



## **REPORT FROM THE APPOINTMENTS AND REMUNERATION COMMITTEE ON THE CURRENT MEMBERS OF THE BOARD OF DIRECTORS, PROPOSING THEIR RE-APPOINTMENT FOR THE PERIOD 2018-2019**

All seven members of Grupo Nutresa's Board of Directors, whose re-appointment is proposed for the period April 2018 - March 2019, possess the skills and experience required by the Company's By-Laws and Code of Corporate Governance in order to properly exercise their functions as members of Grupo Nutresa's Board of Directors. They also possess the skills required to ensure an efficient level of performance on the part of this governing body in ensuring that the Company's strategic objectives are duly fulfilled. In 2017, all board members fully complied with the functions inherent to their positions and amply demonstrated their commitment to the responsibilities that this entails.

Each member of the Board demonstrated an appropriate level of dedication in effectively complying with their functions. Ten of the twelve meetings held during the period were attended by 100% of its members. Board meeting attendance averaged out at 97.61%.

Meeting attendance on the part of the members of the Board Committees in 2017 is broken down as follows:

- The Finance, Audit and Risk Committee met on 5 occasions with all its members attending 100% of the meetings.
- The Appointments and Remuneration Committee met on 2 occasions and all of its members attended all of these meetings.
- The Corporate Governance and Board Affairs Committee met on 2 occasions and all of its members attended 87.5% of these meetings.
- The Strategic Planning and Sustainability Committee met on 2 occasions and all of its members attended all of these meetings.

### **EVALUATION OF THE INDEPENDENT STATUS OFFERED BY THE CANDIDATES FOR THE BOARD OF DIRECTORS**

With regard to the independent status of the members of its Board of Directors, Grupo Nutresa has voluntarily adopted a more rigorous definition than that required pursuant to Law 964 of 2005. This criteria, as adopted by Grupo Nutresa, has been duly enshrined in its Code of Corporate Governance and, based on this, a Board member or a candidate for such position shall be considered to have an independent status when:



- Said member or candidate is not an employee or an executive officer of either the Company or any of its Subsidiaries, nor has been during the year immediately prior to their appointment, unless the member or candidate in question is being re-appointed as an independent member.
- Said member or candidate is not a shareholder who, directly or by virtue of any agreement, directs, steers or controls the majority of the voting rights inherent to the Company's share capital, including the parent company and its subsidiaries, or appoints the majority of the members of the Company's administrative, management or governing bodies.
- Said member or candidate or his or her relatives (spouses, relatives within a third degree of consanguinity, second degree of affinity and degree of relationship by adoption), or companies in which he or she or corresponding relatives (i) enjoy the status of a majority shareholder; (ii) are not partners or employees of associations or companies that provide advisory or consulting services to the Company; or (iii) companies belonging to the Nutresa Business Group whose net income represents twenty percent (20%) or more of its operating income.
- Said member or candidate or his / her relatives are not employees or trustees of a foundation, association or entity that receives significant donations from the Company or its subsidiaries, that is to say, those that represent more than twenty percent (20%) of the total donations received by the respective institution.
- Said member or candidate is not an administrator of an entity, whose Board of Directors includes a legal representative of either the Company or its subsidiaries.
- Said member or candidate does not receive any remuneration from the Company other than the fees paid to him or her as a member of the Board of Directors or any of its Board Committees.
- Said member or candidate or his / her relatives, or companies in which he/she or corresponding relatives are senior partners or majority shareholders, are not partners or employees of the firm that serves as the Statutory Auditing firm or Internal Auditing staff of either the Company or its subsidiaries, or has been during the previous three (3) years.
- Said member or candidate or his / her relatives are not employees of a company in which any member of the Company's senior management serves or has served during the previous three (3) years on the Appointment and Remuneration Board Committee of a company in which the member of senior management or relatives are employees.

The Appointments and Remuneration Committee evaluated, against the aforementioned criteria, each of the Board members appointed for the period April 2017 to March 2018 and whose reappointment is proposed for the period April 2018 to March 2019 and concluded that the following members fully comply with the requirements established for members enjoying an independent status:



Antonio Celia Martínez-Aparicio  
Jaime Alberto Palacio Botero  
Mauricio Reina Echeverri  
Cipriano López González

This same evaluation concluded that David Bojanini, Gonzalo Pérez and Maria Clara Aristizabal, whose reappointment is proposed for the period April 2018 to March 2019, all meet the conditions for serving as equity members.