>17,1%</b>

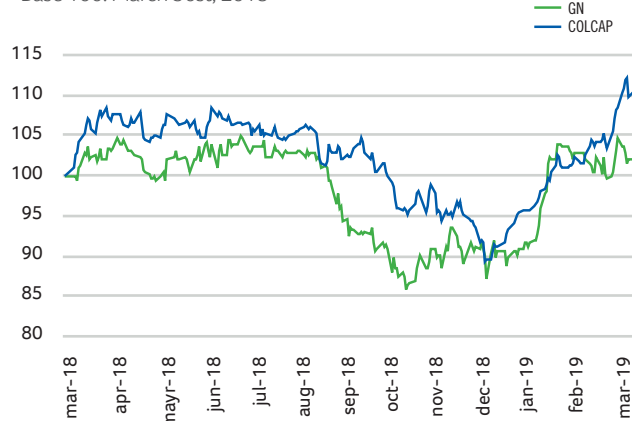
\*Unaudited information.  
Application of new accounting standard IFRS 16 Leases.

## Average negotiations



## Behavior of the share

Base 100: March 30st, 2018





# Statement of financial position

As of March 31st, 2019. (Values expressed in millions of Colombian Pesos)

	MAR-19	DEC-18	% VAR
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	290.833	347.520	-16,3%
Trade and other receivables	1.088.410	1.020.579	6,6%
Inventories	1.152.833	1.109.878	3,9%
Biological assets	85.337	94.569	-9,8%
Other current assets	259.405	241.726	7,3%
Non-current assets held for sale	6.695	6.777	-1,2%
<b>Total current assets</b>	<b>2.883.513</b>	<b>2.821.049</b>	<b>2,2%</b>
<b>Non-current assets</b>			
Trade and other receivables, net	26.197	28.065	-6,7%
Investments in associates and joint ventures	193.085	192.795	0,2%
Other financial non-current assets	3.682.549	3.322.694	10,8%
Property, plant and equipment, net	3.334.889	3.376.364	-1,2%
Right-of-use assets	911.015	0	-
Investment properties	76.974	77.062	-0,1%
Goodwill	2.085.257	2.085.908	0,0%
Other intangible assets	1.168.448	1.167.536	0,1%
Deferred tax assets	589.304	379.753	55,2%
Other non-current assets	73.785	72.471	1,8%
<b>Total non-current assets</b>	<b>12.141.503</b>	<b>10.702.648</b>	<b>13,4%</b>
<b>TOTAL ASSETS</b>	<b>15.025.016</b>	<b>13.523.697</b>	<b>11,1%</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial obligations	557.006	522.302	6,6%
Trade and other payables	1.147.187	1.094.960	4,8%
Income tax and taxes, payable	186.532	228.841	-18,5%
Employee benefits liabilities	159.605	165.833	-3,8%
Current provisions	4.149	4.118	0,8%
Other current liabilities	16.056	26.676	-39,8%
<b>Total current liabilities</b>	<b>2.070.535</b>	<b>2.042.730</b>	<b>1,4%</b>
<b>Non-current liabilities</b>			
Financial obligations	2.371.920	2.265.743	4,7%
Right-of-use liabilities	911.359	0	
Trade and other payables	158	158	0,0%
Employee benefits liabilities	176.068	175.036	0,6%
Deferred tax liabilities	914.360	704.763	29,7%
Non-current provisions	5.901	0	
Other non-current liabilities	514	536	-4,1%
<b>Total non-current liabilities</b>	<b>4.380.280</b>	<b>3.146.236</b>	<b>39,2%</b>
<b>TOTAL LIABILITIES</b>	<b>6.450.815</b>	<b>5.188.966</b>	<b>24,3%</b>
<b>SHAREHOLDER EQUITY</b>			
Equity attributable to the controlling interest	8.530.766	8.290.443	2,9%
Non-controlling interest	43.435	44.288	-1,9%
<b>TOTAL SHAREHOLDER EQUITY</b>	<b>8.574.201</b>	<b>8.334.731</b>	<b>2,9%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>15.025.016</b>	<b>13.523.697</b>	<b>11,1%</b>

## Indicators

Closing price	25.780
Closing price 12 months prior	25.980
Max. 52 weeks	27.240
Min. 52 weeks	22.300
Market Cap. (COPMM)	11.861.983
Intrinsic value <sup>(1)</sup>	18.635
P/E Ratio <sup>(2)</sup>	17,0
P/BV <sup>(2)</sup>	1,7
EV / EBITDA <sup>(2)</sup>	9,1
Earnings per Share <sup>(3)</sup>	1.215
Dividend per share-month	51,0
Dividend Yield <sup>(3)</sup>	2,2%
Share Price Return <sup>(3)</sup>	-0,8%
Total Return <sup>(3)</sup>	1,4%
Change in COLCAP <sup>(3)</sup>	9,1%
Return on Equity <sup>(2)</sup>	10,7%
Return on Invested Capital <sup>(2)</sup>	9,7%
Outstanding Shares	460.123.458
Number of Shareholders	11.186
Bursatility	Alta

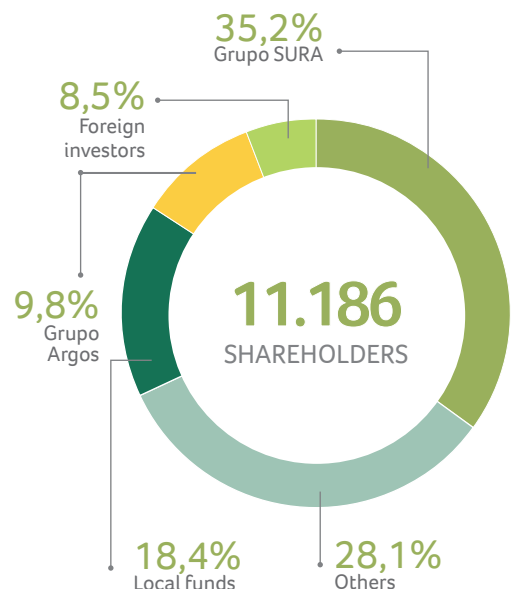
FIGURES IN COP\$ MM

(1) Calculated over total shareholder equity

(2) Food companies / 12 months

(3) Last 12 months

## Ownership structure



\*Unaudited information.

Application of new accounting standard IFRS 16 Leases.



## Cold Cuts

### Limited Editions of Ranchera Sausage

In the first quarter of 2019 the limited editions of Ranchera flavored with chipotle cheese and Ranchera with chimichurri returned, with the aim of boosting the Colombian sausage segment, the most important in the cold meats category in the country.



### New Line of Berard Turkey

The new line of Berard turkey was born to satisfy the needs of the Panamanian consumer who enjoys good-tasting products while seeking to eat healthy. This past February the brand launched its smoked turkey sausage with green apple, a differentiated, attractive proposal.

## Biscuits



### Tosh's New Craft Style Line

Understanding the needs of its consumers and healthy eating trends, Tosh presented the new Artisanal Style Line, transversal in the categories of Crackers, Bars and Cereals. With ancestral ingredients such as chia, quinoa, sea salt, among others, the Grupo Nutresa Biscuits and Chocolates Businesses participated together in this important Innovation.



### New Peppermint Creme Cookies

In order to increase the participation of the Lil 'Dutch Maid brand in the year-end and winter season in the United States, AbiMar Foods launched a reference of chocolate cookies with menthol-flavored cream and candied ingredients. A unique flavor ideal to accompany this time of year.



### Special Editions of Pozuelo One Hundred Years

As part of the celebration of its one hundred years, Pozuelo brought back to the Costa Rican market Rondelas and Nevadas cookies to evoke special memories such as family celebrations, birthday parties, coffee in the afternoon and Christmas, among others.



### Festival XBOX

Festival launched its Festival XBOX sales promotion, an innovative initiative, designed to connect with the target consumer of the brand, increase sales and gain prominence at the point of sale.

Festival understands that its consumers have fun playing video games with their friends, so in partnership with XBOX -the fourth "coolest" brand for youngsters- it developed this promotion, which – besides being aspirational for the prizes given – was a strong digital bet for the brand.



## Pastas

### Pesto Rosso e Ricotta Sauce, Authentic Italian flavor

Looking to deliver indulgent, full-of-flavor experiences, Monticello presented in Colombia its limited edition of Pesto Rosso e Ricotta Sauce, made with fresh basil, carefully selected tomatoes, Italian cheese and a touch of nuts. A whole explosion of flavors to delight the most demanding clients while evoking the tradition and authentic taste of Italian cuisine.



### New Pomodori al Forno e Olive

Monticello launched an innovative limited-edition product in Colombia, Pomodori al Forno e Olive, fresh tomatoes harvested exclusively during the Italian summer, passed through a special drying process that retains all their flavor and aroma, and mixed with black olives and spices from northern Italy. An ideal product to share and enjoy moments of indulgence.



## Chocolates



### New Coco Jet

Because consumers asked for it, Jet returned with its iconic Coco Jet, a delicious nougat bar covered with grated coconut and chocolate flavor. This innovation will be in the Colombian market for a limited time, in a presentation of 35 grams.



### New Lemon Chili Granuts

Lemon Chili Granuts, a combination of salted lemon-flavored peanuts and fried corn flavored with chili, was launched on the Peruvian market, which makes it unique in the category.



### The Tosh Line of Nuts Was Renewed

Tosh renewed its line of nuts with a change of format in its regular product and additions to its portfolio: Tosh del Huerto Crocante - mixed peas and chickpeas - Toasted Almonds, and Unsalted Peanuts. This renovation aims to boost the category and respond to healthy eating trends. These new references are a good source of protein and fiber; they are sodium-free and have no preservatives.

### New Bénet Nutrition Bars

For those who seek to give the body the necessary nutrients anytime and anywhere, Bénet presented through Novaventa its new nutrition bars that provide the body with nine grams of protein, 13 vitamins, as well as minerals and fiber. Available in two references: red fruits with quinoa, soy, crispy, almonds, peanuts, blueberry, strawberry and blackberry; and yellow fruits with quinoa, soy, crispy, almonds, peanuts, melon and pineapple.



### New Tutto Fusion

Under the slogan "It's time to Fuse" Tutto strengthened its portfolio in Central America with the launch of Tutto Fusion, seeking to please the most demanding palates who enjoy the combination of sweet, salty and crispy. Tutto Fusion mixes milk chocolate, pretzels, peanuts and crispy salted crackers.



## Ice Cream



### Artisan Yellow Fruit Ice Cream

This new edition of the Artisanal Ice Cream arrives in the Colombian market as a tribute to the yellow fruits of the country: mangoes, peaches, oranges and pineapples, all combined with a delicious ice cream filled with sweetened condensed milk and covered with yellow fruit juice.



### New Polet Macadamia

The new Polet Macadamia arrived in the Colombian market. A delicious Polet popsicle with macadamia ice cream and covered with crispy Polet Chocolate topped with caramelized macadamia pieces.





**New Matiz “Origins of the World”**

With its new edition of Matiz “Origins of the World,” the Coffee Business invites to discover the mystique of four places through its best coffees: Colombia, Ethiopia, Brazil and Sumatra. A journey of flavors and aromas with coffee tradition where the art and science of coffee are mixed with the most sacred ancestral traditions.



**New Tosh Hot Infusions**

Tosh presented three new references in the hot-beverage segment, seeking to be increasingly relevant in this category. The new portfolio of Tosh infusions to prepare hot is composed of two fruit infusions: red fruits and mango-coconut; and green tea and peppermint. It contains 100% natural ingredients, with no artificial flavors, colors, sugar or calories.



Tresmontes  
Lucchetti



**New Flavors of Livean in Mexico**

As part of its strategy to get closer to its Mexican consumers, Livean launched two new flavors with natural colorants: Green Apple and Water Pear, references that allow entry to new homes.



**New Zuko Water 0% Sugar**

With an exquisite touch of natural fruit juice and all the health of the water, Zuko launched in Chile a low-calorie product with 0% added sugar. An excellent healthy, rich and practical choice for children, it is available in a 200-cc presentation in apple, orange and pear flavors.



Retail  
Food

**The Legendary and Corralazos campaigns**

The Legendary and Corralazos Campaigns continued with their excellent performance during the first quarter of the year. The first seeks to reach the consumer with a proposal of high-value products that connect with provocation and hedonism. The second seeks to present a value-layer to increase the frequency of consumption and reach new generations.



**Bon presented “Amor de Conuco”**

Under the slogan “In Love with Us” (Enamorado de lo Nuestro), Bon celebrated its Dominican roots honoring the traditions and culinary customs of the country with “Amor de Conuco”, a seasonal flavored ice cream in its premium Black Label line made with ripe banana cream, caramelized chunks of this fruit and aromatic creole spices.

**Pops celebrated 50 years with new preparations**

Heladerías Pops and Compañía Nacional de Chocolates teamed up to launch a delicious, innovative combination of Pops chocolate ice cream with exquisite pieces of Tutto chocolate. Guests could enjoy their favorite specialties, from cones to milkshakes, with this combination.





## Grupo Nutresa Is the most responsible Company with the Best Corporate Governance in the Country

For the first time since the launch of the ranking in 2011, Grupo Nutresa was ranked as the most responsible company in Colombia, according to the Corporate Business Reputation Monitor (Monitor Empresarial de Reputación Corporativa, MERCOCO) in its Social Responsibility and Corporate Governance version, the results of which, corresponding to the 2018 measurement, were published in March. The process of preparing this ranking is based on the same evaluation of managers of Colombian companies that serve as the basis of MERCOCO Empresas. In this case, the 1.173

members of management committees pre-selected 546 companies that, in their opinion, are the most responsible and which have the best corporate governance in the country.

This pre-selection is given by virtue of the qualification in fifteen variables grouped into five values: Ethical Knowledge, Transparency and Good Governance, Responsibility with Employees, Commitment to the Environment and Climate Change, and Contribution to the Community.

## CNCH inaugurated Its second “Cocoa Nursery for Peace”, in San Martín, Meta



With the aim of continuing to contribute to sustainable rural development and generate better living conditions for small producers, Compañía Nacional de Chocolates (CNCH), in alliance with the Government of Canada, Repsol and Socodevi, inaugurated its second Cocoa Nursery for Peace “Aromas del Ariari” in the municipality of San Martín, Meta.

The nursery has a productive capacity of 700.000 cocoa seedlings in two cycles per year, benefiting small and medium cocoa producers, as well as agro-industrial projects in the Eastern Plains, through the propagation and distribution of plant material, refined clones and aroma, self-compatible and high performance in productivity and quality. Likewise, this initiative will promote work with

small cocoa producers to generate new skills and knowledge, and thus achieve sustainable cultivation, improving the quality of life of the families that inhabit the territories as a contribution to the construction of peace.

This new nursery complements the project already implemented in Codazzi, Cesar, focused on the Colombian Caribbean Region, and together they will have an annual production capacity of nearly 2.000.000 cocoa seedlings. These are tangible examples of the Company's commitment to generate and promote inclusive cocoa projects to promote successful entrepreneurship alternatives that contribute to the reconstruction of the social fabric and to sustainable development.

## Grupo Nutresa received recognition in the SAM Silver Category



For the fifth consecutive year, Grupo Nutresa obtained the Silver Class distinction in the SAM Sustainability Yearbook 2019, after being recognized as the second company in the food sector in the Dow Jones Sustainability World Index, in September 2018. This confirms the Company's commitment to sustainably grow hand in hand with social progress, while protecting the environment, thus confirming its purpose to build A Future Together.

Grupo Nutresa has already achieved the Bronze Class distinctions in 2012 and 2014 and the Silver Class uninterrupted since 2015 to date in the SAM Sustainability Yearbook.

“For Grupo Nutresa, sustainability is a guide for corporate action, which inspires all our actions. For this reason, being included in this Yearbook once again allows us to measure and compare ourselves with the leading companies in this field in the world. The result obtained ratifies that, as an organization, we are managing permanence over time and that we are an engine for the actors of our value chain and a benchmark for the sector,” affirmed Carlos Ignacio Gallego, Grupo Nutresa's CEO.

Some of Grupo Nutresa's most outstanding strategies and recent actions in terms of sustainability are aimed at offering healthier foods to consumers every day, reducing the impact of its operations on the environment and consolidating a corporate action inspired in the promotion of and respect for Human Rights. These initiatives are now highly valued by investors, consumers and other stakeholders, who consider sustainability as one of the most important attributes in their decision making and preferences.

Grupo Nutresa's permanence in the Sustainability Yearbook and in the Dow Jones Sustainability Index demonstrates the Organization's ability to manage its processes through the protection of the environment, the creation of economic value and a better relationship with its stakeholders.